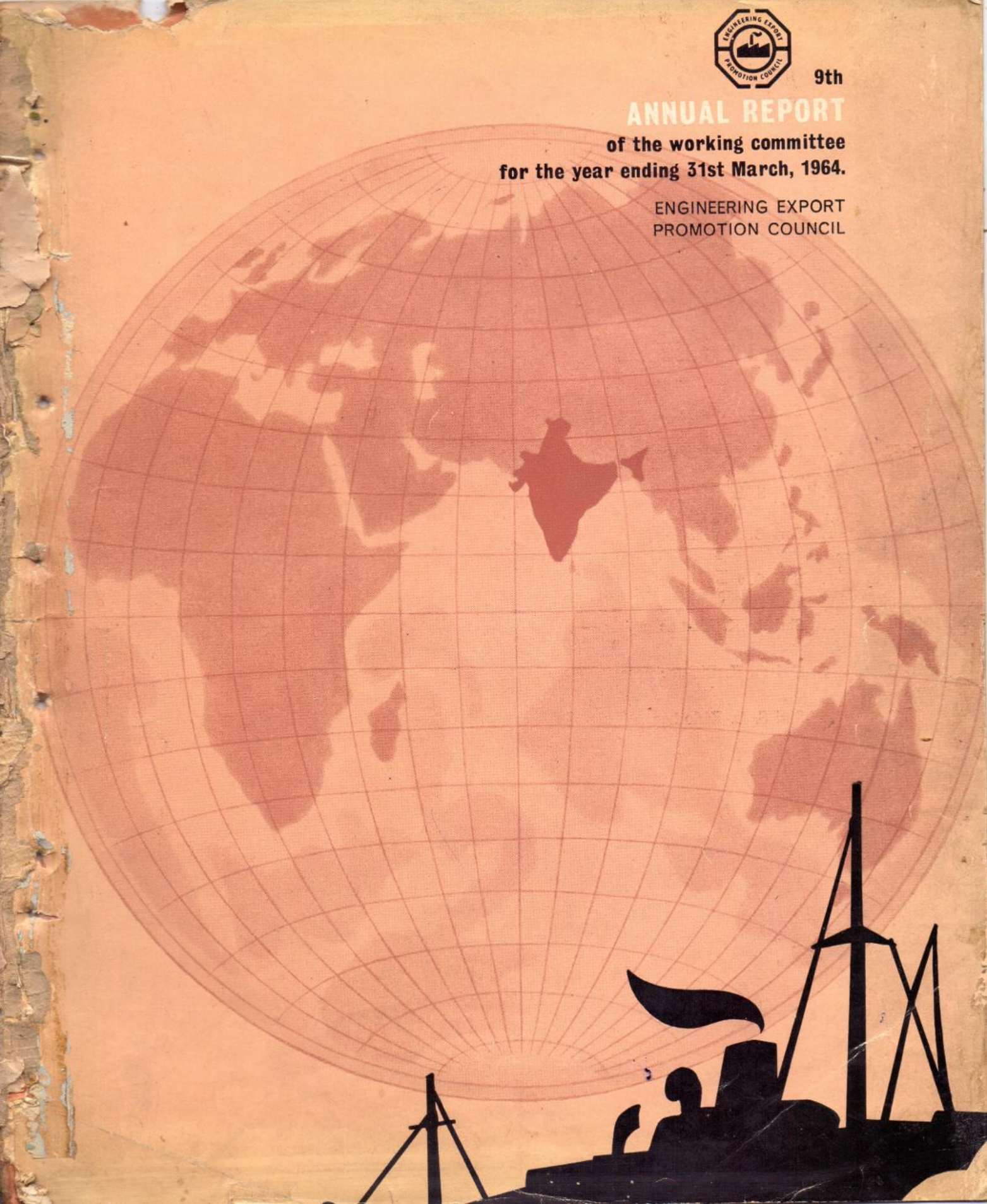




9th

ANNUAL REPORT
of the working committee
for the year ending 31st March, 1964.

ENGINEERING EXPORT
PROMOTION COUNCIL



PAST CHAIRMEN OF THE COUNCIL

1955-56	.. Shri D. N. Jalan
1956-57	.. Shri K. L. Chowdhary
1957-58	.. Shri S. L. Kirloskar
1958-59	.. Shri B. S. Agarwal
1959-60	.. Shri B. S. Agarwal
1960-61	.. Shri A. K. Bhattacharya
1961-62	.. Shri A. K. Bhattacharya
1962-63	.. Shri S. L. Kirloskar

CONTENTS

	<i>Page</i>
REPORT OF THE WORKING COMMITTEE ..	3
EXTERNAL PROPAGANDA	12
INTERNAL PROPAGANDA	16
SERVICING OF EXPORTERS	17
DISSEMINATION OF	
MARKET INFORMATION	31
EXPORT PERFORMANCE	35
GRAPH	39
GENERAL REVIEW OF	
EXPORT PROMOTION EFFORTS ..	40
APPENDIX	55
AUDITORS' REPORT	61
BALANCE SHEET	62
INCOME & EXPENDITURE ACCOUNT ..	66
SCHEDULE "A"	72
SCHEDULE "B"	73



ENGINEERING EXPORT PROMOTION COUNCIL

Head Office :

Engineering Export Promotion Council,
14/1B, Ezra Street, Calcutta-1

Phone : } 34-7896 (2 lines)
 } 34-8454 (3 lines)

Regional Offices :

BOMBAY

Engineering Export Promotion Council,
5, Padam (1), Pedder Road, Bombay-26.
Phone : 71425

MADRAS

Engineering Export Promotion Council,
Agurchand Mansion, 2nd Floor,
35, Mount Road, Madras-2.
Phone : 87501

NEW DELHI

Engineering Export Promotion Council,
9-A, Nizamuddin West, New Delhi-14,
Phone : 619878

Foreign Offices :

BEIRUT (LEBANON)

Engineering Export Promotion Council (India),
Shala Shatila Bldg.
Rue Jeanne d'Arc, Hamra Street,
Beirut (Lebanon).

DUSSELDORF (WEST GERMANY)

Engineering Export Promotion Council (India),
Indische Technische Handelsberatung,
4, Dusseldorf, Immermannstr. 59.

LONDON

Engineering Export Promotion Council (India),
8, South Audley Street, London, W.I.

NAIROBI (KENYA)

Engineering Export Promotion Council (India),
Post Box No. 2030,
Nairobi (Kenya).

SINGAPORE

Engineering Export Promotion Council (India),
2/1B, Amber Mansions, Orchard Road,
P.O. Box 6, Killeney Rd., Post Office,
Singapore-9.

Report of the Working Committee

The Committee have pleasure in presenting this report for the year ending 31st March 1964. The Committee was constituted at the Annual General Meeting held on the 14th November, 1963 and the report that follows covers the period 1st April, 1963 to 31st March, 1964.

ADMINISTRATION

WORKING COMMITTEE

The Working Committee consisted of the following members and met 13 times during the year under review :

Chairman :

Shri S. L. Kirloskar

Vice-Chairmen :

Shri R. H. Mody

Shri R. L. Rajgarhia

Government Nominees :

Shri S. C. Mukherjee

Shri Amar Kanta Sen

Shri M. M. Vadi (Industrial Advisor)

Other Members

Shri B. S. Agarwal

Shri S. P. Agarwalla

Shri Bahubali Gulabchand

Shri G. L. Bansal (Dr. Ram Gopal Agarwal
—from 13th March 1964)

Lala Bharat Ram (Shri K. P. Goenka
—from 9th March 1964)

Shri A. K. Bhattacharya

Shri A. P. Bhuwalka

Shri Ghanshamdas Binani

Shri B. S. Bugga

Shri K. L. Chowdhary

Shri A. C. Dev

Shri Bharat G. Doshi

Dr. U. P. Ganguly

Shri G. R. Hada

Shri R. R. Handa

Shri Basant Kumar Jhawar

Shri Jaidev Kapur

Shri G. N. Khaitan

Shri M. L. Kocher

Shri L. P. Misra (Shri N. Annaswamy
—from 23rd March, 1964)

Shri S. N. Mukherjee

Shri Shyamaprasad Murarka

Shri Swaraj Paul

Shri S. N. Rungta

Shri D. D. Saraf

Shri M. L. Shroff

Lala Sridhar

Shri R. D. Trivedi

COMMITTEE OF ADMINISTRATION

The Committee of Administration consisted of the following members and met 13 times during the year under review :

Chairman

Shri S. L. Kirloskar

Vice-Chairmen

Shri R. H. Mody
Shri R. L. Rajgarhia

Government Nominees

Shri S. C. Mukherjee
Shri Amar Kanta Sen

Other Members

Shri B. S. Agarwal
Shri G. R. Hada
Shri G. N. Khaitan
Shri S. N. Mukherjee
Shri R. D. Trivedi

REGIONAL COMMITTEES

The Regional Committees at Bombay and Madras which had been functioning since the year before continued to render valuable service and on-the-spot assistance to various exporters in the different parts of the region. Being satisfied that the Regional Committees were doing good service, the Working Committee decided that another Regional Committee at Delhi should be formed which started functioning from March 1964. The report of the Regional Committees has been discussed under the heading 'ACTIVITIES OF THE COUNCIL'.

Composition of the Regional Committees was as under :

BOMBAY

Shri N. D. Sahukar, Chairman
Shri Bahubali Gulabchand, Dy. Chairman
Shri Omprakash Agarwal
Shri Madhusudan Amersey
Shri Firoz S. Baldiwala
Shri B. V. Bhoota
Shri J. V. Doshi
Col. O. G. Eapen
Shri C. M. Ghorpade
Shri P. L. Kirloskar
Shri M. L. Mansukhani
Shri B. N. Nair
Shri C. N. Pradhan
Shri N. D. Punjabi

DELHI

Shri Jaidev Kapur, Chairman
Shri L. R. Mago, Dy. Chairman
Shri A. N. Ahuja
Shri S. B. Basu
Shri B. S. Bhatnagar
Shri Brij Mohan
Shri K. K. Jalani
Shri A. C. Mehra
Shri H. P. Nanda
Shri V. Punj
Shri Lajpat Rai
Shri K. Rajagopalan
Shri S. K. Sen
Shri Sherwani
Shri R. K. Soni
Shri Sri Narain
Shri S. S. Sundra
Shri S. S. Taluja
Shri W. N. Talwar
Shri D. V. Virmani

MADRAS

Shri A. M. M. Arunachalam, Chairman
Shri S. Anantharam, Dy. Chairman
Shri N. Duraiswamy
Shri V. L. Dutt
Shri K. Easwaran
Shri S. Kanjilal
Shri Ravi L. Kirloskar
Smt. A. K. R. Lakshmi
Shri S. Peer Mohammed
Shri V. M. Srikumaran Nayar

SUB-COMMITTEES

The Working Committee at their meetings held on 3rd December 1963 and 9th January 1964, reconstituted the following Sub-Committees :

Registration Sub-Committee (Ferrous)

Shri S. N. Rungta, Convenor
Shri Ghanshamdas Binani, Dy. Convenor
Shri A. M. M. Arunachalam
Shri P. K. Biswas
Shri G. C. Bhattacharjee
Shri P. N. Chatterjee
Shri S. S. Chowdhary
Shri G. M. S. Eapen

Shri C. L. Gandhi
Dr. U. P. Ganguly
Shri S. K. Guha
Shri Jaidev Kapur
Shri V. N. Karnani
Shri S. N. Khaitan
Shri M. L. Kocher
Shri S. K. Mondal
Shri K. K. Nathani
Shri O. G. O'Neill
Shri N. D. Sahukar
Shri D. D. Saraf
Shri V. Sarda
Shri S. Sarvadhikari
Shri M. L. Shroff
Shri P. C. Sen
Shri R. Subramaniam
Shri S. K. Vohra

Registration Sub-Committee (Non-Ferrous)

Shri R. D. Trivedi, Convenor
Shri Ghanshamdas Binani, Dy. Convenor
Shri A. M. M. Arunachalam
Shri H. S. Amin
Shri P. K. Biswas
Shri S. K. Guha
Shri Jaidev Kapur
Shri N. D. Sahukar
Shri W. Wood

Replenishment Sub-Committee

Shri D. D. Saraf, Convenor
Shri K. K. Nathani, Dy. Convenor
Shri A. M. M. Arunachalam
Shri M. L. Atta
Shri C. R. Banerjee
Shri M. B. Bhatt
Shri B. L. Dalmia
Shri S. K. Guha
Shri M. R. Jalan
Shri Jaidev Kapur
Shri S. N. Khaitan
Shri Inder Prasad
Shri S. C. Mukherjee
Shri J. P. Rele
Shri N. D. Sahukar
Shri M. Viswanathan

Publicity Sub-Committee

Shri K. L. Chowdhary, Convenor
Shri R. R. Handa, Dy. Convenor
Shri S. P. Agarwalla
Shri A. M. M. Arunachalam
Shri P. K. Biswas
Shri A. P. Bhuwarka
Shri B. S. Bugga
Shri A. C. Chatterjee
Shri S. K. Guha
Dr. U. P. Ganguly
Shri R. P. Gupta
Shri Jaidev Kapur
Shri B. H. Rai
Shri J. Oomrigar
Shri N. D. Sahukar
Shri D. N. Singha
Shri J. P. Sangal
Shri B. K. Thirani

Technical Sub-Committee

Shri K. K. Nathani, Convenor
Shri D. K. Sen, Dy. Convenor
Shri A. M. M. Arunachalam
Shri P. N. Chatterjee
Shri S. K. Guha
Shri Jaidev Kapur
Shri R. Rochford
Shri S. C. Mookerjee
Shri Swaraj Paul
Shri H. N. Pandit
Shri Inder Prasad
Shri N. D. Sahukar
Shri K. N. Sapru

Delegation Sub-Committee

Shri S. L. Kirloskar, Convenor
Shri B. S. Agarwal, Dy. Convenor
Shri A. M. M. Arunachalam
Shri A. K. Bhattacharya
Shri P. K. Biswas
Shri B. S. Bugga
Shri K. L. Chowdhary
Shri S. K. Guha
Shri G. R. Hada

Shri R. R. Handa
Shri Jaidev Kapur
Shri G. N. Khaitan
Shri V. P. Malhotra
Shri B. P. Poddar
Shri B. H. Rai
Shri N. D. Sahukar
Shri M. L. Shroff

Panel Sub-Committee

Shri R. L. Rajgarhia, Convenor
Shri Ghanshamdas Binani, Dy. Convenor
Shri B. S. Agarwal
Shri A. M. M. Arunachalam
Shri K. L. Chowdhary
Shri G. R. Hada
Shri B. K. Jhawar
Shri Jaidev Kapur
Shri V. N. Karnani
Shri G. N. Khaitan
Shri S. N. Khaitan
Shri M. L. Kocher
Shri S. P. Murarka
Shri B. P. Poddar
Shri N. D. Sahukar
Shri D. D. Saraf
Shri M. L. Shroff
Shri R. D. Trivedi

Shipping Sub-Committee

Shri B. S. Agarwal, Convenor
Shri V. N. Karnani, Dy. Convenor
Shri A. M. M. Arunachalam
Shri S. Basu
Shri B. L. Dalmia
Shri P. R. Guha
Shri Jaidev Kapur
Shri P. Kumar
Shri Alokranjan Ray
Shri N. D. Sahukar
Shri D. D. Saraf
Shri S. N. Sen
Shri R. Vir

Membership Sub-Committee

Shri G. R. Hada, Convenor
Shri S. N. Mukherjee, Dy. Convenor
Miss A. S. Mahtani
Shri R. L. Rajgarhia
Shri B. K. Thirani

Complaint Sub-Committee

Shri M. L. Shroff, Convenor
Shri P. N. Chatterjee, Dy. Convenor
Shri P. K. Biswas
Shri S. K. Guha
Shri G. R. Hada
Shri V. N. Karnani
Shri S. C. Mookerjee
Shri P. T. Shah
Shri M. Sen

Overseas Sub-Committee

Shri B. S. Bugga, Convenor
Shri Swaraj Paul, Dy. Convenor
Shri B. S. Agarwal
Shri S. P. Agarwalla
Shri A. K. Bhattacharya
Shri K. L. Chowdhary
Shri G. R. Hada
Shri R. R. Handa
Shri M. L. Kocher
Shri M. L. Shroff

Finance & Staff Sub-Committee

Shri G. N. Khaitan, Convenor
Shri A. K. Bhattacharya, Dy. Convenor
Shri S. K. Guha
Shri G. R. Hada
Shri B. P. Poddar

Constitution Sub-Committee

Shri G. N. Khaitan, Convenor
Shri S. N. Mukherjee, Dy. Convenor
Shri S. K. Guha
Shri B. P. Poddar
Shri N. D. Sahukar
Shri R. D. Trivedi

MEMBERSHIP

During the year under consideration, the Council made good headway in enlisting new members. It showed a net increase of 40% rising from 398 to 560 as on 31st March 1964. Regionwise membership stood as follows :

Calcutta region	..	..	..	..	..	235
Bombay region	..	..	..	..	..	171
Madras region	..	..	..	..	..	60
Delhi region	..	..	..	..	..	94

During the year under review, 27 firms ceased to be the members of the Council.

REORGANISATION AND EXPANSION

ABROAD

Shifting of the Council's Office from Mombasa to Nairobi

The Government of India suggested that the Council's Office should be shifted from Mombasa to Nairobi in order to intensify export activities in East African and adjoining countries. The Council invited opinions from different Export Houses doing business with East African countries and on the basis of their replies, it was felt that Nairobi was a better centre of business and political activities. Most of the Import Houses for engineering goods were situated there as also the Government Offices had headquarters in Nairobi. The consensus of opinion was that contracts at Government level and those with the indenting houses could be handled better from Nairobi than Mombasa.

As such, the Council's Office was shifted from Mombasa to Nairobi.

Shifting of the Council's Office from Rangoon to Singapore

Because of the conditions prevalent in Burma and very limited scope of business activity, the Council shifted its Office to Singapore during July-August 1963. With the opening of the Office in Singapore, movement to neighbouring market has become easier.

Shifting of the Council's Office from Cairo to Beirut.

Because of the changes in economic policies and Government decision to regulate imports through a few approved organisations, the scope for day-to-day contacts and export promotion work was reduced in Cairo. Movement from Cairo was also comparatively difficult. The Council's Foreign Office in Cairo was therefore shifted to Beirut in March 1963.

Opening of the New Offices at Dusseldorf & London

Dusseldorf : The Council's Office in Dusseldorf was opened in early 1964 and Mr. D. S. Ahluwalia was appointed as Officer-in-Charge. The jurisdiction of this Office covers the ECM and East European countries. Steps were taken to organise a showroom in the Council's

premises. It is hoped that with the opening of this Office, our exports to European countries would increase.

London: The Council's London Office was opened in January 1964 and placed in charge of Mr. N. N. Rao. The areas covered by this Office were U.K. and EFTA countries.

IN INDIA

Owing to increased pressure of work and activities of the Council increasing manifold, it was felt necessary to increase the staff strength. As such, some additional recruitments were made at Headquarters and at the Regional Offices.

Keeping in view the expanding activities at Regional Offices, the Regional Committees were empowered to have as many Sub-Committees as they considered necessary for discharge of day-to-day work. Accordingly, at the recommendations of the Regional Committees, sub-committees such as registration, import licences, complaints, shipping, staff etc. were set up by the Working Committee. Necessary staff was also sanctioned to cope with the increase in volume of work.

ACTIVITIES OF THE COUNCIL

FOREIGN OFFICES

Nairobi

The Office continued to render assistance to the members and enquiries received were forwarded to the parties concerned. Cumulative export in 1963 to Kenya, Uganda, Tanganyika and Zanzibar recorded an increase of 14%. The export performance during the year in question increased to Rs. 151.42 lakhs as against Rs. 113.91 lakhs during the year 1962-63, thereby showing an increase of 32% (approx.).

Singapore

The Office continued to receive enquiries which were recorded and forwarded to the members concerned. Market surveys were conducted by the Foreign Officer and the findings were circulated among the interested members. The export performance during the year in question increased to Rs. 486.13 lakhs as against Rs. 261.01 lakhs during the year 1962-63, thereby showing an increase of 85% (approx.).

Beirut

The Foreign Officer undertook extensive tours of various parts of the Middle East to study the market conditions in those countries. He carried out export promotion activities in the following countries :

Abu Dhabi, Aden, Cyprus, Kuwait, Lebanon, Libya, Muscat & Oman, Republic of Iraq, Saudi Arabia, Syria, Trucial States, Tunisia, Turkey, U.A.R. (Egypt).

The export performance during the year in question increased to Rs. 399.45 lakhs as against Rs. 311.48 lakhs during the year 1962-63, thereby showing an increase of 28% (approx.).

Dusseldorf

The Officer-in-Charge visited the International Building Machinery and Building Materials Trade Fair in Munich in March 1964 and received some valuable enquiries which were forwarded to the members concerned. The export performance has gone upto 143.83 lakhs during the year in question as against Rs. 28.54 lakhs during the year 1962-63, thereby showing an increase of 404% (approx.).

London

This Office received a number of enquiries during the few months which were forwarded to the members concerned. As a result of the opening of the above Office, the export performance during the year in question has increased to Rs. 71.11 lakhs as against Rs. 38.21 lakhs during the year 1962-63 thereby showing an increase of 86% (approx.).

REGIONAL OFFICES

Bombay

The Engineering Export Promotion Committee for Bombay Region at their various meetings registered 570 firms for various engineering items for a total target of Rs. 1,33,20,215/- and recommended import licences for a total value of Rs. 1,57,78,474/- (Rs. 74,58,972/- for steel items and Rs. 83,19,502/- for non-steel items) during the year under review.

Advance licences

29 applications were disposed of for advance licences for a total value of Rs. 54,53,346.92.

Advance Indigenous quota

10 applications were disposed of for a total quantity of 7,259.731 M.T. against firm overseas orders.

Complaints from overseas parties

3 complaints from overseas parties were received during the period under review, and steps were taken to settle the complaints expeditiously.

With a view to finding out the problems faced by the exporters in Bombay region and to acquaint the Minister for International Trade with those problems, a Conference of Exporters was convened in Bombay on the 21st September, 1963.

The Office took up the individual cases of exporters with the authorities concerned for expeditious disposal of their cases.

Madras

During the year under review, the Office continued to scrutinise and dispose of the applications for registration as well as for import licence. During this period 8 meetings of the Regional Committee for Madras were held to consider various matters. One conference

was held on 3rd August 1963 at Bangalore to disseminate information among the exporters regarding the Special Export Promotion Scheme and the various activities of the Council.

A total number of 100 firms were registered under the Special Export Promotion Scheme with a target of Rs. 73,02,310/-. As on 31st March 1964, the total number of registered firms for ferrous products stood at 189.

During this year 64 applications for import licence were disposed of by this Office and the total value of licences recommended was as follows :

Steel Items	Rs. 3,15,072.00
Non-Steel Items	Rs. 5,90,869.00
	Rs. 9,05,941.00

During the period 1st April, 1963 to 31st March, 1964, the total export performance from the southern region was Rs. 54,91,301/- (ferrous products).

In February 1963, the following 3 Sub-Committees were constituted :

- | | |
|------------------------------------|---|
| (1) Registration Sub-Committee : | To consider the applications for registration under the Special Export Promotion Scheme and to watch the export performance of the registered firms. |
| (2) Import Licence Sub-Committee : | To consider and recommend the applications for import licences against exports, and to consider the allocation of indigenous steel materials on advance basis against firm export orders. |
| (3) Technical Sub-Committee : | To advise the Office and the other Committees on Technical matters. |

The 1st meeting of the Import Licence Sub-Committee was held on the 31st March, 1964.

During the year under review, the Office continued to serve the members and the registered exporters in the southern region, and assistance was rendered to solve difficulties relating to Customs, Drawbacks, Foreign Exchange, Passport etc. Useful information for the promotion of export were circulated from time to time among the members and registered exporters. A delegation of 2 businessmen viz. Messrs. Tawfik and Yousefzadeh from Iran invited by the Council, visited Madras and Bangalore, where they were shown round the various industries, and the members were also put in touch with them for discussions. Another Delegation consisting of 4 members from East Africa visited Madras and Bangalore and they were also taken to the different factories. The discussions with these delegations had been very useful and already some business had resulted out of these discussions.

Delhi

The Office received a number of foreign visitors, distinguished dignitaries and Government Officials and acquainted them with the possibilities of exporting the engineering goods abroad.

Visit of the East African Delegation to Delhi Regional Office

Members of the East African Delegation arrived in New Delhi from Bombay on 15th March and they were received by Mr. S. Than, Director, Foreign Trade and Mr. Humayun Mirza, Deputy Secretary, Protocol. The members of the Delegation met the following personnel at the Ministry :

Shri D. S. Joshi	..	..	Secretary
Shri S. Than	..	..	Director, Foreign Trade

The Delegation visited the factories of M/s. Escorts Limited, Faridabad, and M/s. Atlas Cycle Industries Ltd., Sonapat, Okhla Estate, New Delhi. They were also shown the Low Cost Housing Scheme Colony and Road Research Institute.

Visit of Mr. & Mrs. Yousefzadeh from Iran

Mr. and Mrs. Yousefzadeh arrived at New Delhi on 13th January 1964 as the guests of the Council. They visited several factories and meetings were arranged with different Officials of the Ministry of International Trade.

External Propaganda

JOINT FOREIGN PUBLICITY

In pursuance of the policy of the Council to publicise selected engineering brands in foreign countries, the Council spent a sum of Rs. 4,70,000.00 on the following brands of the engineering items :

Brands	Party
ASE, AHUJA, HI-FI	.. Ahuja Radios, New Delhi.
ATLAS, EASTERNSTAR, } ARMY, ZEBRA, POLAR }	.. Atlas Cycle Industries, Sonapat, Near Delhi.
TIGER	.. Bengal Enamel Works Ltd., Calcutta.
BLUESTAR	.. Blue Star Engg. Co. Ltd., Bombay.
CHALLENGE	.. Challenge Engineering Works, Calcutta.
DEVIDAYAL	.. Devidayal Stainless Steel Industries P. Ltd., Bombay.
ELVOC	.. Elvoc Private Limited, Calcutta.
GANESH, DELITE, FANS	.. Ganesh Flour Mills Ltd., New Delhi.
I.H.P.	.. Indian Hume Pipe Co. Ltd., Bombay.
I.T.I.	.. Indian Telephone Industries Ltd., Bangalore.
JYOTI	.. Jyoti Limited, Baroda.
KP, CAMEL, STEELUX	.. Kedarnath Parsotamdas & Co. P. Ltd., Calcutta.
MANSFIELD	.. Mansfield Oil Gas Co. Ltd., Calcutta.
MK	.. Mysore Kirloskar Ltd., Harihar.
METRO, PRABHAT } EKNUMBER, BONZE }	.. National Razors & Blades P. Ltd., Calcutta.
TALBROS GASKETS	.. Payen Talbros P. Ltd., New Delhi.
RITA	.. Rita Mechanical Works, Ludhiana.
ESCORTS	.. Escorts Limited, Faridabad.

HAVELLS	..	Havells Electricals (Sales) Corpn., New Delhi.
S.P.	..	S. P. Engineering Corporation, Kanpur.
BENI, AMBASSADOR	..	United Commercial & Industrial Co. P. Ltd., Calcutta.
PARAMITE	..	Indian Cable Co. Ltd., Calcutta.
NICCO	..	National Insulated Cable Co. of India Ltd., Calcutta.
SARU	..	Saru Smelting & Refining Corporation P. Ltd., Meerut.
MEI KASSELS	..	Matchwel Electricals Ltd., New Delhi.
KAY	..	Kay Iron Works P. Ltd., Ambala.
GEEP, JANTA	..	Geep Flashlight Industries Ltd., Allahabad.
CROWN	..	Jeewanlal (1929) Ltd., Calcutta.
'K'	..	Kamani Metals & Alloys Ltd., Bombay.
SARATHI, COBRA, S	..	Shree Krishna Private Ltd., Calcutta.
HORSEBRAND	..	Tayabi Bucket Factory, Bombay.
COOPER	..	Cooper Engineering Ltd., Bombay.
STEELMASTER	..	Cromelite (India) P. Ltd., Calcutta.
SLC	..	D. N. Singha & Co., Calcutta.
GODREJ	..	Godrej & Boyce Mfg. Co. P. Ltd., Bombay.
BHARAT, PANAMA, 6-MORNING, DOLLAR, EAGLE, BOXER, SAVOLA, PRINCE, CAT	..	Harbanslal Malhotra & Sons P. Ltd., Calcutta.
USHA	..	Jay Engineering Works Ltd., Calcutta.
CHAKRA	..	J. K. & Sons, Bombay.
KIRLOSKAR	..	Kirloskar Oil Engines Ltd., Poona.
CYCLE, QUEEN	..	Lallubhai Amichand P. Ltd., Bombay.
PARROT, SWAN	..	Nathmall Girdharilall, Calcutta.
ORIENT	..	Orient General Industries Ltd., Calcutta.
HELEX	..	Allied Lamp Exporters, Calcutta.
CHAMPION	..	Champion Engineering Works P. Ltd., Bombay.
KIRLOSKAR	..	Kirloskar Brothers Ltd., Kirloskarwadi.
NUMEX	..	Numex Engineers, Bombay.
"BBBB", "KIG"	..	Forbes, Forbes Campbell & Co. Ltd., Bombay.

GENERAL OVERSEAS PUBLICITY

Besides the brand publicity, the Council also carried out general publicity through advertisements in the foreign press. A sum of Rs. 30,000/- was spent under this project. In addition, a sum of Rs. 25,000/- was spent in East European countries and Rs. 50,000/- in West Europe and U.K. to coincide with the opening of the Foreign Offices in Dusseldorf and London and proposed visit of the Council's Delegation to East European countries. Other advertisements were also released, from time to time in various countries to coincide, as far as possible, with the visits of Study-cum-Sales teams, holding of Exhibitions and Trade Fairs etc.

Directory of Exporters

1,500 copies of the 5th edition of the Directory of Indian Engineering Exporters were published in October, 1963. These were circulated among the important Chambers of Commerce and Trade Associations within India and abroad, Government Departments and importers of engineering goods in the overseas countries. Indian representatives stationed abroad, foreign trade representatives in India and other interested parties through the Council's Foreign Offices.

Overseas Journal

The Council continued to publish its monthly Overseas Journal 'The Indian Engineering Exporter'. Owing to the increased demand for the journal in overseas markets and also from subscribers within the country, its circulation has been showing upward trend from year to year. Copies of the Journal were distributed at the important International Trade Fairs. Every care was taken to see that the production and quality of the Journal improved. To attain this, additional information was incorporated with technical articles written on engineering goods possessing export potential.

Exhibitions & Trade Fairs

During the period ending March 1964, the Council arranged in procuring exhibits for the following Exhibitions/Trade Fairs and Displays held in the various countries abroad :

- (a) Leipzig Spring Fair—1st to 10th March, 1964.
- (b) Display of Engineering Goods in Djakarta Showroom during January-March, 1964.
- (c) Display of Engineering Goods in Indian Trade Centre, Bahrain.
- (d) Display of Miscellaneous goods in India Showroom, Rangoon—December 1963 to February 1964.
- (e) Display of Engineering Goods in India Showroom, Bangkok—August-October, 1963.
- (f) Display of Engineering Goods in India Showroom, Kabul.
- (g) 14th German Industries Fair—Partners of Progress—Asia—12th to 27th October, 1963.
- (h) Indian Industries Exhibition in Kuwait, Middle of March, 1964.
- (i) Display of Miscellaneous goods in India Showroom, Jeddah—December 1963 to January 1964.
- (j) Display of Miscellaneous goods in India Showroom, Rangoon—February-April, 1964.

- (k) Display of Hospital equipment and surgical instruments in India Showroom, Cairo—August-October, 1963.
- (l) Zagreb International Autumn Fair—7th to 22nd September, 1963.
- (m) Display of Engineering Goods in India Showroom, Nairobi.
- (n) Permanent Display at India Showroom, Khartoum.
- (o) New York World Fair.

Delegation & Study Teams

Delegations

During the year under review a seven-man trade delegation under the leadership of Shri K. K. Nathani was sponsored by the Council with a view to study the prospects of exporting the Indian Engineering goods to Australia. The delegation left India on 25th February and returned on 16th March 1964. It visited Sydney, Port Kembla, Melbourne, Canberra and Perth and contacted various Chambers of Commerce, Trade Associations, manufacturers, importers, exporters and Government Officials. The report of the delegation was widely circulated to the Indian Exporters and the Australian Businessmen. The report gave useful information to the Indian exporters suggesting ways and means to promote exports of the Indian Engineering goods to Australia. Important recommendations of the Delegation are given in the Appendix.

Study-cum-Sales Teams

The Council also sponsored 39 Study-cum-Sales teams to U.K., U.S.A., S.E. Asia, East and West Africa and West Asia to explore export of Indian Engineering goods. The reports submitted by the Individual study teams were circulated amongst the Indian exporters and follow up work was done by the Council. The Scheme of sponsoring Study-cum-Sales teams has been found useful in establishing personal contacts and boosting up exports.

Internal Propaganda

Home Bulletin

The publication of fortnightly Home Bulletin was continued. Its circulation increased considerably and efforts were always directed to make the publication still more useful to its readers. Presently, 2,000 copies of the Bulletin are being published.

Press Conference

The Chairman took the opportunity of meeting the press and acquainting it with the problems and progress of the Council.

Press Communiques

Press Communiques were released from time to time on the activities of the Council with particular reference to the increase in exports and diversifications of the export.

General Publicity

As usual, advertisements in newspapers, journals published in India were released according to schedule with a view to create export consciousness amongst manufacturers/exporters of Indian engineering goods.

Publications

During the year under review, the Council brought out the following publications including reports of Trade Delegations and Study Teams :—

1. Directory—5th Edition.
2. Report of the Study-cum-Sales Team for Non-Ferrous products sent to South East Asian countries.
3. Report of the Trade Delegation to West Europe & U.K.
4. Hints to Businessmen visiting Kuwait.
5. Things an Exporter should know (Third revised edition).
6. Report of the Study-cum-Sales Team for Bicycles and accessories.
7. Brochure on Indian Engineering Industries published in connection with the Trade Delegation to West Europe & U.K.

Certificates of Origin

During the period under review, 449 Certificates of Origin were issued by the Council.

Servicing of Exporters

SPECIAL EXPORT PROMOTION SCHEME

Registration

Till 31st March 1963, the Special Export Promotion Scheme was operated on yearly basis. For the first time, during the year under review, announcement was made by the Government that the Special Export Promotion Scheme would be put on permanent basis. This was made effective from 1st April 1964. The gesture on the part of the Government was immediately responded to by the exporters who got themselves registered in large numbers. The revised Scheme was printed on 1.4.1963 and again on 31.3.64 incorporating all the amendments issued from time to time.

The salient features of the revised Scheme, which were in operation during 1963-64, are the following :—

- (1) The import entitlement in the case of non-ferrous items as well as stainless steel products was raised from 75% to 100% of the f.o.b. value of exports. These changes came into effect from 1.9.1963. The issue of licences against export of stainless steel products was, however, suspended with effect from 4th November 1963.
- (2) The exporters of non-ferrous products were permitted to import stainless steel to the extent of 25% of the entitlement for use in their own factory or for resale to other manufacturers/exporters.

Similarly, the exporters of stainless steel products were permitted to import 25% of the entitlement by way of non-ferrous items for use in their own factory or for resale.
- (3) Effective from 1st October 1963 permission was given to the exporters to import precision and measuring tools to the extent of 10% of the f.o.b. value against the export of general engineering and electrical goods and machinery and transport equipment.
- (4) The PVC Cables were transferred to the Council with effect from 1.10.1963 and the entitlement was fixed at 100% of the f.o.b. value of exports.
- (5) Cash subsidy was allowed against export of bicycle and bicycle parts @ Rs. 30/- per bicycle and 30% of the f.o.b. value of exports in the case of cycle components in respect of Small Scale Industries who were not eligible to become members of the Cycle Pool, operated by the Cycle Manufacturers' Association.

The strength of registered firms (region-wise) for ferrous and non-ferrous products during the above period is given below :

Region	Total firms registered for Ferrous items	Total firms registered for Non-Ferrous items	Total
Calcutta	468	66	534
Bombay	735	123	858
Delhi	241	50	291
Madras	189	36	225
	1633	275	1908

Non-Ferrous Products

Although Non-ferrous products were included under the above Scheme with effect from 21.9.1962 the increase in the export performance was noticeable during the period 1963-64. Import entitlement in respect of non-ferrous products was enhanced from 75% to 100% with effect from 1.9.1963 as a result of which export looked up. A number of regular exporters of other items showed keen interest in export of non-ferrous products. The details of region-wise exports of non-ferrous products are given below :

Calcutta	..	..	..	..	Rs. 43,34,102/-
Bombay	..	..	..	..	Rs. 48,70,365/-
Delhi	..	..	..	..	Rs. 14,11,139/-
Madras	..	..	..	..	Rs. 3,44,633/-
					Rs. 1,09,60,239/-

Sale of entitlement

The Special Export Promotion Scheme was amended from 21st August 1962 giving permission for sale of entitlement within the specified groups. This provision was in operation till 31st December, 1963. Effective from 1st January 1963, the Scheme was amended in as much as groups were abolished and not only the entitlement was permitted to be sold, but also exporters were permitted to import permissible materials and sell them to such manufacturers who export a part of their products either directly or through some exporters. Because of this facility, a large number of transactions took place in the purchase and sale of entitlement during the year under review.

A number of new engineering products were included in the above Scheme with the definite import entitlement. Some of the items included are given below :

1. R.C.C. Pipes
2. Kardex Cabinets
3. Copper Plated Mica Elements
4. Meat Menders
5. Domestic Grinders
6. Ice Cream Freezers

7. Fruit Juice Machines
8. Tungsten Metal
9. Ammonium Tungstate
10. Chisel Sets
11. Cold Chisel Sets
12. Brass and Aluminium Fountain Pen Parts
13. Tungsten Carbide
14. Aluminium Tubular Furniture
15. Scales, weights and jewellery tools made of brass, etc.

In order to expedite early registration and disposal of import applications, Registration Sub-Committee of the Council for ferrous items were meeting every week while the Registration Sub-Committee of the Council, for non-ferrous items every fortnight. The details of recommendations for import licence and indigenous quota are given below :

Calcutta & Delhi Regions

- (i) Value of import licences recommended
(Against exports of ferrous & non-ferrous items both) .. Rs. 3,23,75,148/-
- (ii) Advance licences :
Licences recommended on advance basis during 1963-64 were in favour of 24 firms amounting to Rs. 57,45,016/-.
- (iii) Quantity of indigenous iron/steel on advance basis :

Pig Iron	..	1,809.613 M/T
Steel	..	1,913.048 M/T
- (iv) B.P. Hard Coke .. 6,213.00 M/T
- (v) Buffer Stock of Steel & Pig Iron :

Steel	..	1,618.00 M/T
Pig Iron	..	8,557.00 M/T

Bombay Region

- (i) Import Licences :

For steel items	..	Rs. 74,58,972/-
For Non-steel items	..	Rs. 83,19,502/-
- (ii) Advance licences .. Rs. 54,53,246.92
- (iii) Advance indigenous Quota .. 7,259.73 M/T

Madras Region

- Import Licences :

For Steel items	..	Rs. 3,15,072.00
For Non-Steel items	..	Rs. 5,90,869.00

Technical Sub-Committee

One of the main functions of the Technical Sub-Committee is to assess the actual wastage and fix the standard net weight in respect of engineering products in order to enable the Council to allocate indigenous steel quota under Replenishment Scheme against past exports and under Special Export Promotion Scheme on advance basis. During the year under review, the Sub-Committee met 6 times and fixed the standard net weight and wastage in respect of a number of items including the following :

- (1) 'Copper' Shaping Model AS-24" length
- (2) Railway Gate lamps
- (3) Drill Machine 1/2" and 3/4"
- (4) Pen Racks
- (5) Steel Trunks
- (6) Electric Motors, TQBO-15HP-4 Pole & TQBO-20HP-4 Pole
- (7) Gas Plant
- (8) Foot Valves
- (9) Air Cooled Condenser SAC 66 complete with Air cooled Condenser RAA 620
- (10) Bobbin Rings

Replenishment

During the period under review, the following quantities of pig iron, steel and tin plate were recommended to the different firms :

Pig Iron	..	..	..	..	17,900.225 M/T
Steel	..	..	..	..	21,938.464 M/T
Tinplate	..	..	..	..	904.364 M/T

Trade Agreements

The Government of India have concluded Trade Agreements with the following 30 countries of the World :

Afganistan, Bulgaria, Burma, Ceylon, Chile, Czechoslovakia, East Germany, Egyptian Region of the U.A.R., France, Greece, Hungary, Indonesia, Iran, Iraq, Italy, Japan, Jordan, Korea (North), Morocco, Nepal, Pakistan, Poland, Rumania, Sweden, Switzerland, Tunisia, U.S.S.R., Viet-Nam (North), West Germany, Yugoslavia.

During the period under review, Trade Agreements, concluded or renewed, were circulated among the members of the Council who were also enlightened about the salient points contained in such Trade Agreements. The special payment arrangements embodied in such Trade Agreements were also interpreted to the exporters concerned. Suggestions were also invited from the members of the Council as well as other engineering manufacturers/exporters for inclusion of new items in the Trade Agreements as and when review of these agreements was made by the Government. Comments of the Council in regard to such Trade Agreements or payment arrangements were also forwarded to the Government of India.

Shipping Freight Concessions

During the year under review, the Council was able to obtain Shipping Freight Concessions on the following items :

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
Bolts & Nuts	Calcutta	U. S. A. (Pacific ports)	\$ 73.75	\$ 32.75	Per 2240 lbs
Safes & door equipment	Bombay	Bangkok	Sh. 240	Sh. 155	Cu. m.
Machinery n. e. s.	Bombay & Cochin	U. S. A. (Pacific ports)	\$ 59.25 or \$ 82.50	\$ 46.25 or \$ 51.75	Per M3 Per 1000 Kilos
Furniture New Steel in wooden cases	-do-	-do-	-do-	\$ 48.00 or \$ 53.75	Per M3 Per 1000 Kilos
Structural steel (Transmission Line Towers)	Bombay, Saurashtra & Tuticorin	Kulung & Kaohswing (direct)	Sh. 246/6	Sh. 208	Per 1000 Kilos or Cu. m.
Aluminium Ingots (loose)	India	U. K.	Sh. 282/6	Sh. 237/6	Per 1000 Kilos
Safe & Steel door	Bombay, Saurashtra Ports & Tuticorin	U. S. A.	Sh. 240	Sh. 220/6 (with transhipment)	Per Cubic meter
Aluminium Ingots	Calcutta	U. S. A.	\$ 106.5 (Tariff)	\$ 34.25 (Tariff)	Per 1000 Kilos
Wire, Ropes, Steel 2" to 1-1/8" dia.	Calcutta	U. S. A.	\$ 76.75 (Tariff)	\$ 49.25 (Tariff)	Per M3
			\$ 65.25 (Contract)	\$ 42.00 (Contract)	Per M3
-do-	-do-	-do-	\$ 106.50 (Tariff)	\$ 55.00 (Tariff)	Per 1000 Kgs.
			\$ 90.00 (Contract)	\$ 46.75 (Contract)	Per 1000 Kgs.
Metal Alloys not otherwise specified Ingots of Brass	All Indian ports, except Calcutta.	U. S. A. (Pacific ports)	\$ 82.50	\$ 35.00	Per 1000 Kilos
Aluminium Ingots	Calcutta	U. S. A.	\$ 73.75	\$ 26.83	Per 1000 Kilos
Bicycles in wooden cases unassembled	East coast of India (Calcutta)	U. S. A.	\$ 65.25 \$ 90.75	\$ 53.00 \$ 59.00	Per Cubic meter Per 1000 Kilos

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
Bicycles in wooden cases unassembled	Calcutta	U. S. A. (Atlantic ports)	\$ 76.75 (Tariff)	\$ 62.25 (Tariff)	Per Cubic meter
			\$ 65.25 (Contract)	\$ 53.00 (Contract)	-do-
			\$ 106.50 (Tariff)	\$ 69.25 (Tariff)	Per 1000 Kilos
			\$ 90.75 (Contract)	\$ 59.00 (Contract)	-do-
Steel Plates, Channels, Joists, Girders, angles, Rounds, flats etc.	Calcutta	Jeddah	<i>Non-Pilgrim Season</i>		Per 1000 Kilos
			Rs. 93.50 (Less 10% deferred commission plus additional 72.75 nett per 1000 kilos)	Rs. 73.00 (Less 10% deferred commission plus additional 72.75 nett per 1000 kilos)	
			<i>Pilgrim Season</i>		Per 1000 Kilos
			Rs. 93.50 (Less 10% deferred Commission plus additional Rs. 82.75 nett per 1000 kilos)	Rs. 73.00 (Less 10% deferred commission plus additional Rs. 82.75 nett per 1000 kilos)	
Aluminium Ingots loose	India	UK/Continent	Sh. 237/6	Sh. 155 less 10% deferred commission	Per 1000 Kilos
Bolts & Nuts	All India Ports (except Calcutta)	U. S. A. (Pacific ports)	\$ 82.50	\$ 32.50	
Stoves Oil (Portable including pressure)	India	UK/Continent	Sh. 255	Sh. 215 (less 10% deferred commission)	Per M3
Steel structurals	Bombay	Saigon	Sh. 222	Sh. 129	Per M. Ton
Gunmetal Ingots	Bombay, Saurashtra Ports, Tuticorin & Madras.	Japan	Sh. 213-6	Sh. 195	Per 1000 Kgs.
Empty Aluminium Bobbins	-do-	-do-	Sh. 213/6	Sh. 106/9	Per 1000 Kgs.
Copper Wire	Bombay/ Cochin	U. S. A. (Pacific ports)	\$ 82.50 or \$ 59.25	\$ 61.00 or \$ 54.75	Per 1000 Kilos Per M3
Steel Wire	Calcutta	Straits ports	Sh. 157	Sh. 87	Per 1000 Kilos
Rope	-do-	Bangkok & Saigon	Sh. 220	Sh. 123	-do-
	-do-	Hong Kong	Sh. 210	Sh. 117	-do-
	-do-	Japan	Sh. 250	Sh. 139	-do-

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
Tank Components, Steel	Calcutta	Straits Ports	Sh. 110	Sh. 98	Per M3
	-do-	Bangkok & Saigon	Sh. 154	Sh. 137	-do-
	-do-	Hong Kong	Sh. 147	Sh. 131	-do-
	-do-	Japan	Sh. 175	Sh. 156	-do-
Steel Structural	-do-	Straits Ports	Sh. 110	Sh. 107	-do-
	-do-	Bangkok & Saigon	Sh. 154	Sh. 129	-do-
	-do-	Hong Kong	Sh. 147	Sh. 123	-do-
	-do-	Japan	Sh. 175	Sh. 147	-do-
Steel Tanks (Pressed)	-do-	Straits Ports	Sh. 157 Sh. 110	Sh. 107 Sh. 107	Per 1000 Kgs. Per M3
	-do-	Bangkok & Saigon	Sh. 220 Sh. 154	Sh. 129 Sh. 129	Per 1000 Kgs. Per M3
	-do-	Hong Kong	Sh. 210 Sh. 147	Sh. 123 Sh. 123	Per 1000 Kgs. Per M3
	-do-	Japan	Sh. 250 Sh. 175	Sh. 147 Sh. 147	Per 1000 Kgs. Per M3
Furniture Steel N. O. E. (Steel cabi- nets, safes etc.)	Bombay	Port Said	Sh. 187 nett	Sh. 150 less 10% deferred rebate (Sh. 135 nett)	Per 1000 Kgs.
			Sh. 167 nett	Sh. 107/6 less deferred rebate (Sh. 97 nett)	Per M3
Safes, Heavy Metal	Bombay	Port Said	Sh. 198	Sh. 167/6 less 10% rebate (Sh. 150/9 nett)	Per 1000 Kgs.
			Sh. 178	Sh. 150 (less 10% rebate Sh. 135 nett)	Per M3
Screws, Wood (Steel) in cases	West Coast of India	U. S. A. (Atlantic Ports)	\$ 82.50	\$ 45.00	Per 1000 Kgs.
Brass & Copper Strips, Sheets and circles	Bombay, Sau- rashtra Ports & Tuticorin	Bangkok	Sh. 191/6	Sh. 170	Per 1000 Kgs.
Mild Steel Bars	Bombay, Sau- rashtra Ports Marmugao, Tuticorin & Madras.	Hong Kong	Sh. 153	Sh. 111	-do-
Aluminium Ingots	Calcutta	U. S. A. (Pacific Ports)	Rs. 29.50	Rs. 25.00	-do-
Radio Sets	Bombay	Karachi	Rs. 10.00	Rs. 3.00	Per set

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
Brass & Copper Sheets	Bombay, Saurashtra Ports & Tuticorin	Saigon	Sh. 211/6 Sh. 260	Sh. 180 (direct shipment) Sh. 243/6 (with transshipment)	Per 1000 Kgs. Per 1000 Kgs.
Aluminium Ingots	Calcutta	Canada	Sh. 478 per M3 or Sh. 666 per 1000 Kgs.	Sh. 212	Per 1000 Kgs.
Aluminium Ingots (loose)	India	U.K./Continent	Sh. 175	Sh. 165	Per 1000 Kgs.
Battery parts, NOE	India	-do-	Sh. 317/6 Sh. 287/6	Sh. 237/6 Sh. 215	-do- Per M3
Aluminium Ingots	Calcutta	Canada	Sh. 212	Sh. 173/6	Per 1000 Kgs.
Sewing machines	Indian Bay of Bengal Ports	L Guaira (Venezuala)	\$ 55.00 \$ 90.00	\$ 45.00 \$ 45.00	Per M3 Per 1000 Kgs.
Empty tin containers of 4 gallons capacity	Bombay	Assab, Massawa & Port Sudan	Rs. 1.30	Rs. 1.05	Per piece nett
Empty tin containers of 4 gallons capacity	Bombay	Aden and Djibouti	Rs. 1.26	Rs. 1.00	Per piece nett
	-do-	Mukalla & Jeddah	Rs. 1.35	Rs. 1.10	-do-
Barbed Wire	Calcutta, Visakhapatnam and Kakinada	Suva	Sh. 472/9	Sh. 461	Per 1000 Kgs.
Air Coolers	Bombay	Kuwait, Muscat & Bahrain	Rs. 62.50	Rs. 57.00 less 10% deferred commission	Per M3

Railway Freight Concessions :

As in the case of shipping freight, the Council continued its efforts to obtain Railway freight concession in co-operation with the Ministry of Commerce and was successful in securing 25% flat concession on the following items from any point to any port of export to the great relief of our exporters :

- (1) Gramophones
- (2) Crown Corks
- (3) Incandescent lamps (Pressure lamps)
- (4) Steel furniture (non-folding cabinet with shelves, tables and sofa sets)
- (5) Steel Pipes
- (6) Lathes (Machine tools)
- (7) Batteries

- (8) Fluorescent tubes
- (9) Room Airconditioners
- (10) Electrodes
- (11) Belting
- (12) Building Hardware—steel butt hinges
- (13) Rice Mill Machinery
- (14) Motor Vehicles NOCQ
- (15) Electric Motors
- (16) House service meters
- (17) Barbed wire
- (18) Agricultural implements—crow bars and shovels only
- (19) Refrigerators
- (20) Paint brushes
- (21) Umbrella ribs
- (22) Aluminium utensils
- (23) Weld mesh
- (24) Conduit pipes
- (25) G. I. Buckets
- (26) Ghamellas
- (27) Hacksaw blades
- (28) Ferrous Builders' Hardware
- (29) Power drive pumps (multistage Industrial pumps)
- (30) Hurricane lanterns
- (31) C. I. Flushing cisterns
- (32) Pressure stoves
- (33) Water fittings
- (34) Brass sheets & circles
- (35) Brass ware
- (36) Stainless steel utensils
- (37) Bicycle dynamos
- (38) Hand tools
- (39) Aluminium conductors
- (40) Enamelled copper wire
- (41) D. C. C. Copper wire
- (42) Single cotton covered copper wire
- (43) Power driven pumps—Horizontal split case Centrifugal pumps
- (44) R. S. Pilfer proof closures
- (45) Switchgears
- (46) Storage batteries
- (47) Non-ferrous alloys—gunmetal ingots

- (48) Zip fasteners
- (49) Construction machinery Lynx type 70 open tilting drum type concrete mixer of 10 × 7 cft
- (50) Gas plant—Mansfield gas plant and mansfield gas plant for Bunsed Burners
- (51) Railway track fasteners—dogspikes and round spikes and canted bearing plates
- (52) C. I. Pipes (other than spun pipes)
- (53) Public address equipment—amplifier 35 volts.
- (54) Jute Mill machinery—Jute shuttles and bobbins
- (55) Public address equipment—amplifier 35 volts.
- (56) Industrial and scientific instruments—
 - (a) Surveyors compass 4" with stand
 - (b) Clino-meter compass 3" dia. in leather case
 - (c) Prismatic compass 4" with stand
 - (d) Sextant complete in a box
 - (e) Theodolite with stand & box complete
 - (f) I. O. P. Level complete with stand
 - (g) Dumpy level complete with stand
 - (h) Levelling staff (Telescopic) 14'
 - (i) Raingauge with stand, strainer etc.
- (57) Ice cans
- (58) Air-compressors (Broomwade type WR 210 portable diesel)
- (59) Steel tubular poles
- (60) Shaping machines
- (61) T. L. Towers
- (62) Motor cycles and scooters
- (63) Rolling shutters
- (64) Copper sheets
- (65) Power presses (40 ton-gearred vice)

In addition to the above 25% concession, the Council had previously secured 50% concession on the following items either from any point to any port or from specific pairs of points :—

I. *Items on which 50% concession was granted from any point to any port*

- (1) Bicycle spare parts and accessories
- (2) Bicycles complete
- (3) Steel folding furniture
- (4) Steel tubes black and galvanised
- (5) Electric fans
- (6) Sewing machines
- (7) Rivets
- (8) Diesel engines

- (9) Steel trunks
- (10) Tin-containers
- (11) Bolts and nuts
- (12) Cast Iron spun pipes
- (13) Oil mill machinery
- (14) Iron castings

II. *Items on which 50% concession was granted from specific pairs of points*

	<i>From station</i>	<i>To the ports of exports</i>
(1) Grinding Wheels	Bombay	Madras, Cochin Harbour terminus, Calcutta
-do-	Calcutta	Madras, Cochin Harbour terminus, Bombay
-do-	Madras	Cochin Harbour terminus, Bombay, Calcutta
-do-	Saharanpore	Madras, Cochin Harbour terminus, Bombay, Calcutta
(2) Dry Cells and Batteries	Bombay	Calcutta, Madras
-do-	Calcutta	Bombay, Madras
-do-	Madras	Bombay, Cochin Harbour terminus, Tuticorin
(3) Machine Tools	Harihar	Madras, Bombay
(4) Coated abrasives	Madras	Calcutta, Bombay, Cochin, Dhanushkodi
(5) Electric Motors	Bombay	Calcutta, Madras, Cochin Harbour terminus
-do-	Calcutta	Madras, Cochin Harbour terminus
(6) Wood screws	Calcutta	Bombay, Madras
-do-	Delhi	Bombay, Madras, Calcutta
-do-	Chheharta (near Amritsar)	Bombay, Calcutta, Madras

	<i>From Station</i>	<i>To the ports of exports</i>
Wood screws	Ahmedabad	Bombay, Calcutta, Madras
-do-	Andheri (Bombay)	Calcutta, Madras
-do-	Madras	Bombay, Cochin Harbour terminus, Tuticorin
-do-	Raja Palayam	Bombay, Tuticorin, Cochin Harbour terminus
-do-	Kapurthala	Bombay, Calcutta, Kandla
-do-	Bombay	Calcutta, Madras
(7) Machine screws	Delhi (Shahdara) Amritsar, Kapurthala	Bombay, Calcutta
-do-	Bombay	Calcutta
(8) Ice Cans	Gwalior	Calcutta, Bombay
(9) Cotton hair beltings	Calcutta	Bombay, Madras, Cochin Harbour terminus
-do-	Hooghly	Bombay, Calcutta, Madras, Cochin Harbour terminus
-do-	Serampore	-do-
-do-	Madras	-do-
(10) Radio Receivers	Delhi (Kishanganj)	Bombay, Calcutta via Attari
-do-	Calcutta	Bombay
(11) G. I. Buckets	Delhi	Colombo
-do-	Delhi & Shalimar	Bombay
-do-	Shalimar	Colombo, Jaffna, Galli Matara
(12) Pumps (Vertical turbine, Horizontal split-case centrifugal and unibuilt)	Baroda	Calcutta, Bombay

	<i>From station</i>	<i>To the ports of exports</i>
(13) Hurricane Lanterns	Calcutta	Bombay, Madras
-do-	Dumroan (Bihar)	Calcutta, Bombay
-do-	Nagpur	Bombay, Calcutta, Madras
-do-	Faridabad (Near Delhi)	Bombay, Kandla, Calcutta
-do-	Modinagar (Near Meerut)	Bombay, Calcutta, Kandla
-do-	Ogalewadi (Satara)	Bombay, Madras, Cochin Harbour terminus
-do-	Lucknow	Bombay, Calcutta, Kandla
-do-	Delhi	Bombay, Kandla, Calcutta
(14) Steel Files	Bombay	Calcutta, Madras
-do-	Calcutta	Bombay, Madras
(15) Switchgear	Baroda	Bombay
(16) Motor vehicle batteries	Delhi (Shahdara)	Bombay, Calcutta, Madras, Kandla
-do-	Bombay	Calcutta, Madras
-do-	Calcutta	Bombay, Madras
-do-	Bangalore city	Bombay, Calcutta, Madras
-do-	Madras	Bombay, Cochin Harbour terminus, Tuticorin, Calcutta
(17) Oil Pressure Lamps	Bombay	Calcutta, Madras
-do-	Calcutta	Bombay, Madras
-do-	Singhbhum	Bombay, Calcutta
(18) Textile Machinery and parts	Coimbatore	Madras, Cochin Harbour terminus, Tuticorin, Bombay
-do-	Lilooah (West Bengal)	Calcutta, Bombay

	<i>From station</i>	<i>To the ports of exports</i>
Textile Machinery and Parts	Baroda	Bombay, Calcutta
-do-	Bombay	Calcutta, Madras
-do-	Ahmedabad	Bombay, Calcutta
-do-	Birla Nagar (Near Gwalior)	Bombay, Calcutta, Madras
-do-	Bangalore	Madras, Cochin Harbour terminus, Tuticorin, Bombay
-do-	Satara	Bombay, Madras
(19) Bicycle rims	Madras, Egmore Beach and Chailimar	Colombo
-do-	Madras	Bombay, Attari, Banpur- Darsana
(20) Automobiles Hand Tyres inflators	Ahmedabad, Kashi	Madras, Calcutta, Kandla, Bombay
-do-	Madras	Calcutta, Kandla, Bombay
(21) Bare copper conductors	Jaipur	Bombay, Calcutta, Kandla
(i) ACSR	Kundara	
(ii) ACC	Faridabad	
-do-	Bombay	Calcutta, Kandla
-do-	Calcutta	Bombay, Kandla
(22) Starters for electric motors	Baroda	Calcutta
(23) Spokes, nipples, washers	Naini	Bombay, Calcutta, Madras, Kandla

Complaints

There were 17 outstanding complaints from the overseas parties against Indian exporters of different engineering goods at the beginning of the year 1963-64. During the year, 31 new complaints were received and 10 cases were settled. The rest were under negotiation with the parties concerned. The Council exercised its influence on the parties to settle the disputes amicably.

Drawback of Customs & Excise Duty

During the period under review, cases of member and non-member firms for fixation of rates of drawback of duty or for revision of the existing rates of drawback of duty were taken up with the Ministry of Finance, Department of Revenue, Government of India. Individual problems and difficulties of our exporters in regard to customs and central excise were also suitably taken up with the authorities concerned. Delay in settlement of outstanding drawback claims were also duly taken up with the various Customs and Excise authorities.

Cost Study

In accordance with the directives received from the Ministry of Commerce, Government of India, cost study in respect of wire and wire products pipes and tubes and electric fans were undertaken and cost particulars were collected from the manufacturers/exporters concerned, examined and forwarded to the Ministry for determination of the quantum of additional assistance required by our exporters. In addition, cost study in respect of some other items were also undertaken and our recommendation made to the Government for additional incentives.

Dissemination of Market Information

Market Surveys

Following were the market survey reports received by the Council either from the Commercial Secretaries of Indian Embassies or Foreign Officers of the Council :

- | | | |
|-----------------------|-----|--|
| 1. Steel furniture | ... | Singapore |
| 2. Band Saw Blades | ... | Iran |
| 3. Air Compressors | ... | Iran |
| 4. Diesel Engines | ... | Iran |
| 5. Non-Ferrous Metal | ... | Cyprus, Sudan, Turkey, Egypt, Libya,
Tunisia, Syria, Nairobi, Singapore |
| 6. Builders' Hardware | ... | Australia |

7. Electrical Appliances	...	Singapore
8. Shoe Tacks	...	Iran
9. Sewing Machines	...	Philippines
10. Air Conditioning & Refrigerating	...	Bahrain
11. Electrical Instruments	...	Pakistan
12. Storage Batteries	...	Iran
13. Electric Motors	...	Iran
14. Storage Batteries	...	Singapore
15. Machine Tools	...	Germany
16. Domestic Electric Fan	...	Italy
17. Machine Tools	...	Iran
18. Electric Motors	...	Pakistan

The following Ad-hoc market survey reports were received during the year under review :

1. Electric Motors	...	Hong Kong, Baghdad, Nairobi
2. Cycle & Cycle parts	...	Kuwait
3. Wires & Cables	...	S. Arabia, Belgium
4. P. V. C. Insulated flexible wire	...	S. Arabia
5. Wire netting	...	Belgium
6. Rolled Steel Mill products	...	U. S. A.
7. Electric Lamp	...	S. Arabia
8. Radios & Parts	...	Pakistan
9. Radiator	...	Australia
10. Pumping sets	...	Kuwait, Singapore
11. Automatic Petrol Gas Plant	...	Singapore
12. Pressure Gauges	...	Pakistan

13. Cycle Dynamos, Lighting sets	...	Colombo, Singapore, S. Arabia, Baghdad
14. Type Writer	...	Iran
15. Printing Machinery	...	Lagos, Singapore, Bangkok
16. Concrete Mixers and Vibrators	...	Baghdad, Hong Kong, Kuwait
17. Optical and Ophthalmic products	...	Singapore, Cairo, Bangkok, Ceylon
18. Scientific instruments	...	Cairo, Ceylon, Dacca
19. Truck Chassis	...	Addis-Ababa, Baghdad, Nigeria, Cairo, Ankara, Nairobi, Ceylon, Sudan
20. Metal Abrasives & Lickernwire	...	Cairo, Nigeria
21. Steel Poles	...	New Zealand
22. Air-Compressors	...	Singapore
23. Dry Batteries	...	Egypt
24. Storage Batteries	...	Hong Kong
25. Pottery Making Machines	...	Karachi

The above market survey reports and Ad-hoc market survey reports were duly circulated among the manufacturers/exporters concerned for their information and necessary action.

Enquiries

Enquiries for a number of engineering goods were received as usual from different countries either direct or through the Commercial Secretaries of Indian Embassies or the Foreign Officers of the Council. From the number of enquiries received during the year, it is observed that foreign buyers showed greater interest in the import of Indian engineering goods. More than 1000 enquiries were received during the year compared to 800 of the last year's. These enquiries were received from the following countries :

South East Asia : Burma, Cambodia, Ceylon, Hongkong, Indonesia, Malaysia, Pakistan, Phillipines, S. Vietnam and Thailand.

West Asia : Aden, Bahrain, Iran, Iraq, Jordan, Kuwait, Lebanon, Muscat, S. Arabia and Syria.

Africa : Congo, Ethiopia, Ghana, Liberia, Libya, Nigeria, Rhodesia, Sierra Leone, Sudan, Tanganyika, Tunisia, Uganda, U.A.R. and Zanzibar.

Europe : France, Greece, Holland, Hungary, Spain, U. K., U. S. S. R., West Germany and Yugoslavia.

and

also Australia, Canada, New Zealand and the U. S. A. and some of the oceanic islands like Fiji, Mauritius and West Indies.

These enquiries were duly circulated among the prospective manufacturers/exporters and necessary follow up work was also done to see that business materialised. Another important trend was that increasing number of enquiries were received from highly industrialised countries of the West and the U. S. A. and our activities were extended to cover the East European countries also. With the opening of the Council's offices in U. K. and West Germany, in addition to the existing three offices in Nairobi, Beirut and Singapore, the number of enquiries are expected to register further rise in subsequent years.

Tenders

During the year about 2,089 tenders received from the following countries were also circulated among the prospective manufacturers/exporters and in some cases difficulties experienced by them in participation were also removed by the Council with the assistance of the Commercial Secretaries abroad.

S. E. Asia : Burma, Ceylon, Hongkong, Korea, Malaysia, Pakistan, Phillipines, Thailand and Vietnam.

West Asia : Cyprus, Iran, Iraq, Jordan, Kuwait, Lebanon and Saudi Arabia.

Africa : Ethiopia, Kenya, Morocco, Nigeria, N. Rhodesia, S. Rhodesia, Sudan, Tanganyika, U. A. R. and

Australia, New Zealand, U. S. A. and West Indies.

Export Performance

Review of Export of engineering goods from India

Export of engineering goods from India by Sea route only during the year 1963-64 amounted to Rs. 13.64 Crores including steel which accounted for Rs. 1.12 Crores. Assuming the export by land route to be of the order of Rs. 1.00 Crore the total export during 1963-64 may be placed at about Rs. 14.64 Crores compared with Rs. 9.84 Crores including steel which accounted for Rs. 0.42 Crore during the year 1962-63.

The export performance of engineering goods during the period under review together with that of the corresponding year 1962-63 is as follows :

	1962-63			1963-64		
	Export other than steel	Steel	Total	Export other than steel	Steel	Total
Total	868.84	25.20	894.04	1251.86	112.11	1363.97
Land's Export	73.55	16.47	90.02	...	...	100.00 (estimated)
	942.39	41.67	984.06	1251.86	112.11	1463.97

Pattern of Trade

The pattern of trade during the year 1963-64 has been more or less similar to that of the previous year to the extent that 35 items which have recorded an increase over the last year's performance have contributed Rs. 1020.95 lakhs or 75% of the total export. Out of these 35 items, the undernoted 16 items had the credit of having surpassed the targets :

Commodity	Target 1962-63	Export April- March 62-63	Target 1963-64	Export April- March 63-64	Percentage of rise over last year	Percentage of performance on the target
1	2	3	4	5	6	7
1. Tea Machinery	15.00	15.51	20.00	23.63	52%	118%
2. Storage Batteries	2.00	0.49	5.00	5.21	963%	104%
3. Automobiles & Auto parts	20.00	13.63	18.00	56.55	313%	314%
4. Agricultural Implements including hard tools	5.00	5.90	6.00	10.07	71%	168%
5. Dry Batteries and components	30.00	22.37	35.00	58.97	164%	169%
6. Radios & parts	3.00	1.83	4.00	6.05	242%	151%
7. Bicycles & parts	30.00	13.84	25.00	41.24	198%	165%
8. M. S. Pipes and tubes	10.00	6.18	15.00	37.38	511%	249%
9. Razor Blades	8.00	5.88	15.00	27.27	363%	181%
10. Stainless Steel utensils	20.00	34.03	30.00	72.84	114%	243%
11. Builders, Hardware including locks	18.00	16.22	20.00	32.58	100%	163%
12. Umbrellas & fittings	3.00	25.89	25.00	28.71	10%	115%
13. Aluminium Utensils	40.00	35.65	40.00	41.63	16%	104%
14. Aluminium sheets, circles & ingots	5.00	1.24	10.00	165.84	13274%	1658%
15. Brass, Bronze, Copper, Nickel, Sheets & circles & Ingots	10.00	9.59	12.00	31.01	233%	267%
16. Zinc strips & Ingots	8.00	1.00	3.00	3.24	224%	108%

The remaining 19 items recording an increase over last year's performance are as follows :

Commodity	Target 1962-63	Export April- March 62-63	Target 1963-64	Export April- March 63-64	Percentage of rise over last year
1	2	3	4	5	6
1. Oil Mill Machinery	15.00	15.32	25.00	17.22	12%
2. Shoe making machinery	4.00	1.69	4.00	2.73	62%
3. Machine Tools	10.00	3.80	12.00	8.16	114%
4. Diesel Engines & Parts	50.00	53.26	75.00	64.81	21%
5. Structural fabrication including steel doors	5.00	4.95	8.00	10.07	71%
6. Abrasives & Grinding wheels	2.00	0.35	5.00	0.49	40%
7. Electrical accessories	12.00	8.13	15.00	10.76	32%
8. Cast iron products (all sorts)	50.00	35.46	60.00	43.23	22%
9. Steel furniture	30.00	22.44	35.00	26.39	17%
10. Steel Trunks	25.00	21.83	30.00	25.09	14%
11. Tinplate containers	15.00	13.57	20.00	17.41	28%
12. Wood Screws	10.00	4.46	10.00	7.62	70%
13. Cutlery	9.00	6.82	12.00	7.68	12%
14. Oil lamps and stoves	5.00	1.93	7.00	3.11	61%
15. Brass & Copper utensils	15.00	7.38	20.00	9.04	22%
16. Water fittings	5.00	3.52	5.00	4.87	38%
17. Bolts, Nuts, Rivets & Washers	8.00	6.10	12.00	6.22	2%
18. Air Conditioners etc.	6.00	4.67	10.00	5.02	28%
19. Steel	...	41.67	500.00	112.11	...

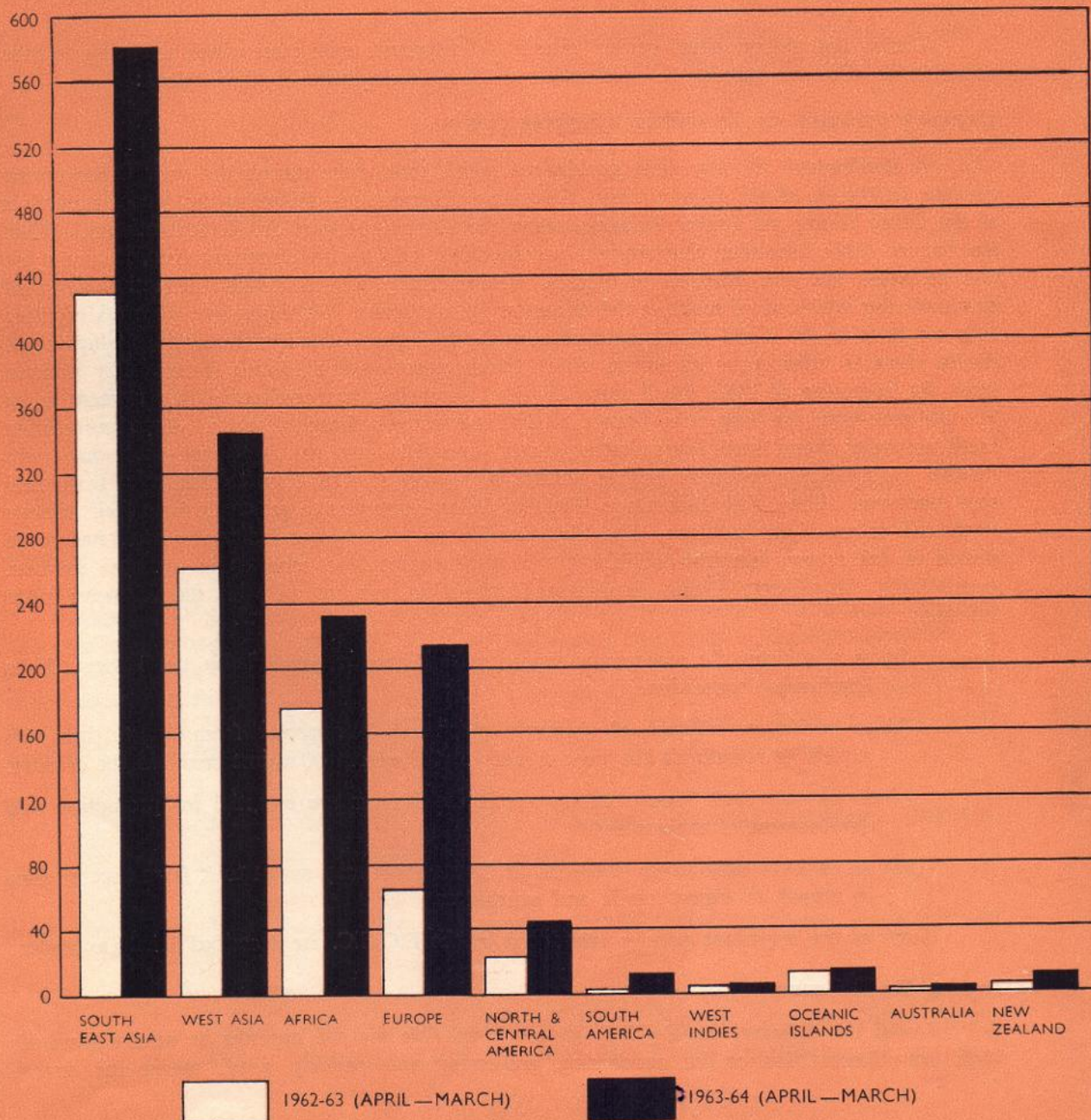
On the other hand the following 20 items had shown a decline in relation to the performance during 1962-63 :

Commodity	Target 1962-63	Export April- March 62-63	Target 1963-64	Export April- March 63-64	Percentage of fall over last year	Percentage of fall over last year
1	2	3	4	5	6	7
1. Electric Motors, Generators etc.	8.00	2.45	15.00	2.29	6%	15%
2. Jute mill machinery	20.00	17.37	22.00	12.56	27%	57%
3. Rice & Flour mill machinery	6.00	9.20	10.00	1.90	79%	19%
4. Sugar mill machinery	10.00	4.01	28.00	3.71	7%	12%
5. Textile machinery	15.00	20.52	24.00	12.44	29%	51%
6. Mechanical pumps	15.00	12.79	18.09	11.47	10%	63%
7. Iron Cylinders	5.00	5.81	6.00	4.62	20%	77%
8. Railway track-materials	70.00	49.56	100.00	41.24	16%	41%
9. Transmission line towers and poles	50.00	28.80	25.00	7.92	72%	31%
10. Public address equipment	3.00	1.35	4.00	0.57	57%	14%
11. Weighing scales & weights	2.00	1.40	5.00	0.85	39%	17%
12. Electrodes & welding equipment	5.00	3.52	10.00	2.03	42%	20%
13. G. I. Products including buckets	25.00	13.51	25.00	10.74	20%	42%
14. Crown Corks	12.00	5.79	15.00	5.50	5%	36%
15. Sewing machines & parts	90.00	52.09	75.00	26.22	49%	34%
16. Electric fans & parts	125.00	100.31	100.00	57.11	43%	57%
17. Electric fluorescent tubes and lamps	10.00	10.27	12.00	9.59	6%	79%
18. Wire and wire products	7.00	3.26	8.00	2.62	19%	32%
19. Printing types	4.00	3.28	5.00	1.97	39%	39%
20. Others	110.00	272.17	145.00	127.66	53%	88%
Total	592.00	517.46	652.00	343.01	33%	52%

Direction of Trade

Our exports to every region during the period under review were higher than that of 1962-63. South East Asia was the largest buyer followed by West Asia, Africa, Europe, North America and Australia. South Vietnam was the biggest importer followed by Pakistan, Malaysia, Belgium and Ceylon. Our exports during 1963-64 together with 1962-63 to the individual countries were as per graph on the facing page:

Direction of trade



General Review of Export Promotion Efforts

During the period under review certain developments took place which are going to have considerable effect on export. A brief review of these developments is given below :

EXPORT CREDIT GUARANTEE CORPORATION

A development of very great significance which took place during the year under review was the setting up of the Export Credit Guarantee Corporation—following the recommendations of the Study Group on Export Finance, under the Chairmanship of Sri K. P. Mathrani. While the Export Risks Insurance Corporation was no doubt playing an important role, its main job was to cover the risk involved in export. Institutionally it was found ineffective to stand guarantee for extension of credit to the exporters by the banks. Developments were taking place in other parts of the world which were placing at the disposal of exporters facilities which could enable them to offer terms of buyers which Indian exporters could hardly match. For instance, from the beginning of 1962, the Export Credits Guarantee Development (U.K.) started giving 100 per cent cover for long term finance to British exporters of capital goods. Since businessmen could normally obtain bank loans against export contracts only to the extent that they were covered by E.C.G.D., exporters had to finance some part of their export credit sales from their own resources. The "Full Percentage Facility" helped exporters to get credit from their bankers to the full extent of the contract. The Mathrani Committee felt that Indian exporters had to be offered in due course, identical facilities if they were expected to compete in overseas markets. Accordingly, the Export Credit Guarantee Corporation was set up with the following main functions :

- (a) to administer the schemes of export risk insurance handled by the Export Risks Insurance Corporation.
- (b) to administer schemes of guarantee which may be approved from time to time with a view to remedying the various gaps in the system of export credit in the country.
- (c) to provide such supplementary credit facilities as are essential for promotion and development of exports and
- (d) to perform such other functions as Government may assign to it from time to time in regard to export credit and guarantees.

Some of the important policies introduced by the E.C.G.C. are described briefly as under :

Packing Credit Guarantee

Under this Scheme, the E.C.G.C. makes it possible for the exporter to receive from his bank pre-shipment finance for purchasing, processing and packing goods meant for export,

somewhat above the line of bank's rating of his financial capacity. The E.C.G.C. has issued guarantees to the extent of Rs. 4 crores during the year under review. In order to make the scheme more comprehensive and useful, the packing credit policy was also extended to cover post-shipment advances also. This has been possible through the following two schemes :

(i) Post-shipment Export Credit Guarantee

(ii) Export Finance Guarantee

Post-shipment Export Credit Guarantee :

This guarantee enables the banks to protect them against any loss which may arise from purchase, discount or negotiation of an export bill. Normally, such guarantees are issued only to those exporters who obtain Shipments/Contracts Policy. The Guarantee covers any loss sustained by a bank or financing institution due to the protracted default or insolvency of the exporter and the Corporation's indemnity in such cases as of the order of 66.2/3% of the loss suffered.

Export Finance Guarantee

The Export Finance Guarantee enables the exporters to get finance in line with what he can get on the domestic value of the goods exported. This Guarantee enables the bank to offer, on a selective basis, discounting facilities to exporters upto 125% of the shipping documents. In such cases E.C.G.C. indemnifies the banks to the extent of 75% of the loss incurred in the event of insolvency or default of the exporter.

This Guarantee of the Export Credit and Guarantee Corporation furnishes the banks with unconditional indemnity against the protracted default or insolvency of the exporter. These measures have been devised to help the exporter to find Export Finance at easy terms so that he may enlarge his export business without unduly deploying or straining his financial resources.

Revolving Foreign Exchange Facilities for Exporters

One of the problems faced by the exporters has been the non-availability of adequate and prompt supplies of raw-materials at international prices. This puts the Indian exporters at a disadvantage as against foreign exporters. The Mudaliar Committee had advised a means whereby this difficulty could be overcome. It was proposed that an Import-Export Stabilization Fund be established with the help of Indian and Foreign Banks who would raise the required foreign exchange from their principals, branches, correspondents abroad. The foreign exchange thus collected will be placed at the disposal of selected exporters for import of approved raw-materials. These would be translated into export earnings. Thus, the arrangement will help to improve India's balance of payments position. The matter was further considered by the Mathrani Committee and the Reserve Bank of India. The whole matter was carefully considered by the Government of India also and finally a scheme has been drawn up.

Under this scheme, commercial banks in India will obtain lines of credit in foreign exchange through their correspondents, branches, principals abroad.

All dealers in foreign exchange will be eligible to participate in the arrangement. Banks desirous of participating in this scheme will obtain permission of the Exchange Control Authorities to enter into such arrangements. The participating banks may obtain the foreign exchange loans either on their own account or on the account of their clients backed, if neces-

sary, by their own guarantee. In either case the permission of the Exchange Control Authorities to enter into a transaction of this type will also imply their permission to remit funds abroad to the extent of the liabilities incurred, including interest, at the conclusion of the contract.

The participating banks will inform ECGC, which will be the co-ordinating agency for the purpose, of the arrangements made by them in regard to the lines of credits raised by them abroad as also give ECGC an estimate of the likely demand for such credit from their constituents.

Applications for import licences against the aforesaid lines of foreign exchange from manufacturers/exporters of proved export performance—or capable of giving a satisfactory export performance—and sponsored or recommended by the participating banks, will be submitted to the ECGC by the banks in the prescribed form, together with the relevant documents indicated therein.

The facility will be available to producer-exporters in specified industries. To start with, applications will normally be entertained from exporters of non-traditional export items such as engineering goods, chemicals etc.

The ECGC will bring up these cases, after due scrutiny, before a screening committee consisting of the representatives of the Ministries of Commerce and Finance (Dept. of Economic Affairs), the Reserve Bank of India, ECGC, the Chief Controller of Imports and Exports and the Directorate General of Technical Development. On the basis of the recommendation of the said Committee, an import licence will be granted to the sponsored exporter for the requisite raw materials, components, spares etc. subject to such terms and conditions as may be prescribed therein.

Imports against the licences issued under the scheme will be paid for out of the foreign exchange credit/loan arranged by the sponsoring bank/exporters. The arrangement implies a foreign exchange loan by the sponsoring bank to the exporter to pay for imports, with a view to protecting itself against exchange risks and ensuring a better control over the exporter.

The licence issued under this arrangement will bear the usual conditions regarding export obligation/bond and/or bank guarantee as do other advance licences issued under the E. P. Schemes; and there will be a special endorsement made on the Exchange Control copy of the licence to the effect that the exchange requirements will be met out of a foreign exchange loan arranged by.....bank (i.e. the sponsoring bank).

The exporter will be required to execute a bond, undertaking to effect specified exports within a stipulated period; and the import licence will be issued only for the value of raw materials, components permissible under the appropriate Export Promotion Scheme and required for the production of the goods to be exported. The beneficiary, namely the exporter, will give an undertaking to the C.C.I. & E. to the effect that in the event of his failure to fulfil his obligation to effect the requisite exports, the loss in foreign exchange will be debited to his future entitlement under the Export Promotion Scheme or his entitlement as an Actual User in addition to such penalties as he may be liable to.

The exporter will undertake to negotiate his export documents through the same bank which has sponsored his case and made available the requisite foreign exchange. On realisation of the relative export proceeds the liability incurred by the exporter to the sponsoring bank would be discharged and it would be open to the bank to sponsor other applications for import licences under this scheme. The liability of the bank to its foreign creditor/s would be

discharged on the conclusions of the term of the contract, care being taken to see that the discharge of the foreign exchange liability is met out of the export receipts.

The period for which the line of credit/loan raised in foreign exchange may extend is upto 18 months ; 2 months for the goods to arrive from the date of availability of foreign exchange credit, 2-3 months to produce the goods, 2 months to export, and 1-6 months for the payments to arrive from the foreign buyer, depending on the terms of payment ; plus 1-3 months as a period of tolerance. The period of credit will be indicated on the licence.

Foreign exchange from the aforesaid sources may be allowed to be used in a third country—where a party may be putting up an installation or construction—for the purpose of obtaining raw materials, aggregates, components, spares etc. if the committee is satisfied that in the net transaction is likely to result in an accrual of foreign exchange to the country.

In the event of a bank not being able to utilise the credit line raised by it fully it will be open to it to draw upon the unutilised portion of its credit and make it available to another bank subject to the approval of the Exchange Control Authorities and on condition that the transferee bank will utilise the said amount for the purpose and in the manner prescribed in the scheme. The transferee bank will give an undertaking to the transfer or to reimburse the foreign exchange proceeds in question by the due date.

Refinance Corporation for Industry Ltd.

The Study Group on Credit Facilities for Exporters constituted by the Ministry of Commerce and Industry, Government of India in April 1960 had recommended *inter alia* that the Refinance Corporation should extend the scope of its activities by taking up refinancing of medium-term export credit i.e., credits for periods exceeding six months but not exceeding five years. Pursuant to this recommendation, the Corporation has introduced a scheme for refinancing of medium-term export credits. The facility will be limited to exporters in the private sector who are manufacturers, recognised export houses or other exporters of standing and will be ordinarily extended in the case of exports of capital or engineering goods. The question of extending the facility in respect of other goods will also be considered by the Corporation subject to Exchange Control agreeing to the receipt of sale proceeds thereof within a period exceeding 180 days *initially*. The refinance facilities will be available to banks which are authorised dealers in foreign exchange and otherwise eligible for refinance facilities from the Corporation. A list of these banks is given in the Appendix. The scheme provides for refinancing of pre-shipment credit also where it is combined with post-shipment credit. The total period of credit excluding pre-shipment credit should not be less than six months and more than five years. The minimum amount of a loan in respect of which refinance may be sought, will for the time being be Rs. 1 lakh and the total amount of export credits refinanced in respect of any one exporter will not exceed Rs. 50 lakhs. The loans eligible for refinance will relate to exports against firm contracts and will ordinarily be covered by appropriate policies of the Export Risks Insurance Corporation Ltd. (ERIC). A down cash payment to the extent of 20% or a letter of credit or guarantee providing for payment to that extent against delivery of shipping documents should ordinarily have been obtained from or on account of the importer before the loan is refinanced. This condition may be waived by the Corporation where the period of credit is short, say, not exceeding one year or in other deserving cases. An order from the Reserve Bank granting the necessary exemption under Rule 6 of the Foreign Exchange Regulation Rules, 1952 has to be obtained and a copy furnished to the Corporation. The form in which the application for exemption is to be made may be had from the eligible banks, whom the exporters may approach for further information.

COMMITTEE ON SALES TAX

The Government of India appointed a Committee on Sales Tax on 7th June, 1963 under the Chairmanship of Shri R. G. Saraiya, Honorary Export Promotion Adviser, Bombay, to go into the question of incidence of sales tax on exportable products.

The terms of reference of the Committee were as follows :

- (a) To study the incidence of State and Central sales taxes on commodities entering the export trade of India and to indicate the quantum of relief to be provided in respect of each commodity ;
- (b) to make recommendations in regard to the manner in which such relief is to be provided whether by way of exemptions, rebates or set-offs, and the procedure to be followed in connection therewith by each of the State Governments and the Central Government and for different export commodities ;
- (c) to review the existing provisions in the sales tax laws in different states with particular reference to the provisions relating to the grant of relief in respect of export commodities and make recommendations for such amplification or modification thereof as may be considered necessary ; and
- (d) to suggest such supplementary or ancillary measures as may be necessary in order to remove or mitigate the burden of States and Central Sales Taxes on exportable commodities in the interests of the development of India's export trade.

The Committee met at several places inside the country and invited views of the Associations of Trade and Industry, Export Promotion Councils and individuals. The Committee considered broadly the following aspects :

- (1) Incidence of local sales tax borne within the State on sales prior to the sale in the course of export.
- (2) Incidence of Central Sales Tax on sales prior to the sale in the course of export.
- (3) Incidence of local sales tax entering into the cost of production of manufactured or processed goods which enter into the export trade.
- (4) Incidence of Central Sales Tax entering into the cost of production of manufactured or processed goods which enter into the export trade, and
- (5) Other invisible incidence.

Relief from local sales tax

In respect of the incidence of local sales tax borne within the State, the Committee recommended that relief should be given in respect of incidence of tax on at least two sales prior to the sale in the course of export either by way of exemption or set-off or by grant of rebate of tax leviable on such sales. Such a system is already prevalent in Maharashtra and Gujrat. The concession under that system is so framed that the assessing authorities look to the first certifying dealer only for the actual proof of export even when he has sold the goods to another authorised dealer who may later export them. The idea behind exempting two sales from sales tax is that in most of the cases, it is difficult for the small manufacturers to export by themselves. Therefore, they have to take the help of export houses invariably and under such circumstances unless at least two sales prior to the actual export are exempted from sales tax, there will be considerable hardship on the manufacturers.

Relief from Central Sales tax

The Committee have recommended that in respect of goods which are manufactured in a State other than the one from which they are exported, the selling dealer of the originating State may be given rebate by the authorities of that State. The dealers have to make adjustment in their returns of sales tax in respect of their export sales turnover, with the result that they do not have to pay the tax initially. However, they will have to furnish proof of actual exports at the time of assessment. On his failure to produce such proof, the dealer may be held liable to pay sales tax on the turnover in respect of which rebate was claimed by him in his return, with such penalty as may be prescribed.

Relief of local sales tax in respect of tax paid on the purchase of raw-materials, components etc.

The Committee was of the opinion that it should not be difficult for the manufacturer to show from his records to the sales tax authorities the amount of sales tax paid by him on that portion of purchases of raw-materials, components etc., which form part of his export as well as turnover. On the basis of this data, it should be possible for the assessing authorities of his home State to grant a refund or rebate bearing the same proportion of the total tax paid by the manufacturer on purchases of raw-materials, components etc., as the quantity of goods exported from his production bears to the total quantity of his production during the year. It was also suggested that in case the proportion cannot be determined in quantitative terms, the same may be struck on the basis of the value of the goods exported to the total value of goods produced.

Relief from the purchases of raw-materials, components etc.

In respect of refund of Central Sales Tax paid on raw materials, components etc. it is not administratively feasible to extend the same sort of refund or rebate facilities as for local sales tax described in the preceding paragraph. In such cases, the Committee recommends an ad-hoc relief at the rate of 1% of the f.o.b. value in the case of manufactured and processed goods. For the imponderable and incalculable elements entering into the prices of other goods, an ad-hoc relief at half a per cent of the f.o.b. value of the goods exported, has been recommended. The Committee also recommended that the ad-hoc relief should be paid by the Central Government.

Other invisible incidence

The Committee have suggested that in cases where the State revenues are likely to be affected considerably on account of the above rebate, the Central should give adequate compensation.

MATHRANI COMMITTEE ON EXPORT FINANCE

The above Study Group was appointed by the then Ministry of Commerce and Industry (Department of International Trade) on May 31, 1962 to report on the various aspects of credit facilities available to Indian exporters. The Committee was headed by Shri K. P. Mathrani, Chairman, Industrial Finance Corporation of India, New Delhi and submitted its report to the Government on 30th April, 1963. The Committee considered the following aspects of credit facilities available to Indian exporters :

- (1) Supply of Credit ;
- (2) Cost of Credit ; and
- (3) Institutional arrangements.

Supply of Credit :

The Committee has made certain useful suggestions in regard to availability of credit against export contracts at (1) Pre-shipment stage and (2) Post-shipment stage. These suggestions have already been implemented through the Export Credit Guarantee Corporation. Details regarding these schemes have already been given in the earlier part of this report.

Similarly, the Committee suggested that in course of time, Indian exporters will have to give medium and long term credit to the Overseas Importers and in case of their failure to do so, certain very useful opportunities may be lost. The Committee also suggested for the setting up of an Import Export Stabilization Fund as recommended by the Mudaliar Committee also.

Cost of Credit :

Pre-shipment rates : While the Committee was satisfied with the rates charged by the Bank for demand or Sight Bills, it was suggested that as for the discount rates, which form an element of the Sterling usance bills should have a basic relationship with the bank rate in India. The Committee recommended that the Reserve Bank of India should fix a ceiling in respect of discount element of the rupee, sterling and dollar usance bills at such levels as are competitive with similar rates abroad. These rates should not be increased if there is a rise in the interest rates in India but in case the discount rates in other countries fall below the base level with reference to which the discount rates have been fixed by the Reserve Bank of India on foreign currency bills, the ceiling should be changed in such a way that the disadvantage to the Indian exporters is minimised or eliminated. The Committee suggested that the Reserve Bank of India may consider the feasibility of making available short-term pre-shipment export finance to the banks at a rate $1\frac{1}{2}$ per cent below the bank rate.

Post-shipment rates

The Committee suggested that the Reserve Bank of India should make available finance to banks for post-shipment export finance at a rate which is $1\frac{1}{2}$ per cent less than the bank rate. The Committee suggested that to start with, the preferential rates of interest should be applicable only to the non-traditional items and such other items as Government finds to be deserving of assistance in this form.

Medium-term Export Finance

The Committee suggested that according to the existing arrangement and the structure of interest rates, medium-term export finance cannot be made available at less than $6\frac{1}{2}$ per cent. The Committee, therefore, suggested that Refinance Corporation should so regulate its rate that the funds should become available to Indian exporters at not more than 6 per cent.

Institutional Arrangements

The Committee suggested that the facilities made available by the Refinance Corporation should be considerably enlarged so that Indian exporters can get export finance on better terms. Another important recommendation of the Committee was regarding the replacement of Export Risks Insurance Corporation by a new body viz., Export Credit and Guarantee Corporation. The setting up of the facilities available through the Export Credit and Guarantee Corporation have already been discussed in the earlier part of the report.

INDIAN INSTITUTE OF FOREIGN TRADE

While a number of facilities have been provided to Indian exporters in regard to availability of credit, raw materials etc., India still needed an organisation which should undertake market studies and carry on research programmes in respect of various products which are already being exported or for which there is potential demand in foreign markets. Adequate facilities for the training of the personnel who would handle the export problems were also lacking. It was with these ends in view that the Government of India decided to set up the Institute of Foreign Trade during 1963.

The principal activities of the Institute will be to organise —

- (1) Market research and area surveys in commodity studies ;
- (2) Training of personnel ;
- (3) Research projects and
- (4) Collection and dissemination of information and specialised Export Publicity.

Market Research and Commodity Surveys

It is proposed that the Institute will undertake surveys from time to time to assess the present and future demand for Indian goods in various countries and also suggest the ways and means to export these goods to the area/market surveyed. The surveys will be done either by the Institute itself or by employing specialised research agencies. Similarly, commodity surveys will be done by the Institute and on the basis of the results of these surveys, the Institute will recommend long-term plans for the processing and export of the commodities which according to the results of the commodity surveys undertaken by the Institute have export potential in foreign countries.

Training of Personnel

The Institute intends to start both basic or long-term as well as refresher or short-term courses.

The basic course is intended to be of six months duration. It is proposed that only executives and middle-management personnel in the age group of 25 to 35 years who have about 3 years experience to their credit and possess requisite qualities for further advancement should be included. The course is designed to equip the executives with complete knowledge of the techniques of export trade so that they are able to initiate and implement export policies with success.

The refresher course will include senior sales, marketing and other executives or officers of Chambers of Commerce and trade associations, Export Promotion Councils, Commodity Boards etc. Government servants in Departments connected with international trade and Indian trade representatives abroad, during their stay in India, will also avail of these short-term programmes. The scheme is intended to impart a specialised knowledge on commodities, markets or territories and export techniques such as financing, advertising, shipping, market research etc. The aim of these courses will be to acquaint the participants with up-to-date knowledge of problems and programmes relating to foreign trade and develop specialisation in specific fields. The approach will be essentially practical so that the executives undergoing the course are prepared fully to take decisions and handle various complicated problems that may come in their way in their day-to-day business affairs.

The Institute also intends to give instructions in foreign languages for which the existing facilities are wholly inadequate. The type of facilities in this direction which the Institute

intends to provide will naturally have a commercial bias and shall meet the urgent requirements of export trade.

General Research Activities

The research activities of the Institute will cover the following :

- (1) economic activities of different regions of the world ;
- (2) study of world trade patterns and international bodies and organisations dealing with the trade matters ;
- (3) general research on specific aspects of international trade such as export credit, export and import relationships, export trends, etc.

These activities will have a practical bias and the results of these studies will be communicated to the trade and industry as quickly as possible after their completion. The Institute will also sponsor, promote and encourage research on export problems by the universities and other organisations. It will also undertake to do research on problems sent to it by the Government or by industry and trade.

Dissemination of Market Information and Export Publicity

The Institute is expected to function as a centre for collection, documentation and dissemination of market information concerning all aspects of international trade. It is also proposed to bring out a number of publications to attain this objective. The Institute will also maintain a library where it will keep publications concerning all aspects of international trade.

MARKETING DEVELOPMENT FUND

Another notable feature during the year under review was the establishment of Marketing Development Fund in July, 1963. To start with, a sum of Rs. 3.8 Crores was provided under this fund to meet the expenses relating to various export promotion measures such as—

- (1) Market Research, Commodity Research, Area Surveys and Research Programmes ;
- (2) Export Publicity and Dissemination of Information ;
- (3) Participation in Trade Fairs and Exhibitions ;
- (4) Trade Delegations and Study Teams ;
- (5) Establishment of Offices and branches in countries abroad ;
- (6) Grants-in-Aid to Export Promotion Council and other organisations for the development of export and the promotion of foreign trade ;
- (7) Quality Control and Pre-shipment Inspection ;
- (8) Export Assistance for exportable commodities including transport assistance ;
- (9) Export Risks Insurance ; and
- (10) Any other scheme which is calculated generally to promote the development of markets for Indian products and commodities abroad.

The Government of India also evolved a Code of Grant-in-aid which contains details of the ratio of assistance available from the fund to meet the expenses on various Export Promotion activities enumerated above.

EXPORT PROMOTION SCHEME

In January, 1964, there was a press report that the Ministry of Finance was proposing certain changes in the scheme with a view to preventing wastage of foreign exchange and arresting malpractices. Changes proposed were of the following nature :

- (a) The scheme should be confined to only manufacturer-exporters and not be applied to merchant exporters.
- (b) The entitlement must relate only to the "content" of the article to be manufactured and not cover allied items.
- (c) The import licence should not be sold or transferred except to one's own industrial units.

The Council strongly protested to the Finance Ministry against alleged malpractices and represented that the incentive scheme was production-based. Since only those raw materials could be imported which were permitted and since they could be sold only to those who were engaged in the manufacture of engineering goods, there was no question of any malpractice. It was further pointed out that merchant exporters were playing an important part in the promotion of country's export and it would not be in the interest of the country to interfere with the present arrangement under which they could earn an entitlement and sell to manufacturers of engineering goods.

We are glad to report that the proposed changes were not brought into force.

QUALITY CONTROL AND PRE-SHIPMENT INSPECTION

While the Government have all along been alive to the need for introducing compulsory quality control and pre-shipment inspection for export goods and have indeed introduced these in respect of a number of commodities, the measures thus far taken have been more or less on the basis of ad-hoc decisions. The first planned activity in this field was started in January 1963, when a small cell to look after this work was created in the Ministry of International Trade. The Lok Sabha enacted a legislation called 'the Export (Quality Control and Inspection) Act, 1963. The Export Inspection Council which is the operational body, has been established under the Export (Quality Control and Inspection) Act, 1963 to ensure that the legislation is implemented properly.

So far as the engineering products are concerned, the question of quality control was examined by a Study Group set up under the chairmanship of Senior Industrial Adviser (Engineering) in the Directorate General of Technical Development, Shri B. D. Kalelkar. Engineering products have been divided into six broad groups for this purpose. It has been decided to complete by December 31, 1964, the arrangements and machinery for exercising necessary quality control and pre-shipment inspection, so that the scheme may be introduced from January 1, 1965.

The recommendations of the Study Group were accepted by the Export Inspection Council and the action has been initiated on the lines of the recommendations. The Council has also accepted the recommendations of the Study Group and is extending its co-operation with the Export Inspection Council as well as the Indian Standards Institution for gradual implementation of the Inspection Scheme.

The itemisation and groupings of the various engineering products and their treatment for purposes of quality control and pre-shipment inspection are given below :—

GROUP A

For items falling in this group, a small group of technicians will be charged with the specific task of inspecting shop and quality control methods of exporting factories. This group will then assess the export-worthiness of the products of the exporting factories concerned and will recommend to Government of India necessary certification of export-worthiness of these products. The following items can be covered under this group :

- (1) Motor Vehicles, scooters, motor-cycles, mopeds
- (2) Diesel engines
- (3) Air compressors
- (4) Power driven pumps
- (5) Electric motors, transformers and switch gears
- (6) Electric wires and cables
- (7) Dry batteries
- (8) Storage batteries
- (9) Electric fans
- (10) G.L.S. electric lamps and fluorescent tubes
- (11) Radio receivers and P.A. equipment
- (12) Refrigeration and air-conditioning equipment
- (13) Fabricated steel structures including pressed steel trunks and bridge and roof
- (14) Transmission line towers
- (15) Bicycles
- (16) Sewing machines
- (17) Typewriters and duplicators
- (18) Small tools
- (19) Coated and bonded abrasives
- (20) Crown cork
- (21) Metal closures, capsules and capseals
- (22) Bolts, nuts, rivets, screws, wire nails, panel pins, and split and cotter pins
- (23) Steel, aluminium and tinplate packages in made up or component form
- (24) Printed metal hardware, toys and advertisement novelties
- (25) Steel furniture including tubular furniture for home, office and security purposes
- (26) Steel pipes and tubes
- (27) Cast iron pressure and non-pressure pipes
- (28) Steel castings
- (29) Precision iron castings (lathe beds, cylinder blocks, crank cases and machine castings)
- (30) Dies, jigs and fixtures
- (31) Non-ferrous alloys, semis, extrusions and forgings

GROUP B

The following types of engineering products could be grouped here and the inspection for export purposes undertaken by the Inspection Wing of the Director General of Supplies and Disposals :

- (1) Machine tools
- (2) Railway track fasteners and accessories
- (3) Railway signalling equipment and train lighting equipment
- (4) Railway wagons.

GROUP C

For the types of products falling under this group, no export inspection may be considered necessary because of the known quality control technique already being exercised in the works of the manufacturers concerned. In this group, the following three types of engineering products will be covered :

- (1) Locomotives
- (2) Industrial shunters
- (3) Integral coaches

GROUP D

In this group, as will be seen from the following list, machinery used for specific industries has been categorised and the same treatment will have to be given to the goods meant for export as in the case of products falling under Group A :

- (1) Textile machinery
- (2) Jute mill machinery
- (3) Sugar mill machinery
- (4) Paper and pulp mill machinery
- (5) Tea processing machinery
- (6) Industrial machinery not otherwise specified
- (7) Automobile ancillaries
- (8) High tension power transmission line equipment (where package contracts are concerned)

GROUP E

Included in this group are items which can be called consumer goods and for which the Certification Marking Scheme of the Indian Standards Institution should be able to determine the export-worthiness of these products. These products are :

- (1) Utensils of aluminium, copper, brass and stainless steel
- (2) EPNS ware
- (3) Buckets and bath tubs
- (4) Ghamellas
- (5) Enamelware
- (6) Cutlery
- (7) Locks and padlocks
- (8) Builders' hardware
- (9) Steel trunks
- (10) Umbrellas and umbrella fittings
- (11) Barbed wire, wire gauze, mesh and netting and weld mesh
- (12) Expanded metal
- (13) Pressure lamps and stoves
- (14) Thermos flasks
- (15) Zip and snap fasteners
- (16) C.I. manhole covers, pulleys and counterweights
- (17) Flash light cases
- (18) Box cameras
- (19) Water and steam pipe fittings.

For aluminium utensils meant for export, the Indian Standards Institution Certification Mark has already been made compulsory.

GROUP F

In this group will fall rolled steel sections, produced by the main steel producing plants such as of TISCO, IISCO and HSL as well as by smaller units, namely, re-rollers. In case of sections produced by the main plants, no further inspection other than already carried out by the plants will be necessary. In case of re-rollers, however, ex-works assessment of quality will have to be made by some independent agencies like Metallurgical Inspectorate of the Directorate General of Supplies and Disposals, etc.

U.N. CONFERENCE ON TRADE & DEVELOPMENT

Another important event which took place during the close of 1963-64 was the Conference held in Geneva to discuss the problems of international trade and development of under-developed countries. This was the second Conference of its type—the first having been held in Cairo in 1962. Representatives from 120 countries participated in the Conference.

Theme for discussion

A Preparatory Committee of representatives of 32 countries, both developing and developed, prepared the provisional agenda, identified the issues and problems, endeavoured to list proposals for action and indicate lines along which solutions might be sought, and worked out the administrative arrangements for the implementation of these recommendations. However, the most important document was a monograph prepared by the Secretary General of the Conference Dr. Raul Prebisch entitled "Towards a New Trade Policy for Development" which posed the problems of less developed countries in an exhaustive manner and also contained imaginative but at the same time practical solutions for the same. The work of the Conference was entrusted to the following five Committees :

1. International Commodity Problem.
2. Trade in Manufactures and Semi-manufactures.
3. Financing and Expansion of International Trade and Improvement and Invisible Trade of Developing Countries.
4. Institutional Arrangements, Methods and Machinery to implement measures relating to the expansion of International Trade.
5. Principles of International Trade.

Problems of development

The most important problem which all the developing countries were facing was that while their import requirements, to meet the needs of development, were mounting up, their exports, composed of mainly primary products, were not catching up with their import bill. In addition to their import requirements, the developing countries had to pay for the investment income and other invisible charges. It is feared that this tendency might result into a trade deficit of \$ 20 billion by 1970.

Reasons for this disquieting feature are (1) that the exports of primary products cannot be stepped up to the extent desired because of physical factors and increasing share of pro-

cessing in the food consumption, (2) that the exports of raw-materials can also not achieve the desired result because of the high scale substitution of these materials by synthetic and other chemical products.

Another reason for the continuing trade deficit was that due to their import needs, almost all the developing countries were trying to sell their products, to developing countries which resulted in the fall of its price in the international markets.

On the contrary, it was possible for the developed countries to control the manufacturing programmes and thereby secure higher prices for the manufactured goods exported by them to less-developed countries. It is, therefore, necessary that in order to correct this tendency, obstacles to trade be removed, price stabilisation measures enforced and exports diversified into manufactures and semi-manufactures.

On the side of repayment of investment income, it has been observed that the assistance given by the developed countries has been for too short a period to enable the assisted countries to build up capacity to repay. The rate of interest, viewed in the context of the borrowing country's capacity to pay, has also been high.

Another factor which has contributed towards the widening of trade gap of less-developed countries is the invisible payments in the form of shipping charges and the remuneration to the technical know-how imported from developed countries. Of these two, the problem of shipping is very important.

Recommendations of the Conference

It was decided that **Commodity Arrangements** should be negotiated to secure remunerative, equitable and stable prices for primary commodities. The aim of such arrangement should be to encourage consumption in accordance with the orderly increases in the production in the developing countries. It was also decided that a Commission on Commodity Arrangements and Policies should be set up by the proposed Trade and Development Board of UNCTAD. The proposed institution was to take over the functions of the Interim Co-ordinating Committee for International Commodity Arrangements and the Commission on International Commodity Trade and to co-ordinate the activities of all bodies involved in the commodity field such as F.A.O., the Commodity Councils and the GATT.

It was also decided that the developed countries should liberalise and strengthen the trade and monetary relations which they maintained with each other, should encourage the establishment of a regional payments union and should provide for preferential arrangements amongst each other without adversely affecting other developing countries. It was also decided that something should be done whereby the competition which primary products had to face from synthetic and other substitutes could be eliminated or at least minimised.

As for the trade in manufactures and semi-manufactures, it was suggested that a Specialised Agency for Industrial Development is set up under the auspices of United Nations to co-operate with existing regional economic commissions in assisting the regional planning of industrial development, to provide technical assistance and facilities for training of staff needed for accelerated industrial development and to offer advice and guidance on the efficient use of natural resources.

The Conference decided that the developing countries should establish industries which had an export potential so that diversification and substantial expansion of their exports of manufactures and semi-manufactures may be possible. It was also suggested that trade barriers should

not be raised against exports from the developing countries and no new barriers be erected. In fact, efforts should be made to eliminate duties on manufactured and semi-manufactured products of undeveloped countries. Quantitative restrictions on the import of manufactured and semi-manufactured articles, now in force, should also be withdrawn urgently.

So far as the question of giving preferential treatment to exports from the developing countries was concerned, it was decided that the Secretary General of the U.N. should establish a Committee of Government representatives both from the developed and developing countries to consider the matter with a view to working out the best method of implementing such preferences on the basis of non-reciprocity.

As for primary products, it was decided that the developing countries should eliminate as early as possible all tariff and fiscal obstacles in the way of greater exports of primary commodities. Quantity targets should be fixed taking into account the needs of the developing countries. It was with this end in view that the European countries decided that they will increase the trade with developing countries by 1970 to a level $2\frac{1}{2}$ to 3 times that of the present level. In the field of financial co-operation, it was decided that the assistance from the developed countries should be to such an extent that a minimum rate of development of 5% as laid down for the U.N. Development Decade, could be achieved. It was decided that in order to achieve this, the economically advanced country should endeavour to supply financial resources amounting to at least 1% of their national income.

Certain other useful recommendations were made about the rate of interest charged on the finance for development as well as the scheme of compensatory financing.

As for shipping facilities, the Conference adopted a resolution that necessary institutional arrangements should be made to promote understanding and co-operation in the field of shipping and to study and report on economic aspects of shipping that might be referred to it.

The Committee also suggested that the UNCTAD be set up as an organ of General Assembly, its members being those States which are members of the U.N., the Specialised Agencies and I.A.E.A. The Conference should be convened at intervals of not more than three years, the next session being in early 1966. A permanent organ of the Conference, to be known as the Trade and Development Board, should be established as part of the U.N. machinery in the economic field.

Appendix

COUNCIL'S DELEGATION TO AUSTRALIA

Following the talks between the Australian Minister of Trade and Industries, Rt. Hon. Mr. McEwen and Hon. Shri Manubhai Shah, Minister for International Trade, Government of India, and the subsequent visit of an official Australian Trade Delegation to India during November, 1963, the Indian Engineering Trade Delegation's visit to Australia was sponsored by the Engineering Export Promotion Council at the instance of the Government of India. The delegation consisted of :—

Mr. K. K. Nathani	..	Leader
Mr. M. M. Malkani	..	Dy. Leader
Mr. E. Issac	..	Member
Mr. K. K. Jhalani	..	Member
Mr. C. R. Kamani	..	Member
Mr. N. R. Pandit	..	Member
Mr. S. R. Chakrapani	..	Secretary
Foreign Officer, EEPC, Singapore.		

The Delegation assembled in Sydney on 26th February 1964 and visited Port Kembla, Melbourne, Canberra and Perth, apart from Sydney. Due to shortage of time it was not possible for the delegation to visit Adelaide. The delegation left Perth on 14th March 1964 for Singapore en route to India.

During their stay in Sydney, opportunity was also taken to visit the Sydney Showgrounds along with the Indian Trade Commissioner to inspect the site for the proposed Indian participation in the forthcoming Sydney International Engineering Exhibition.

In all the places visited, the delegation was given ample opportunities of coming into close contact with various Chambers of Commerce and Trade Associations, Manufacturers, Importers, Exporters and Government Officials and were received with all courtesy. In a number of places, the press and television representatives were briefed on the objectives of the delegation.

Terms of Reference

The terms of delegation were as follows :

1. To study the prospects of export to Australia of engineering goods in general and exportable categories of rolled steel, fabricated steel work, railway track materials, machine tools, iron castings, steel forgings, non-ferrous metals and alloys, small and hand tools, etc. in particular.

2. To survey the possibilities of import into India of certain products like special steels, pig iron, and other items.
3. To explore the possibilities of exchange of engineering components for which India and Australia had common technical collaboration and also for economic collaboration between the two countries.

Recommendations

India had so far been regarded as a supplier of primary products in developed countries. The Delegation during their short stay had been successful in no small measure in advising the importers in Australia that India could be regarded as a supplier of a large number of engineering goods. It was felt that we were happily placed in export of engineering items, as it could be a two-way transaction of both buying and selling, unlike the primary products like the tea, jute etc.

- (1) Recommendations at Government level, the question of tariffs and their application on domestic price should be taken up with the Australian Government, so that, Indian exporters could not be placed at a disadvantage with other countries. Suggestion was made that the drawback duties on exports which were deductible from the domestic prices might be suitably increased to include all the incentives given by the Government.
- (2) The present image of India in Australia as a supplier of raw materials and agricultural products had to be changed by continuous propaganda through Indian Trade Commissioners and/or direct by means of informative literature, documentary films on engineering industries and exports, participation in all trade fairs and exhibitions. The latter was more important of all. The results of such a display should be viewed in the long term perspective. There could be no questions of their impact for they gave invaluable opportunities to the exporters to get in touch with wide range of end users.

Public Relation Activities

During the year under review, the Council held discussions with important dignitaries and visiting foreign delegations, a short resume of which is given below :

Australian Delegation

Meeting with the Australian Trade Delegation to India on 27th November 1963. The Delegation consisted of—

Mr. G. Warwick Smith,
Leader,
Senior Deputy Secretary,
Federal Government.

Mr. N. F. Stuartt,
First Asstt. Secretary,
Asia Division,
Government of Australia.

Mr. L. Lind,
Asstt. Secretary,
Government of Australia.

Mr. P. S. Panton,
Australian Trade Commissioner,
Calcutta.

Meeting with Mr. Pusumka of the German Democratic Republic.

The Council had discussions with Mr. Pusumka on the basis of contracts worth Rs. 20 lakhs of storage batteries with G.D.R. for the current year and for Rs. 70 lakhs to be concluded next year. In addition to these items, G.D.R. had expressed interest on number of engineering items of Indian make.

East African Delegation

Meeting with Delegation from East Africa :

On the suggestion of the Ministry of International Trade, Government of India, the Council invited a delegation of 6 persons, comprising of 2 delegates each from the states of Kenya, Uganda and Tanganyika. However, on account of certain unavoidable circumstances, the Tanganyika delegates could not participate. Composition of the delegation which arrived in India was as follows :

1. Mr. R. S. C. Beresford, Manager,
Small Industries Department,
Industrial Development Board,
Kenya.
2. Dr. Nguguna Gakuo, Member,
Industrial Development Board,
Kenya.
3. Mr. N. A. Olwoch, Permanent Secretary,
Ministry of Works, Government of Uganda.
4. Mr. A. S. N. Kiwana, Asstt. Engineer-in-Chief (Technical), Ministry of Works,
Government of Uganda.

A short note on their visit to various places in the country is given below :

Bombay

The delegation arrived in Bombay on the 13th March, 1964 from Nairobi and was received at the airport by the Regional Officer of the Council and Shri W. M. Desai, I.A.S., Industries Commissioner, Government of Maharashtra. The Council had fixed its own programme for visits and discussions of the delegation, but since the delegates were not very much interested in visiting large scale establishments, the Regional Officer, Bombay, arranged for visits to the factories mentioned below :

- (1) M/s. Vulcan Mechanical Industries,
Bombay (Manufacturers of C. I. Pulleys and wood cutting band saw machines).
- (2) M/s. Munshi & Co. Pvt. Ltd., Bombay,
(Manufacturers of all kinds of dies and small machines etc.).

In the afternoon of 13th March, 1964 the delegation visited the factories of M/s. Godrej & Boyce Mfg. Co. and M/s. M. L. Mansukhani & Co. Pvt. Ltd. A lunch was arranged at the factory of M/s. Godrej & Boyce Mfg. Co. The delegation also discussed matters relating to export of plastic and linoleum products with the members of the Plastic and Linoleum Export Promotion Council.

The delegation proceeded to Poona on the 14th March, 1964 and was taken to various small factories who manufacture—

1. Glass Bead making
2. Glass Toys making
3. Scientific Table Glass Blowing
4. Torch Bulb making
5. Balling Machine

and various other items. A lunch was arranged for the delegation by M/s. Kirloskar Oil Engines Ltd., Poona. The delegation returned back to Bombay the same day in the evening. On the 15th March, 1964, the delegation went to see the Maharashtra Housing Scheme and in the evening they proceeded to Delhi.

Delhi

The delegation arrived by IC 134 from Bombay on the 15th March, at 19.40 hours. On 16th and 17th March, 1964, discussions with the Minister and Officials of the Ministry of International Trade were arranged. The delegation also went to see the factory of M/s. Escorts Limited.

Members of the delegation were entertained at a cocktail party given by Shri J. D. Kapur of M/s. Atlas Cycle Industries on the 16th evening.

On the 17th March, 1964, the delegation visited the Okhla Industrial Estate and factory of M/s. Atlas Cycle Industries, Sonapat. They were also taken to the Central Road Research Institute, New Delhi. The delegation left for Agra on 18th March accompanied by the Regional Officer, Delhi. Besides visiting Tajmahal, visits to factories of M/s. Ideal Scientific Works and M/s. Rimco Electric Industries were arranged.

Calcutta

The delegation arrived by IC 409 from Delhi on 19th March and was taken in the afternoon to a local tooth brush manufacturing factory. The delegation was of the view that if such machinery could be exported from India and arrangement could also be made for training African boys in the Indian factories it would be of much value. On the 20th March, 1964, they were taken to the factories of M/s. Jessop & Co. and M/s. Port Engineering Ltd. Arrangement for visiting the factory of M/s. Lynx Machinery Ltd. was also made, but this could not materialise because of the early closure of the factory, in the afternoon. On the 21st they were taken to a medium scale factory who manufacture Oil Expellers. They were very much impressed by the Baby Oil Expeller manufactured by the firm and confirmed that in the course of next 2 or 3 months, they will purchase Baby Oil Expeller for use in East Africa.

Madras

The delegation left for Madras on the 22nd morning by IC 269. In Madras a meeting was arranged with the Regional Committee on the 23rd March. The meeting was attended by

the representatives of various firms manufacturing auto parts, small tools, Aluminium conductors, bicycle parts, auto batteries etc. The delegation exchanged views on the possibility of exporting various Engineering items from India to East Africa. A member of the delegation said that the object of the delegation was to study the methods and the pattern on which India was developing its small scale industries. They were taken in the afternoon to the Industrial Estate of Guindy where a number of small units manufacturing engineering items were shown to the delegation. The members showed interest in the following factories :

- | | |
|---|---|
| (1) M/s. National Fasteners P. Ltd. | .. Bolts, Nuts, Rivets, Hinges, Washers and non-ferrous forgings. |
| (2) M/s. Everest Metal Industries P. Ltd. | .. Electro plating, Machine screws and Auto parts. |
| (3) M/s. Coogans Die Casting | .. Die Casting of non-ferrous alloys and hot dip galvanising. |

The delegation wanted to know how Government was helping these small scale units and was informed that a number of facilities such as providing land on subsidised rent, provision for common tool room, quality control facilities and giving training to boys in regard to die design etc. were being provided.

The delegation was also taken to the factories of M/s. Addison & Co. who manufacture small tools and M/s. KCP Ltd. who manufacture castings and sugar mill machinery. Some members of the delegation discussed details regarding road construction with the Chief Engineer of the Public Works Deptt., Madras. From Madras the delegation proceeded to Bangalore on the 24th March by IC 103 and visited the factories of M/s. Kirloskar Electric Co. and M/s. HMT etc. They proceeded to Bombay on the 25th March by IC 106 and left for Nairobi by AI 209 on the 26th March 1964.

Iranian Delegation

Meeting with Delegation from Iran consisting of Mr. & Mrs. Yousefzadeh and Mr. & Mrs. Tawfik :

Mr. Yousefzadeh visited, among others, the following Engineering establishments in India :

1. Kamani Engg. Corporation Ltd., Bombay.
2. Godrej & Boyce Mfg. Co. Pvt. Ltd., Bombay
3. Kirloskar Oil Engines Ltd., Poona.
4. Ruston & Hornsby (India) Ltd., Poona.
5. Cooper Engg. Ltd., Poona.
6. Escorts Ltd., Faridabad.
7. The Ganesh Flour Mills Co. Ltd., Delhi.
8. India Piston Ltd., Madras.
9. T. I. Cycles, Madras.
10. Hindustan Machine Tools, Bangalore.
11. Kirloskar Electric Co., Bangalore.
12. Indian Telephone Industry, Bangalore.

His impression was that some of the big factories like M/s. Kamani Engg. Corpn., M/s. Godrej & Boyce Mfg. Co., M/s. Hindustan Machine Tools etc. were equipped with most modern tools and can compare with any of the similar factories in the Continent and other advanced countries. He was also of the opinion that the smaller factories were all out to improve their resources, and produce high quality goods.

Besides visiting factories, private discussions were arranged with the Exporters and Officials. As a result of these discussions and visits, he got in touch with M/s. Escorts Ltd., Delhi and he is expecting to do a lot of business in Iran with M/s. Escorts Ltd. in agricultural implements.

He has, however, expressed his concern over the lack of after-sales service arrangements in regard to machinery exported from India. He has cautioned that unless this aspect is taken care of, it will not be possible for Indian Exporters to sell machinery items in the Iranian market. He has suggested that proper scrutiny of the firms exporting engineering goods to Iran should be made so that unscrupulous traders do not get the opportunity to export sub-standard materials. He has also suggested that the exports of various items should be abolished, because such a system attracts inexperienced and parties of low standing to avail the benefits of licences of such speculative items as dry fruits. Instead, he has suggested that the existing incentive in the form of import of raw materials etc. should be encouraged.

Meeting with Dr. V. K. R. V. Rao, Member, Planning Commission and Shri D. C. Joshi, I.C.S., Secretary, Ministry of International Trade.

Meeting with His Excellency Shri K. B. Lall, Ambassador of India in ECM Countries on 14th January 1964.

Meeting with Shri K. V. Padmanabhan Ambassador-Designate to Thailand on 3rd February 1964.

Meeting with Mr. Joseph Horn, President, Czechoslovak Chamber of Commerce, Prague, on the 13th March 1964.

ACCOUNTS

The Audited Statement of Accounts for the period under review are appended to this report.

R. K. SINGH
Secretary

S. L. KIRLOSKAR
Chairman

AUDITORS' REPORT TO THE MEMBERS

We have audited the Balance Sheet of ENGINEERING EXPORT PROMOTION COUNCIL (Limited by Guarantee) as at 31st March, 1964 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) Expenses incurred in excess of limit as per Budget are subject to the sanction of the Working Committee in consultation with the Union Government under Clause 67 of the Articles of Association of the Council ;
- (2) In our opinion and to the best of our information and according to the explanations given to us, the annexed accounts, read with the notes thereon, give the information required by the Companies Act, 1956 (as amended) in the manner so required and give a true and fair view.
 - (a) In case of the Balance Sheet, subject as aforesaid, of the state of affairs of the Council as at 31st March, 1964 and
 - (b) In case of the Income & Expenditure Account, subject as aforesaid, of the excess of Income over Expenditure of the Council for the year ended on that date ;
- (3) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
- (4) In our opinion, proper books of account as required by the Companies Act, 1956 have been kept by the Council so far as appears from our examination of those books. Proper returns adequate for the purposes of our audit have been received from Indian & Foreign Branches which have not been visited by us and
- (5) The Balance Sheet and Income & Expenditure Account are in agreement with the Books of Account and Returns.

1-B, Old Post Office Street,
Calcutta, the 23rd day of November, 1964.

SINGHI & CO.
Chartered Accountants.

As at 31.3.63
Rs. nP.

LIABILITIES

Rs. nP.

Rs. nP.

RESERVE AND SURPLUS :—

INCOME & EXPENDITURE ACCOUNT—

As per last Balance Sheet

5,14,536.71

Add : Balance being excess of Income over
Expenditure for the year transferred
from Income & Expenditure Account

5,14,536.71

1,10,689.64

6,25,226.35

CURRENT LIABILITIES & PROVISIONS :—

(A) CURRENT LIABILITIES—

3,98,530.71

Sundry Creditors

4,22,674.54 ✓

51,390.19

Unspent Contribution of Joint
Publicity Scheme

67,563.20 ✓

15,500.00

Subscription received in advance

11,500.00 ✓

5,498.45

Other Advances

6,167.91

79,669.27

For Other Finance

1,39,386.94 ✓

—

Grants received under Marketing
Development Fund

3,25,000.00 ✓

(B) PROVISIONS—

4,571.18

For Expenses

53,656.40 ✓

10,25,948.99

10,69,696.51

Carried over

16,51,175.34

PROMOTION COUNCIL

GUARANTEE)

AS AT 31st MARCH, 1964

As at 31.3.63
Rs. nP.

ASSETS

Rs. nP.

Rs. nP.

FIXED ASSETS :—

1,30,100.00

As per Schedule 'A' annexed

1,50,966.00

CURRENT ASSETS, LOANS & ADVANCES :—

(A) CURRENT ASSETS—

—

Interest accrued but not due on short term Call Deposit

10,093.16

Stock of Paper, Publications and Stationery (Paper & Stationery at cost and Publications at selling price)
(As taken, valued & certified by the Management)

59,688.76

17,639.58

Sundry Debtors : (Unsecured, Considered Good)

Debts outstanding for a period exceeding six months :

15,927.03

Good 18,878.17
Doubtful and not provided for 2,837.06

21,715.23

Other Debts :

17,302.37

Sundry Bills
Contribution Receivable

42,159.74 ✓
22,047.38

1,178.36

Cash Balance on hand (including at Foreign Offices Rs. 7,011.59 nP.)

7,842.28

30,000.00

Money-in-Transit

30,500.00

Balances with Scheduled Banks —

7,38,179.33

In Current Account in India and at Foreign Offices Rs. 13,578.36 nP.)

8,35,730.02

—

In Short Term Call Deposit Account

4,00,000.00

13,87,727.39

9,92,375.85

Carried over

15,38,693.39

ENGINEERING EXPORT

(LIMITED BY

BALANCE SHEET

As at 31.3.63
Rs. nP.

10,69,696.51

LIABILITIES

Brought forward

CONTINGENT LIABILITY NOT PROVIDED FOR —

In respect of Advertisement Bills under Joint Foreign Publicity Scheme not yet ascertained Rs. 67,563.20 nP. (Previous year Rs. 51,390.19 nP.)

NOTES :—

- (1) Value of Contracts on account of Capital Goods remaining to be executed Rs. 28,777.96 nP. not provided for.
- (2) Currency has been converted as follows :—
 - (a) West Germany D. M. .84 = Re. 1/-
 - (b) Straits Dollar 1 = Rs. 1.55 nP.
 - (c) East African Currency Sh. 1-6d = Re. 1/-
 - (d) Lebanese Currency 66 Piastras = Re. 1/-
 - (e) United Kingdom £.1 = Rs. 13.35 nP.
 - (f) Burma at par.

10,69,696.51

- (3) Every member of the Company other than the officials of Government, undertakes to contribute to the assets of the Company in the event of the same being wound up during the time that he is a Member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted prior to the date on which he ceases to be a Member, and of the costs, charges and expenses of winding up the same, and for adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding Rs. 500/-.

Rs. nP.

Rs. nP.

16,51,175.34

16,51,175.34

PROMOTION COUNCIL

GUARANTEE)

AS AT 31st MARCH, 1964

As at 31.3.63 Rs. nP.	ASSETS	Rs. nP.	Rs. nP.
9,92,375.85	Brought forward		15,38,693.39
	CURRENT ASSETS, LOANS & ADVANCES (Cont'd.)		
	(B) LOANS & ADVANCES— (Unsecured, Considered Good)		
39,047.30	Advances (recoverable in cash or in kind or for value to be received)	70,897.78	
2,881.10	Units in Franking Machine	2,738.98	
4,249.71	Prepaid Expenses (including Rs. 6,199.83 nP. for Study Team tours undertaken in 1964-65)	10,748.39	
26,533.20	Security Deposits (including Foreign Office Deposits Rs. 10,540.88 nP. of which Rs. 7,000/- is under dispute)	25,481.49	
4,609.35	Suspense Pending Adjustments	2,615.31	
			1,12,481.95
	<i>Note :—</i> Maximum amount due at any time during the year from an Officer— Rs. <u>20,537.72</u> nP.—Closing Balance Nil.		
<u>10,69,696.51</u>			<u>16,51,175.34</u>

As per our report annexed

1-B, Old Post Office Street,
Calcutta, the 23rd day of November, 1964.

SINGHI & CO.
Chartered Accountants

ENGINEERING EXPORT

(LIMITED BY

INCOME & EXPENDITURE ACCOUNT

For the year
ended 31.3.63

Rs.	nP.	EXPENDITURE	Rs.	nP.	Rs.	nP.
		TO ADMINISTRATION WITHIN INDIA				
93,471.91		Salaries & Allowances (50% of H.O.)	1,10,197.74			
38,064.00		Rent	38,064.00			
29,882.74		Printing, Stationery, Postage & Telegrams,				
1,955.80		Telephones etc. (50% of H.O.)	43,044.05			
22,064.76		Electricity	2,018.09			
9,524.44		Travelling & Conveyance	34,851.68			
24,526.45		Motor Car Up-keep	8,838.84			
		Miscellaneous Expenses (including Staff Welfare Rs. 7,343.16 nP.)	29,624.60			
53,164.91		Regional Office Expenses (as per Schedule 'B')	1,06,825.20		3,73,464.20	
		„ ADMINISTRATION OUTSIDE INDIA				
1,34,584.50		Foreign Office Expenses (as per Schedule 'B')			2,20,514.90	
		„ TRADE DELEGATION AND STUDY TEAM				
2,73,723.19		(including total expenses for Tours commenced during the year but completed in 1964-65 and brought forward from previous year's Account and provision Rs. 8,223.16 nP.)			3,37,876.37	
		„ PROPAGANDA OUTSIDE INDIA				
36,831.10		Advertisement (External including provision Rs. 20,000/- for East European Publicity)	41,862.70			
4,11,504.92		Joint Foreign Publicity (provision Rs. 25,433.24 nP.)	4,36,492.98			
11,29,298.72		Carried over	4,78,355.68		9,31,855.47	

PROMOTION COUNCIL

GUARANTEE)

FOR THE YEAR ENDED 31st MARCH, 1964

For the year
ended 31.3.63

Rs. nP.

INCOME

Rs. nP.

Rs. nP.

1,88,000.00

BY MEMBERSHIP SUBSCRIPTION

2,65,500.00

„ SPECIAL CONTRIBUTION

Towards Joint Foreign Publicity Scheme
transferred from last year's Account

51,390.19

Add Countribution received during the
year

2,34,750.00

2,86,140.19

Less adjustment made for payment of a
Bill of earlier year

330.50

2,85,809.69

Less the unspent balance carried forward

67,563.20

2,05,752.46

2,18,246.49

Trade Delegations & Study
Teams Expenses

3,02,124.95

Add Transferred from last
year's account

9,609.00

3,11,733.95

Less Carried forward for ad-
justments against Study
Teams Expenses to be
incurred in 1964-65

50,253.75

2,26,480.35

2,61,480.20

4,79,726.69

9,20,926.00

„ GRANT-IN-AID FROM GOVERNMENT OF
INDIA

10,54,127.00

2,300.36

„ MISCELLANEOUS RECEIPTS

2,054.81

213.03

„ LIABILITIES NO LONGER REQUIRED
WRITTEN BACK

15,43,672.20

Carried over

18,01,408.50

ENGINEERING EXPORT

(LIMITED BY

INCOME & EXPENDITURE ACCOUNT

For the year
ended 31.3.63
Rs. nP.

11,29,298.72

EXPENDITURE

Brought forward

Rs. nP.

4,78,355.68

Rs. nP.

9,31,855.47

TO PROPAGANDA OUTSIDE INDIA (Cont'd.)

Brochures, Leaflets, Directory,
Overseas Journal & For-
eign Publications (after
adjustment of stocks) 92,934.84

33,163.00 Less Sales & advertisement
Receipts 67,885.12

25,049.72

2,362.36

Exhibitions
Entertainment to Foreign Delegations
etc. in India

37,369.38

3,710.18

214.00

Showroom & Trade Centre
Proportionate H.O. Expenses (25%)
Salary & Allowances 55,098.87
Printing, Stationery, Postage,
Telegrams & Telephones
etc. 21,522.03

76,620.90

61,677.32

6,17,395.68

„ PROPAGANDA WITHIN INDIA

37,583.80 Advertisement
Home Bulletin 37,893.64

33,029.61

26,497.61 Less Sales & Advertisement
Receipts 15,225.73

22,667.91

6,317.29

Journal & Books (after ad-
justment of stocks) 8,640.09
Less Sales & Advertisements 3,918.57

4,721.52

5,117.36

7,154.81

116.25

Exhibitions (Net)
Entertainment
Samples

5,555.38

512.55

Proportionate H.O. Expenses (25%)

Salaries & Allowances

55,098.87

Printing, Stationery, Postage, Telegrams
& Telephones etc. 21,522.03

21,522.03

61,677.32

1,43,107.87

13,74,890.02

Carried over

16,92,359.02

PROMOTION COUNCIL

GUARANTEE)

FOR THE YEAR ENDED 31st MARCH, 1964

For the year
ended 31.3.63

Rs. nP.

15,43,672.20

INCOME

Rs. nP.

Rs. nP.

Brought forward

18,01,408.50

BY RECEIPTS FROM THE SALE OF "DRILL"

—	Sale Proceeds	3,096.75	
—	Less Cost of Paper & Printing charges	2,998.10	
			98.65
—	„ PROFIT ON THE SALE OF RANGOON OFFICE MOTOR CAR		6,815.26
—	„ SUNDRY CREDIT BALANCE WRITTEN BACK		414.11
—	„ INTEREST ON SHORT TERM CALL DEPOSIT		10,093.16
	„ SUNDRY ADJUSTMENTS (relating to previous years)		
	Credit	7,950.33	
	Debit	2,075.54	
			5,874.79

NOTES :—

- (1) All unutilised Air Passage and unspent Travellers Cheques in respect of Study Teams & Delegations are adjusted in the account as and when received.
- (2) Subscriptions due from Members for 1963-64 amounting to Rs. 10,500/- not accounted for as their dues were not received till date.
- (3) Income & Expenditure Account has been presented according to the Budget Heads and some of the expenses have been allocated on the basis stated in the Budget estimates.
- (4) Salary & Allowances, Regional & Foreign Offices expenses include Provident Fund Contributions Rs. 11,343.71 nP.
- (5) Propaganda Outside India Account—Joint Foreign Publicity includes payment during the year for 1962-63 Rs. 21,339.34 nP.

15,43,672.20

Carried over

18,24,704.47

ENGINEERING EXPORT

(LIMITED BY

INCOME & EXPENDITURE ACCOUNT

For the year
ended 31.3.63
Rs. nP.

EXPENDITURE

13,74,890.02

Brought forward

28,000.00

„ SPECIAL CONTRIBUTION FOR EXPORT
JOURNAL TO CENTRAL GOVT.

1,344.47

„ LOSS ON SALE OF FIXED ASSETS (At Cairo)

8,771.06

„ SUNDRY ADJUSTMENTS (relating to previous
year net)

3,000.00

„ AUDITORS' HONORARIUM

320.57

„ IRRECOVERABLE DUES WRITTEN OFF

18,014.31

„ DEPRECIATION & WRITE OFFS

1,09,331.77

„ BALANCE—BEING EXCESS OF INCOME OVER
EXPENDITURE TRANSFERRED TO BALANCE
SHEET

15,43,672.20

Rs. nP.

Rs. nP.

16,92,359.02

—

—

—

3,000.00

—

18,655.81

1,10,689.64

18,24,704.47

PROMOTION COUNCIL

GUARANTEE)

FOR THE YEAR ENDED 31st MARCH, 1964

For the year
ended 31.3.63
Rs. nP.

INCOME

Rs. nP.

Rs. nP.

15,43,672.20

Brought forward

18,24,704.47

- (6) Propaganda Outside India Expenses include Rs. 10,970/- for writing off last year's stock of Brochures in this year.
- (7) Proportionate allocations of Head Office Expenses have been taken as certified.
- (8) Out of the Stock of Directory Brochures and other Publications and included in stock Rs. 2,380/- at selling price have since been distributed free upto 30th September, 1964.
- (9) Stock of Directory and other Publications Rs. 4,460/- have been excluded from stock and not reflected in the Accounts.

15,43,672.20

18,24,704.47

As per our report annexed

1-B, Old Post Office Street,
Calcutta, the 23rd day of November, 1964.

SINGHI & CO.
Chartered Accountants

SCHEDULE "A"

of FIXED ASSETS annexed to and forming part
of the Balance Sheet as at 31st March, 1964

DEPRECIATION AND WRITE OFFS

Description	Cost to 31.3.1963		Additions during the year		Sales/ad-justments during the year		Total Value of Assets to 31.3.1964		Upto 31.3.1963		For the year		Less on sales/ adjustments		Total upto 31.3.1964		Net Value as at 31.3. 1964 as per Balance Sheet		Net Value as at 31.3. 1963 as per last Balance Sheet	
	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.	nP.
Motor Cars	51,772.89	—	—	—	14,771.25	—	37,001.64	—	26,794.03	—	3,558.12	—	7,586.51	—	22,765.64	—	14,236.00	—	24,978.86	—
Furniture, Fixtures, Electric Fittings, Office Equipment, Air Conditioner etc.	1,43,926.45	—	48,625.15	—	2,350.00	—	1,90,201.60	—	42,069.20	—	14,568.40	—	—	—	56,637.60	—	1,33,564.00	—	1,01,857.25	—
Library	5,580.16	—	431.40	—	—	—	6,011.56	—	2,316.27	—	529.29	—	—	—	2,845.56	—	3,166.00	—	3,263.89	—
TOTAL	2,01,279.50	—	49,056.55	—	17,121.25	—	2,33,214.80	—	71,179.50	—	18,655.81	—	7,586.51	—	82,248.80	—	1,50,966.00	—	1,30,100.00	—
Figures at 31st March, 1963	1,76,054.21	—	28,696.21	—	3,470.92	—	2,01,279.50	—	53,356.16	—	18,014.31	—	190.97	—	71,179.50	—	1,30,100.00	—	—	—

NOTE:—Profit or Loss on sale of Furniture at Rangoon Branch has not been adjusted in absence of figures of original cost and depreciation charged against the Furniture in previous years.

SCHEDULE "B" annexed to and forming part of the Income & Expenditure Account for the year ended 31st March, 1964

EXPENSES

OFFICES	Salary			Rent		Miscellaneous		Total	Receipts	Net Total on 31-3-1964		Net Total on 31-3-1963	
	Rs.	nP.	Rs.	nP.	Rs.	nP.	Rs.			Rs.	nP.	Rs.	nP.
1	2	3	4	5	6	7	8						
I. REGIONAL OFFICES													
(1) Bombay	27,276.74		12,000.00		19,328.86		58,605.60	652.35		57,953.25		35,919.37	
(2) New Delhi	10,499.16		4,900.00		4,597.32 (including Brokerage Rs. 700/-)		19,996.48	—		19,996.48		10,107.47	
(3) Madras	12,200.87		8,022.73		8,651.87		28,875.47	—		28,875.47		7,138.07	
TOTAL	49,976.77		24,922.73		32,578.05		1,07,477.55	652.35		1,06,825.20		53,164.91	
II. FOREIGN OFFICES													
(1) London	7,440.00		—		18,495.95		25,935.95	—		25,935.95		—	
(2) Dusseldorf	5,740.58		946.41		19,092.40		25,779.39	—		25,779.39		—	
(3) Beirut	28,823.48		8,776.53		25,212.29		62,812.30	172.12		62,640.18		17,765.18	
(4) Rangoon/Singapore	20,170.96		10,943.31		24,822.06		55,936.33	99.25		55,837.08		40,191.21	
(5) Mombasa/Nairobi	21,178.56		12,266.66		18,043.70		51,488.92	1,166.62		50,322.30		46,840.49	
(6) Cairo	—		—		—		—	—		—		29,787.62	
TOTAL	83,353.58		32,932.91		1,05,666.40		2,21,952.89	1,437.99		2,20,514.90		1,34,584.50	

