10th ANNUAL REPORT

of the Working Committee

for the year ended 31st March 1965



Engineering Export Promotion Council

World Trade Centre, 14/1B, Ezra Street, Calcutta-1



ENGINEERING EXPORT PROMOTION COUNCIL

14-1B, EZRA STREET, 2nd FLOOR, CALCUTTA-1

10th ANNUAL REPORT

of the Working Committee

FOR THE YEAR ENDED 31st MARCH 1965

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ENGINEERING EXPORT PROMOTION COUNCIL

	Telephone	Telegram
Head Office		
Engineering Export Promotion Council, 14/1B, Ezra Street, Calcutta—1	34-7896 (2 lines) 34-8454 (3 lines)	OCEANBORNE
Regional Offices		
BOMBAY Engineering Export Promotion Council, Commerce Centre (2nd floor), Tardeo Road, Bombay-34.		OCEANBORNE
MADRAS Engineering Export Promotion Council, Sire Mansion (3rd floor), 123, Mount Road, Madras-6.	87501	OCEANBORNE
NEW DELHI Engineering Export Promotion Council, D-55, Defence Colony, New Delhi-3.	75442	ENEXPROM
Foreign Offices		
BEIRUT (LEBANON) Engineering Export Promotion Council (India), Shala Shatila Bldg. Rue Jeanne d'Arc, Hamra Street, Beirut (Lebanon).	228178	ENPROCIL
DUSSELDORF (WEST GERMANY) Engineering Export Promotion Council (India), Indische Technische Handelsberatung, 4, Dusseldorf, Immermannstr-59.	359277	OCEANBORNE
LONDON (U.K.) Engineering Export Promotion Council (India), 8, South Audley Street, London, W.1.	Mayfair 7433	INDENGG.
NAIROBI (KENYA) Engineering Export Promotion Council (India), Room No. 115, St. Georges House, Parliament Road, Post Box No. 2030, Nairobi (Kenya).	26080 & 55517	ENPROCIL
SINGAPORE Engineering Export Promotion Council (India), 2/1B, Amber Mansions, Orchard Road, P.O. Box 6, Killeney Road, Post Office, Singapore-9.	35457	OCEANBORNE

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
1963-64	..	Shri S. L. Kirloskar
1964-65	..	Shri R. H. Mody

REPORT OF THE WORKING COMMITTEE

THE COMMITTEE have pleasure in presenting this report for the year ended 31st March, 1965. The Committee was constituted at the Annual General Meeting held on 28th December, 1964 and the report that follows covers the period 1st April, 1964 to 31st March, 1965.

ADMINISTRATION

WORKING COMMITTEE

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

Chairman

Shri R. H. Mody

Vice-Chairmen

Shri R. L. Rajgarhia — Shri Bharat G. Doshi

Government Nominees

Shri Amar Kanta Sen — Shri Nagendra Bahadur

Shri M. M. Vadi (Industrial Adviser)

Other Members

Shri B. S. Agarwal
Dr. Ram Gopal Agarwal
Shri P. K. Basu
Shri M. B. Bhat
Shri Ghanshyamdas Binani
Shri C. R. Bondre
Shri C. E. Cargin
Shri K. L. Chowdhary
Shri B. S. Dua
Shri Harichand Goyal
Shri K. P. Goenka
Shri Bahubali Gulabchand
Shri G. R. Hada
Shri Basant Kumar Jhawar
Shri N. D. Jhunjhunwala
Shri G. N. Khaitan
Shri S. N. Khaitan
Shri M. L. Kocher
Shri V. P. Malhotra
Shri M. L. Mansukhani
Shri H. N. Mirchandani
Shri A. Mowjee
Shri J. Oomrigar
Shri C. N. Pradhan
Shri K. Prosad
Lala Lajpath Rai
Shri S. N. Rungta
Shri D. D. Saraf
Shri O. P. Saraf
Shri Ramanlal M. Shah
Shri M. L. Shroff
Shri R. D. Trivedi

COMMITTEE OF ADMINISTRATION

The Committee of Administration consisted of the following members and met 11 times during the year under review:

Chairman

Shri R. H. Mody

Vice-Chairmen

Shri Bharat G. Doshi
Shri R. L. Rajgarhia

Government Nominees

Shri Nagendra Bahadur
Shri Amar Kanta Sen

Other Members

Shri B. S. Agarwal
Shri K. L. Chowdhary
Shri G. N. Khaitan
Shri D. D. Saraf
Shri M. L. Shroff

REGIONAL COMMITTEES

BOMBAY

Regional Chairman

Shri N. D. Sahukar

Dy. Regional Chairman

Shri J. V. Doshi

Other Members

Shri M. M. Amersey
Shri F. S. Baldiwala
Shri A. K. Bhimani
Dr. B. V. Bhoota
Shri C. R. Bondre
Shri L. D. Char
Shri Bharat G. Doshi
Shri V. Doraswamy
Shri Mulraj Goculdas
Shri Bahubali Gulabchand
Shri F. A. Jasdanwala
Shri P. R. Kamani
Shri P. L. Kirloskar
Shri H. N. Khira
Shri Ram Malani
Shri M. L. Mansukhani
Shri T. R. Mulchandani
Shri N. H. Nagarwalla
Shri B. Nehru
Shri C. N. Pradhan
Shri N. D. Punjabi
Shri Ramanlal M. Shah
Shri Ram Murti Sharma
Shri G. D. Thakoor

DELHI

Regional Chairman

Shri S. S. Taluja

Dy. Regional Chairman

Shri Brij Mohan

Other Members

Shri B. P. Agarwal
Shri A. N. Ahuja
Shri H. C. Goyal
Shri G. L. Gupta
Shri K. K. Jhalani
Shri Ramesh Khosla
Shri L. R. Mago
Shri V. P. Punj
Shri Lajpat Rai
Shri A. S. Rana
Shri O. P. Saraf
Shri W. N. Talwar
Shri K. Rajagopalan
Development Officer, (EPE) Ministry of Commerce, New Delhi.
The Deputy Chief Controller
Export Promotion, New Delhi.
The Director of Industries,
Government of U. P., Lucknow.
The Director of Industries,
Government of Rajasthan, Jaipur.
The Director of Industries, Delhi.
The Director of Industries, Government of Punjab, Chandigarh.

MADRAS

Regional Chairman

Shri A. M. M. Arunachalam

Dy. Regional Chairman

Shri S. Anantaram

Other Members

Shri D. P. Agarwal
Shri A. Majid Kazi
Shri Ravi L. Kirloskar
Shri P. N. Menon
Shri S. Peer Mohammed
Shri V. L. Dutt
Smt. A. K. R. Lakshmi
Dy. Chief Controller (Export Promotion) Madras.
The Asstt. Iron & Steet Controller, Madras.
The Jt. Chief Controller of Imports & Exports, Madras, or his nominee

SUB-COMMITTEES

Head Quarters (Calcutta)

Finance & Staff Sub-Committee

Shri R. H. Mody, *Convenor*
Shri G. N. Khaitan, *Dy. Convenor*
Shri B. S. Agarwal
Shri A. M. M. Arunachalam
Shri A. K. Bhattacharya
Shri K. L. Chowdhary
Shri Bharat G. Doshi
Shri S. K. Guha
Shri R. L. Rajgarhia
Shri N. D. Sahukar
Shri S. S. Taluja

Delegation Sub-Committee

Shri R. L. Rajgarhia, *Convenor*
Shri B. S. Agarwal, *Dy. Convenor*
Shri A. M. M. Arunachalam
Shri C. R. Bondre
Shri K. L. Chowdhary
Shri Bharat G. Doshi
Shri G. R. Hada
Shri G. N. Khaitan
Shri S. N. Khaitan
Shri V. P. Malhotra
Shri M. L. Mansukhani
Shri B. H. Rai
Shri N. D. Sahukar
Shri M. L. Shroff
Shri S. S. Taluja

Overseas Sub-Committee

Shri B. S. Agarwal, *Convenor*
Shri Swaraj Paul, *Dy. Convenor*
Shri A. M. M. Arunchalam
Shri A. K. Bhattacharya
Shri C. R. Bondre
Shri P. R. Guha
Shri R. R. Handa
Shri S. N. Khaitan
Shri M. L. Kocher
Shri J. Oomrigar
Shri N. D. Sahukar
Shri Sanjoy Sen
Shri S. S. Taluja

Panel Sub-Committee

Shri G. N. Khaitan, *Convenor*
Shri Ghanshyamdas Binani, *Dy. Convenor*
Shri A. M. M. Arunachalam
Dr. U. P. Ganguly
Shri H. C. Goyal
Shri G. R. Hada
Shri B. K. Jhawar
Shri M. L. Kocher
Shri N. D. Sahukar
Shri M. L. Shroff
Shri S. S. Taluja

Registration Sub-Committee (ferrous)

Shri S. N. Rungta, *Convenor*
Shri Ghanshyamdas Binani, *Dy. Convenor*
Shri A. M. M. Arunachalam
Shri G. C. Bhattacharjee
Dr. U. P. Ganguly
Shri G. S. Joshi
Shri L. K. Khaitan
Shri S. N. Khaitan
Shri H. P. Maheswary
Shri B. Majumdar
Shri K. K. Nathani
Shri S. R. Ramaswamy
Shri N. D. Sahukar

Shri D. D. Saraf
Shri R. D. Trivedi
Shri S. S. Taluja

Registration Sub-Committee (Non-Ferrous)

Shri R. D. Trivedi, *Convenor*
Shri Ghanshyamdas Binani, *Dy. Convenor*
Shri H. S. Amin
Shri A. M. M. Arunachalam
Shri N. D. Lahoti
Shri N. D. Sahukar
Shri S. S. Taluja
Shri W. Wood

Replenishment Sub-Committee

Shri D. D. Saraf, *Convenor*
Shri K. K. Nathani, *Dy. Convenor*
Shri A. M. M. Arunachalam
Shri M. B. Bhat
Shri Harichand Goyal
Shri M. Hruskar
Shri L. K. Khaitan
Shri H. P. Maheswary
Shri S. N. Mitra
Shri A. Mowjee
Shri Inder Prasad
Shri N. D. Sahukar
Shri S. S. Taluja
Shri M. Viswanathan

Technical Sub-Committee

Shri K. K. Nathani, *Convenor*
Shri D. K. Sen, *Dy. Convenor*
Shri A. M. M. Arunachalam
Shri S. Das
Shri R. K. Gupta
Shri R. Lawford
Shri A. Mowjee
Shri H. G. O'neill
Shri Inder Prasad
Shri K. Prosad
Shri N. V. Rossell
Shri N. D. Sahukar
Shri S. S. Taluja

Shipping Sub-Committee

Shri K. R. N. Swami, *Convenor*
Shri S. R. Chakrapani, *Dy. Convenor*
Shri S. P. Godrej
Shri K. Prosad
Shri A. N. Mukherjee
Shri Raman Lal Shah

Sub-Committee for Trade with Europe

Shri Swaraj Paul, *Convenor*
Shri V. P. Malhotra, *Dy. Convenor*
Shri J. C. Agarwal
Shri M. Balaji
Shri S. N. Rungta

Sub-Committee for Trade with Asia

Shri R. R. Handa, *Convenor*
Shri K. Prosad, *Dy. Convenor*
Shri S. R. Chakrapani
Shri P. S. Kashyap
Shri T. C. Rochford
Shri S. S. Tapuriah
Shri R. D. Trivedi

Sub-Committee for Trade with America

Shri P. R. Guha, *Convenor*
Shri A. N. Mukherjee, *Dy. Convenor*
Shri M. Balaji
Shri A. H. F. Hamilton
Shri R. K. Malhotra

Sub-Committee for Trade with Africa

Shri Sanjoy Sen, *Convenor*
Shri J. Oomrigar, *Dy. Convenor*
Shri S. P. Godrej
Shri H. C. Goyal
Shri M. L. Mansukhani
Shri D. D. Saraf

Complaints Sub-Committee

Shri M. L. Shroff, *Convenor*
Shri V. N. Karnani, *Dy. Convenor*
Shri P. K. Basu
Shri N. D. Jhunjhunwala
Shri P. T. Shah

Membership Sub-Committee

Shri G. R. Hada, *Convenor*
Shri A. K. Bhattacharya, *Dy. Convenor*

*For Publicity and Exhibition Sub-Committees please see page 18.

BOMBAY REGION

Import Sub-Committee

Shri J. V. Doshi, *Convenor*
Shri F. S. Baldiwala, *Dy. Convenor*
Shri G. A. Advani
Shri A. K. Bhimani
Shri F. A. Jasdanwala (from September 1964)
Shri N. D. Punjabi
Shri G. T. Shah (from September 1964)
The Dy. Iron & Steel Controller, Bombay or his nominee
The Jt. Chief Controller of Imports & Exports, Bombay or his nominee

Technical Sub-Committee

Dr. B. V. Bhoota, *Convenor*
Shri I. D. D'Souza, *Dy. Convenor*
Shri P. S. Davar
Shri F. X. A. D'Souza
Shri M. N. Munshi

Administration Sub-Committee

Shri N. D. Sahukar, *Convenor*
Shri J. V. Doshi, *Dy. Convenor*
Shri M. M. Amersey
Dr. B. V. Bhoota
Shri P. L. Kirloskar
The Dy. Chief Controller (Export Promotion), Bombay

Registration & Entitlement Sub-Committee (Ferrous)

Shri F. S. Baldiwala, *Convenor*
Shri N. D. Punjabi, *Dy. Convenor*
Shri G. A. Advani
Shri M. M. Amersey
Shri Kaiser Ahmed
Shri L. D. Char
Shri Y. A. Fazalbhoy
Shri M. L. Mansukhani
Shri T. R. Mulchandani
Shri B. Nehru
Shri Pranlal Patel
Shri Sanat Shah
Shri P. V. Shah
The Dy. Iron & Steel Controller, Bombay or his nominee
The Jt. Chief Controller of Imports & Exports, Bombay or his nominee
The Jt. Director (Export Promotion), Bombay or his nominee

Registration & Entitlement Sub-Committee (Non-Ferrous & Stainless Steel)

Shri F. A. Jasdanwala, *Convenor*
Shri G. D. Thakoor, *Dy. Convenor*
Shri A. K. Bhimani
Shri Madanlal Gupta
Shri Kamani
Shri E. T. Kanthawala
Shri S. H. Kotak
Shri G. T. Shah
The Dy. Iron & Steel Controller, Bombay or his nominee
The Jt. Chief Controller of Imports & Exports, Bombay or his nominee
The Jt. Director (Export Promotion) Bombay, or his nominee

MADRAS REGION

Registration Sub-Committee

Shri S. Anantaram, *Convenor*
Shri V. L. Dutt
Shri P. S. Kashyap
Smt. A. K. R. Lakshmi
Dy. Chief Controller (Export Promotion), Madras.

Import Licence Sub-Committee

Shri K. R. Baliga, *Convenor*
Shri V. L. Dutt
Shri A. G. Kandaswamy
Smt. A. K. R. Lakshmi
Dy. Chief Controller (Export Promotion), Madras.
The Assistant Iron & Steel Controller, Madras.
The Jt. Chief Controller of Imports & Exports, Madras.

Technical Sub-Committee

Shri K. S. Ganesh
Shri U. G. Ananda Rao

DELHI REGION

Registration Sub-Committee

Shri W. N. Talwar, *Convenor*
The Assistant Iron & Steel Controller, New Delhi
Shri B. S. Bhatnagar
Shri K. K. Jalani
The Jt. Chief Controller of Imports & Exports, New Delhi
Shri L. R. Mago
Shri Brij Mohan
Shri Hans Raj Pahwa
Shri V. P. Punj
Lala Lajpath Rai
Representative of M/s. Havell's Electrical (Sales) Corpn., New Delhi.
Shri Prakash Saraf
Shri K. Rajagopalan
Development Officer (EPE)
Directorate Genl. of Techn cal Development, New Delhi.

Complaints Sub-Committee

Shri A. N. Ahuja
Shri G. L. Saraf
Shri Amar Nath Shoor
Shri S. S. Sundra
Shri S. S. Taluja

Technical Sub-Committee

Shri J. C. Anand, *Convenor*
Shri Satish Caroli
Representative of M/s. Escorts Limited, New Delhi
Representative of M/s. Electronics Ltd., New Delhi
Representative of M/s. Globe Motors Ltd., New Delhi

Staff Sub-Committee

Shri L. R. Mago, *Convenor*
Shri B. S. Bhatnagar
Shri S. S. Taluja
Shri W. N. Talwar

Election Sub-Committee

Shri Jaidev Kapur, *Convenor*
Shri A. N. Ahuja
Shri V. P. Punj

MEMBERSHIP

During the year under consideration, the Council made good headway in enlisting new members. It showed a net increase of 24% rising from 560 to 713 as on 31st March 1965. Regionwise membership stood as follows:

Calcutta Region	295
Bombay Region	221
Delhi Region	121
Madras Region	76
	713

During the year under review, 16 firms ceased to be members of the Council.

FOREIGN OFFICES

Singapore

The Foreign Office, Singapore, covers the following countries:

Australia, Burma, Cambodia, Fiji, Hong Kong, Indonesia, Malaysia, New Zealand, Philippines, South Korea & South Vietnam.

On account of pre-occupation in reorganising the Singapore Office it has not been possible for the Foreign Officer to undertake extensive tours. He has, however, made a comprehensive study of the composition and direction of Malaysia's import trade of engineering goods, highlighting the scope for specific engineering items from India.

During the year under review intensive market surveys were conducted in respect of the following items:

1. PVC Cables
2. Aluminium Sheets
3. G. I. Pipes
4. Storage Batteries
5. Electric Motors & Transformers
6. Refrigerators

The reports have been found extremely informative and helpful by the trade. During the year under review, the Singapore office set up an interior show-window where a range of engineering goods are now being displayed on rotational basis.

The Singapore office has established valuable contacts with various Government Departments and Purchasing authorities and has also been instrumental in securing tender documents from them thus enabling many of our entrepreneurs to participate in them. Some of the Purchasing authorities with whom the Singapore Office maintains a close liaison are:

1. Central Supplies Office, Singapore
2. The port of Singapore authority, Singapore
3. Public Works Department, Singapore
4. Public Utilities Board, Singapore
5. Government Printing Office, Singapore

Apart from developing useful contacts himself, the Foreign Officer has also been responsible for bringing individual exporters visiting Singapore in touch with various Purchase organisations and importers.

Export to these South East Asian countries during the period under review rose from Rs. 359.30 lakhs during the year 1963-64 to Rs. 554.37 lakhs, thereby showing an increase of 54% (approximately).

The commodities which showed a sizeable increase are PVC Cables and Castings.

Beirut

During the year under review, the Foreign Officer undertook extensive tours of the following countries of the Middle East with a view to studying the market possibilities of Indian Engineering goods during the year under review:

Algeria, Amman, Bahrein, Dubai, Damascus, Egypt, Iran, Iraq, Kuwait, Libya, Malta, Morocco, Muscat, Qatar, Saudi Arabia (Jeddah, Reyadh, Daman, Abu Dhabi & Somalia) and Tunisia.

His economic surveys and study reports on the various projects underway involving investment opportunities viz. Power development, development of fisheries, housing schemes, water drilling, agriculture, mining etc. have been acclaimed to be of immense use in planning one's export programme.

The Beirut office has developed contacts with editors and newsmen in the region and has made arrangements for the such needed publicity by putting up feature articles and special columns in Arabic, French and English newspapers.

The assistance rendered by the Beirut office for joint ventures in Saudi Arabia for light engineering and asbestos cement plant, participation in Jordan Electrification tender, supplies of transmission poles to Iraqi Post and Telegraph administration, exploration of Lebanon for setting up a steel re-rolling mill, establishing of R.C.C. Pipe manufacturing in Libya can hardly be overemphasised.

Following countries are covered by the Foreign Officer, Beirut:

West Asia: Aden, Iran, Iraq, Jordan, Kuwait, Lebanon, Saudi Arabia, Syria, Trucial States, & Turkey.

North Africa: Algeria, Libya, Morocco, Somalia, Sudan, Tunisia, & U.A.R. & Cyprus.

The total export to this region increased from Rs. 373.49 lakhs in 1963-64 to Rs. 581.75 lakhs during the year under review, thereby showing an increase of 56% (approximately).

Nairobi (Kenya)

The office rendered assistance to the exporters in various ways. During the period under review a large number of enquiries were received from the Foreign Officer which were circulated among the firms concerned. The Foreign Officer conducted market surveys on various items viz. non-ferrous items, printing types, agricultural implements and sprayers, C.I. manhole covers, centrifugal pumps, water fittings, oil stoves, tea machinery, artisan tools and implements, castors and wheels, motor vehicles parts, radios, steel furniture, pressure stoves, pressure lamps, torches and cells, portable typewriters, vices and domestic electrical appliances. These survey reports were duly circulated among the interested member-firms. He also undertook extensive tours of Uganda, Tanzania and Madagascar and reports on these visits were brought to the notice of member-firms.

Export to East African countries increased from Rs. 165.57 lakhs in 1963-64 to Rs. 187.45 lakhs during the period under review, thereby showing an increase of 13% (approximately).

London (U.K.)

The London office was opened in January, 1964 and was formally inaugurated on 20th April 1964 by the High Commissioner of India, Dr. Jivraj N. Mehta.

The Foreign Officer visited a number of exhibitions like the International Hardware Exhibition, the International Instrument Exhibition, The Motor Show at Earl's Court etc. Detailed reports with literature collected from the various firms exhibiting their products were received from him and these were circulated among member-firms concerned. During the period under review, the Foreign Officer conducted a detailed survey on steel exports to the U.K. which was brought to the notice of the interested firms. Other items on which market surveys were conducted were spectacle frames, small tools and hand tools, C.I. manhole covers, builder's hardware, machine tools, steel furniture, steel radiators etc. Information relating to the above surveys was circulated among the member-firms. A large number of enquiries were also received from the Foreign Officer which were forwarded to the firms concerned.

An important event during the period under review was the visit of the Commerce Minister, Shri Manubhai Shah to London in February, 1965. The Foreign Officer visited several places of the U.K. and submitted reports on these visits. He also attended the inauguration of the Council's showroom in Dusseldorf.

The export of engineering goods to U.K. in question increased from Rs. 67.14 lakhs during 1963-64 to Rs. 104.58 lakhs during the period under review, thereby showing an increase of 56% (approximately).

Dusseldorf (W. Germany)

In the month of February 1965, the showroom attached to the office in Dusseldorf was inaugurated by Herr Walter Scheel, Federal German Minister for Economic Co-operation and attended by a large number of Indian and foreign dignitaries.

The Council's office in Dusseldorf which covers the ECM as well as East European countries was opened early in 1964. During the period under review, the Foreign Officer undertook extensive tours of various parts of Germany as well as other European countries. Discussions were held with various organisations in these countries and reports on such discussions were submitted to the Head Office. Several enquiries were received from the Foreign Officer which were forwarded among the firms concerned. The Foreign Officer also furnished price lists and catalogues on various items like cast iron pipes, copper wire, bathroom fittings, novelties and ashtrays, office furniture, small tools, padlocks, lamp holders & lamps etc. Samples of cutlery, novelties, cooking utensils and tableware in enamel and stainless steel and other engineering items were also received from him.

The Foreign Officer attended exhibitions and fairs held in Europe. Some of the exhibitions attended were—the Hannover Fair 1964, International Machine Tool Exhibition at Hannover, International Bicycles Exhibition at Cologne, International Household goods and Hardware Fair at Cologne, the Poznan Fair 1964 and the Budapest Fair 1964.

Market Surveys on items like steel furniture, small tools etc. were conducted by the Officer-in-Charge and reports on these surveys were circulated amongst the exporters concerned.

The Foreign Officer accompanied the Indian Trade Delegation to East European countries as its Secretary in May 1964.

During the period under review, the office was visited by a number of Indian businessmen who were rendered assistance by the Foreign Officer.

REGIONAL OFFICES

Bombay

The Engineering Export Promotion Committee for Bombay Region at their various meetings registered 511 new firms for various engineering items for a total target of Rs. 1,98,53,000/-. The total number of firms registered as on 31st March 1965 was 1,306.

De-registration of Exporters

8 firms were de-registered for over-invoicing their items of export, which includes Electrical Light Fittings, automobile parts, razor blades, etc. The total exports of these firms for the above items amounted to Rs. 4,17,599/-.

Visitors at the Regional Office

The following were some of the important foreign visitors who came to our Bombay office during the year under review:

1. Dr. J. M. Hunck, Dusseldorf, W. Germany
2. Mr. Jonas Feher, Trade Commissioner of the Hungarian Peoples' Republic
3. Mr. P. J. Higgins of Beirut
4. Shri Advani of Singapore
5. Shri Madhur Dave of East Africa
6. Shri B. S. Shah of Aden
7. Shri Yokesek Mohendis of Ankara
8. Shri D. S. Pitamber, Khartoum (Sudan)

MEETINGS & CONFERENCES

Panel Meetings

The following Panel Meetings took place and the problems connected with each group were discussed:

(*i*) Umbrella and Umberlla Fittings
(*ii*) Insulated Electric Cables, Conductors & Winding Wires including Plastic Insulated Cables
(*iii*) Radio and parts and Public Address Equipment
(*iv*) Special meeting of the umbrella exporters and umbrella cloth suppliers
(*v*) Ghamellas
(*vi*) Industrial Machinery and spare parts
(*vii*) Diesel Engines and Components
(*viii*) Transmission Line Towers
(*ix*) Bicycles and Accessories
(*x*) Automobiles and Auto parts

Seminars:

A Seminar on the 'Export Promotion of Engineering Goods' was organised by the Regional Office, Bombay on the 22nd March, 1965. The Seminar was presided over by Shri V. Ramaswamy, the Dy. Minister for Commerce, Government of India. The following were the speakers and the subjects at the Seminar:

Speakers	*Subjects*
(1) Shri B. R. Patel, Chairman, Export Credit & Guarantee Corporation.	Export Risks Insurance.
(2) Shri V. G. Pendharkar, Economic Adviser to the Reserve Bank of India.	Export Finance.
(3) Shri C. N. Modawal, Director of Quality Control, Government of India.	Standardization of Quality and Pre-shipment Inspection.
(4) Shri C. R. Bondre, M/s. Kirloskar Oil Engines Ltd., Poona.	Export Marketings.

In addition to the above, the officials of the Regional Office attended the following meetings/ seminars:

(1) Seminar organised by the Bombay Industries Association.
(2) Technical Personnel Meeting of the Maharashtra Small Scale Industries Development Corpn. Ltd., Bombay.
(3) Meeting with Shri K. R. F. Khilnani, Indian Ambassador to Bulgaria and Rumania.
(4) Meetings of the prominent exporters under the Chairmanship of Shri V. P. Naik, Chief Minister of Maharashtra.
(5) The Regional Chairman and the Regional Officer appeared before the Committee to Review the working of the Chief Controller of Imports & Exports and their offices under the Chairmanship of Shri H. C. Mathur.
(6) Some of the members of the Regional Committee appeared before the Committee to Review the Working of the Export Promotion Councils.
(7) Meeting organised by the IMDA Instruments Export Organisation, Bombay, on export promotion.
(8) The Regional Committee met the Ford Foundation Team.
(9) Meetings with Mr. Kovocic, the Yugoslavian Trade Commissioner in Bombay regarding Zagreb Fair.

Conferences

With a view to intensifying the export promotion activities in the Western Region, the Regional office arranged five conferences outside Bombay. The Regional Chairman and some of the members of the Regional Committee visited the following important places in connection with the conference:

(*i*) Ahmedabad in October, 1964
(*ii*) Bhavnagar in November, 1964
(*iii*) Sihor in November 1964
(*iv*) Rajkot in November 1964
(*v*) Poona in January 1965

A Conference of manufacturers and exporters of Western region was also held in Bombay on the 7th August, 1964.

In addition to the above meetings, the Regional Committee and the various sub-committees met several times during the year under review. Details of the total number of meetings held are given below:

(*i*)	Regional Committee	12 Meetings
(*ii*)	Registration Sub-Committee	38 ,,
(*iii*)	Import Sub-Committee	45 ,,
(*iv*)	Registration and Entitlement Sub-Committee (Ferrous) ..	5 ,,
(*v*)	Registration & Entitlement Sub-Committee (Non-Ferrous and Stainless Steel)	5 ,,
(*vi*)	Administration Sub-Committee	1 Meeting
(*vii*)	Technical Sub-Committee	1 ,,

Delegations from Abroad

During the year under report, a Delegation from the Hungarian People's Republic visited Bombay. A meeting with the prominent manufacturers and exporters and visits to the following factories were arranged by the Office:

(*i*) M/s. Dorr-Oliver (India) Ltd., Bombay
(*ii*) M/s. Garlick & Co. Pvt. Ltd., Bombay
(*iii*) M/s. Hindustan Klockner Switch Gear Pvt. Ltd., Bombay
(*iv*) M/s. Macosteels, Bombay
(*v*) M/s. Westwork Engineering Works, Bombay
(*vi*) M/s. Larsen & Toubro Limited Bombay
(*vii*) M/s. Godrej & Boyce Mfg. Co. Pvt. Ltd., Bombay

Visits to the Factories

A number of factories in Bombay, Khapoli, Rajkot, Bhavnagar, Sihor and Ahmedabad were visited by the officials and the members of the Committee.

Octroi Duty

As suggested by the Port Export Promotion Advisory Committee, Bombay, the Regional Office had undertaken studies of the incidence of Octroi Duty of specific products covering their interest. On receipt of replies from the exporters concerned, the matter was taken up with the Bombay Municipal Corporation suggesting that they should not impose Octroi Duty on export transactions. The Corporation was also informed that the levy of Octroi Duty on export transactions would adversely affect exports of engineering goods from the Western Region.

The Corporation later on clarified that as per provisions of Section 192(1) of the amended Bombay Municipal Corporation Act, Octroi is to be levied on the said articles on their entry in Bombay for use, consumption or sale therein. As per provisions of Section 195 of the Bombay Municipal Corporation Act, 93¾% of the Octroi paid would be refundable if the said articles are exported as per the procedure of the Corporation. As per provisions of Section 194A of the Bombay Municipal Corporation Act, if the articles are escorted from the place of import direct to the place of export, no

Octroi would be leviable. The Corporation also clarified that Octroi on raw materials would not be refundable if at the time of their export they would be unidentifiable because of any change in their appearance, forms etc. No Octroi is levied by the Corporation on the export of goods.

The Office took up the matter with the authorities concerned for simplifying the procedure for claiming the refund of Octroi Duty.

In addition to the above activities, the office continued to serve the exporters of engineering goods and members of the Western Region and assistance was rendered to solve difficulties relating to customs, drawback, octroi, foreign exchange, visa, passport, supply of raw materials and issuance of licences, etc. Important and useful information in regard to export of engineering goods and Export Promotion Scheme were circulated from time to time among the registered exporters. Individual cases of exporters were also taken up with the authorities concerned for expeditious disposal.

Efforts were also made to procure exhibits for international fairs and exhibitions and showrooms.

MADRAS

During the year under review 6 Meetings of the Regional Committee for Madras were held to consider various matters.

Registration of Exporters

The Registration Sub-Committee for Madras met 7 times to consider the applications for registration under the Special Export Promotion Scheme for engineering goods and to watch the export performance of the registered firms.

During the year 69 firms were registered under the Export Promotion Scheme with a target of Rs. 69,11,499/-. As on 31st March 1965 the total number of registered firms for Ferrous and Non-Ferrous products stood at 259.

From November 1964, this office took over the Non-Ferrous Registration and import work as desired by the Working Committee, Calcutta.

NEW DELHI

The following Committees functioned during the year 1964-65:

Committee	*Meetings held*
(1) Regional Committee of Northern Region	3 times
(2) Registration Sub-Committee	17 times
(3) Pre-change Committee	2 times

Registration

During the period under review 165 new firms were registered for total target of Rs. 75,73,350/- for various engineering goods.

In order to enlarge the activities of the Council and cover the whole of the Region, meetings of Registration Sub-Committee of the Council were arranged at various places outside Delhi. During

July 1964, one meeting of the Registration Sub-Committee was held at Chandigarh where registration applications and 50 import applications were disposed of. Another meeting of the Regional Committee was also held at Ludhiana. Similarly a conference of the exporters of engineering goods was also organised on 26th October 1964 at Kanpur when the export promotion activities of the Council were explained. Various incentives available to the exporters on export of engineering goods were also explained with a view to create confidence in the exporters' mind that they would gain much on export of engineering goods.

***Sub-Committees at the Head Quarters—Calcutta**

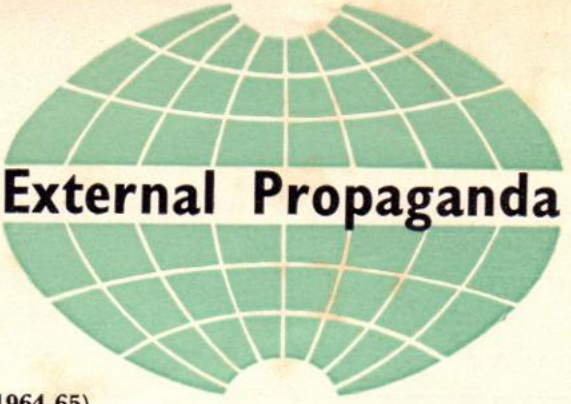
(Continued from page 9)

Exhibition Sub-Committee

Lala Shridhar, *Convenor*
Dr. U. P. Ganguly, *Dy. Convenor*

Publicity Sub-Committee

Shri K L. Chowdhary, *Convenor*
Shri A. M. M. Arunachalam
Shri O. P. Agarwal
Shri C. R. Bondre
Shri B. S. Bugga
Shri R. R. Handa
Shri Jaidev Kapur
Shri H. P. Maheswary
Shri H. N. Mirchandani
Shri R. D. Pusalkar
Shri B. H. Rai
Shri N. D. Sahukar
Shri J. P. Sangal
Dr. Promod Vyas



JOINT FOREIGN PUBLICITY SCHEME (1964-65)

TO assist member-firms in advertising their brands in the foreign markets in respect of their engineering products having export potential, the Council operates a Joint Foreign Publicity Scheme.

The export of engineering goods can be built up by creating brand consciousness in overseas markets and we, in co-operation with the member-firms help in publicising selected brands in the overseas country. The first campaign under the Scheme was started in 1959 with 19 brands with a small amount of Rs. 2 lakhs provided therefor. Now the number of brands selected in 1964-65 is 77 and the amount allocated aggregates to Rs. 5.75 lakhs nearly. The media of publicity permitted under the Scheme are: newspaper advertising; exhibition of cinema slides, film; advertisement over television; signboards; neon-signs, decoration of show windows; hoardings and large inflated balloons. The terms and conditions for participation are notified to the member-firms from time to time.

The names of the member-firms who have been allocated assistance under Joint Foreign Publicity Scheme 1964-65 for publicising the following brands are particularised below:

Brands		Name
AHW	..	M/s. Agarwal Hardware Works Pvt. Ltd., Calcutta.
ASE, AHUJA	..	M/s. Ahuja Radios, Delhi.
AI	..	M/s. Aluminium Industries Ltd., Kerala.
INDEX	..	M/s. Associated Battery Makers (Eastern) Ltd., Calcutta.
HELEX	..	M/s. Allied Lamp Exporters, Bombay.
ATLAS, ARMY	..	M/s. Atlas Cycle Industries Ltd., Near Delhi.
UKANI	..	M/s. A. T. Mohsin & Co., Calcutta.
ACCAIRE, ACCOOLER, BUFFALO, HEENAN	..	M/s. Air Conditioning Corpn. Ltd., Calcutta.
EAGLE	..	M/s. Ahmedabad Eagle Enterpries P. Ltd., Ahmedabad.
ARCO	..	M/s. American Refrigerators Ltd., Calcutta.
BAJAJ	..	M/s. Bajaj Electricals Ltd., Bombay.
TIGER, HORSE, DOG	..	M/s. Bengal Enamel Works Ltd., Calcutta.
DELUX	..	M/s. Challenge Engg. Works Calcutta.
COOPER	..	M/s. Cooper Engineering Ltd., Bombay.
PARAMITE CABLES	..	M/s. Commercial & Industrial Exports Ltd., Calcutta.

Brands		Name
STEEL MASTER	..	M/s. Cromelite (India) Pr. Ltd., Calcutta.
AJAX, CUMI	..	M/s. Carborundum Universal Ltd., Madras.
PENGUIN	..	M/s. D. R. Kumar Bros., Calcutta.
DNS	..	M/s. D. N. Singha & Co., Calcutta.
GULMARG, ARCTIC	..	M/s. Electronics Ltd., New Delhi.
ESCORT, ELTRA	..	M/s. Escorts Ltd., Delhi.
EMC	..	M/s. EMC International, Calcutta.
VARUNA	..	M/s. Forge & Blower Co., Ahmedabad.
FRITZ	..	M/s. Fritz & Singh P. Ltd., Calcutta.
GANESH, DELITE	..	M/s. Ganesh Flour Mills Ltd., Delhi.
GEEP, JANTA	..	M/s. Geep Flashlight Industries, Allahabad.
GKW	..	M/s. Guest, Keen, Williams Ltd., Calcutta.
GODREJ	..	M/s. Godrej & Boyce Mfg. Co. P. Ltd., Bombay.
HMT	..	M/s. Hindustan Machine Tools Ltd., Bangalore.
BHARAT, PANAMA	..	M/s. Harbanslal Malhotra & Sons P. Ltd., Calcutta.
HIND, STAR	..	M/s. Hind Cycles Limited, Bombay.
ITI	..	M/s. Indian Telephone Industries Ltd., Bangalore.
PARKO	..	M/s. India Works, Punjab.
IHP	..	M/s. Indian Hume Pipe Co. Ltd., Bombay.
..	..	M/s. Indian Industries Export House, Madras.
ADVANI-OERLIKON	..	M/s. J. B. Advani-Oerlikon Electrodes P. Ltd., Bombay
JYOTI	..	M/s. Jyoti Limited, Baroda.
CROWN	..	M/s. Jeewanlal (1929) Ltd., Calcutta.
USHA	..	M/s. Jay Engineering Works Limited, Calcutta.
JAYKAY	..	M/s. J. K. Business Machines Ltd., Calcutta.
KAY	..	M/s. Kay Iron Works, Punjab.
STEELUX, KP	..	M/s. Kedarnath Parsottamdas & Co. P. Ltd., Calcutta.
KIRLOSKAR	..	M/s. Kirloskar Electric Co. Ltd., Bangalore.
KIRLOSKAR	..	M/s. Kirloskar Oil Engines Ltd., Poona.
KIRLOSKAR	..	M/s. Kirloskar Bros. Ltd., Bombay.
K	..	M/s. Kamani Engineering Corpn., Bombay.
K	..	M/s. Kamani Metals & Alloys Ltd., Bombay.
CYCLE, QUEEN	..	M/s. Lallubhai Amichand P. Ltd., Bombay.
MANSFIELD	..	M/s. Mansfield Oil Gas Co. Ltd., Calcutta.
KASSELS	..	M/s. Matchwel Electricals (I) Ltd., New Delhi.
..	..	M/s. Metro Exporters, Bombay.

Brands		Name
BUSH	..	M/s. Mulchandani Electricals & Radio Electrical Ltd., Bombay.
MK	..	M/s. Mysore Kirlosker Ltd., Harihar
ELLISON	..	M/s. Mackenzie Philip (India) Ltd., New Delhi.
PARROT, SWAN	..	M/s. Nathmall Girdharilall, Calcutta.
METRO, PRABHAT	..	M/s. National Razors & Blades P. Ltd., Calcutta.
NICCO	..	M/s. National Insulated Cable Co. of India Ltd., Calcutta.
NUMEX	..	M/s. Numex Engineers, Bombay
ORIENT	..	M/s. Orient General Industries Ltd., Calcutta.
PEARL	..	M/s. Pearl Metal Industries, Bombay.
TALBROS GASKET	..	M/s. Payen Talbros P. Ltd., Delhi
RITA	..	M/s. Rita Mechanical Works, Ludhiana.
RUSTON	..	M/s. Ruston & Hornsby (India) Ltd., Bombay.
H & TIGER	..	M/s. Ramchander Heeralall, Calcutta.
SP	..	M/s. S. P. Engineering Corporation, Kanpur.
SARATHI, COBRA	..	M/s. Shree Krishna P. Ltd., Calcutta.
STANDARD	..	M/s. Standard Batteries Ltd., Bombay.
TATA MERCEDES-BENZ, TELCO	..	M/s. Tata Engineering & Locomotive Co. Ltd., Bombay
GRAND CHAMPION, BRAMPTON	..	M/s. Tube Investment Ltd., Madras.
HORSE	..	M/s. Tayabi Bucket Factory, Bombay.
TEXMACO	..	M/s. Textile Machinery Corpn. Ltd., Belghoria.
EXCEOIL, TIGER	..	M/s. United Engg. (Eastern) Corpn., Calcutta.
EVEREADY, NATEX	..	M/s. Union Carbide India Ltd., Calcutta.
UNITED LOAD MASTER	..	M/s. United Spring Mfg. Co., Bombay.
HIMALUX	..	M/s. Vinar Ltd., Calcutta.
QUASI-ARC ELECTRODES	..	M/s. Indian Oxygen Ltd., Calcutta.

General Overseas Publicity

In addition to the brand publicity of the member-firms, the Council carries out general publicity through advertisements in foreign newspapers to acquaint the overseas buyers about the quality of engineering products manufactured in India. A sum of Rs. 50,000 was spent under this project. Every care is taken to release these advertisements so as to synchronise with the visits of our Study Teams, holding of Exhibitions and Trade Fairs and International Conferences on trade and industry.

Directory of Indian Engineering Exporters

Necessary work in connection with the publication of the 6th revised and enlarged edition of the Directory of Indian Engineering Exporters was taken on hand in September 1964. It was decided to introduce all-round improvements so as to make the Directory illustrative and more

useful both for exporters of engineering goods in India and overseas buyers. Printed throughout in colour, the publication contains photographs of products manufactured by our memberfirms. A chapter on quality control and Pre-Shipment Inspection has also been incorporated.

Overseas Journal—

Indian Engineering Exporter

The Council publishes monthly Overseas Journal—the Indian Engineering Exporter to disseminate information abroad in respect of engineering goods having export potential. In addition the Council published brochures and leaflets of different engineering commodities. Owing to more demand for the copies of the Journal in foreign markets and also due to increased number of Council's membership & subscribers within the country, its circulation has increased from 3000 to 3500 copies. Copies of the Journal were distributed at important International Trade Fairs. Every care was taken to see that the production and quality of the Journal showed improvement at each stage. To attain this, additional information was incorporated with technical articles written on engineering goods showing increasing export potential. A list of engineering items available for export is now being printed in four languages namely: English, German, French and Arabic.

Export Products Exhibition in Calcutta

In accordance with the suggestion made by the Union Minister of Commerce necessary steps in connection with the setting up of Permanent Exhibition of engineering goods were taken in Oct. 1964. The display is located on the 1st floor of the World Trade Centre. The total area of the exhibition comprises of 7000 Sq. ft. out of which nearly 2000 Sq. ft. have been earmarked for display of various engineering items. 58 member-firms participating in the first round of display.

The step has been taken to show the foreign buyers as also the visiting dignitaries coming to Calcutta the range of engineering goods available for export from India. The work connected with the designing, construction and furnishing of the exhibition has almost been completed.

Trade Delegations

During the year under review, the Council sponsored the following two trade delegations:

i. **Trade Delegation to East European countries**

In Pursuance of trade plan concluded with the East European countries, the Council sent a delegation to visit certain countries in East Europe with a view to studying the possibilities for the export of engineering items covered under trade plan. The delegation consisted of—

Shri P. L. Kirloskar	..	Leader
Shri J. C. Agarwal	..	Member
Shri R. S. Talwar	..	Member
Shri P. P. Taneja	..	Member
Shri D. N. Mehta	..	Member
Shri D. S. Ahluwalia	..	Secretary

The Delegation left India on the 11th May, 1964 and came back on the 10th July, 1964. The delegation visited Prague and Berne (Czechoslovakia), Budapest (Hungary), Belgrade,

Ljublijana, Zagreb (Yugoslavia), Moscow (U.S.S.R.), Warsaw, Poznan (Poland), East Berlin (G.D.R.) and Dusseldorf (W. Germany) and met various Chambers of Commerce and Industries and leading import organisations. The Delegation discussed the possibilities of stepping up our export of engineering items covered under the trade plan with import organisations. The report of the delegation was widely circulated amongst the Indian exporters for their guidance.

ii. **Trade Delegation to West Asia**

With a view to intensify the export activities in West Asian countries, the Council sent its second delegation to West Asia, to develop new contacts and strengthen the existing ones with the ultimate object of stepping up export of Indian engineering goods. The delegation consisted of six members—

Shri G. R. Hada	..	Leader
Shri L. D. Char	..	Member
Shri Ramakrishnan	..	Member
Shri Aravindakshan	..	Member
Shri A. K. Karuppuswamy	..	Member
Shri D. K. Bakshi	..	Secretary

The Delegation left on the 5th of February, 1965 and after visiting Aden, Jeddah (Saudi Arabia), Beirut (Lebanon), Amman (Jordan), Baghdad (Iraq), Tehran (Iran), came back to India on 5th March, 1965. The report of the delegation, containing its recommendations to boost up export of engineering goods to West Asian countries was circulated amongst exporters of engineering goods in India.

Study Teams

To follow up the spade-work done by the trade delegations and the Foreign Officers, the Council sponsored 36 Study Teams to East Europe, Far East, East Africa, North Africa, South-East Asia, U.S.A. and Canada, West Asia, West Africa, West Europe, and West Indies to explore avenues of exporting Indian engineering goods such as C.I. Pipes, P.A. equipment, Agricultural implements, Diesel engines, Auto-parts, Air-conditioners, Hardware items, Steel furniture, Fountain Pens & Nibs, House Service Meters, Gas Plants, Oil Mill Machinery, Steel Files & Razor blades, Machine Tools, Stainless Steel products, Copper & Brass ware, structural Steel sections, Fabricated Steel Sections, Rly. Track materials, Wires & Cables, Hand tools and general engineering goods.

Apart from conducting market surveys, which is one of the main objectives of sending the study teams, the individual members of Study Teams concluded business also.

The reports submitted by the individual study teams detailing the possibilities existing in different parts of the world for our engineering goods were circulated amongst interested exporters.

Exhibitions, Trade Fairs and Display Centres

During 1964-65 the Council assisted in the collection of exhibits of member-firms for Exhibitions and Trade Fairs organised by the Directorate of Exhibitions in the Union Ministry of Commerce.

The Council organised participation at the 6th Biennial Sydney International Engineering & Industrial Exhibition (Australia). The Exhibition was held in July 13-18/1964. Engineering goods of 41 member-firms were displayed.

In order to publicise India-made engineering goods in the West European market a modern showroom has been established by the Council in a highly commercialised centre of Duesseldorf in West Germany. The showroom has been organised by the Council and is functioning under the charge of a Foreign Officer. Presently, exhibits of 31 member-firms have been displayed there. The display will be rotated periodically.

The Council also organised display of engineering goods of member-firms for the first time at the Hanover Fair held on the 21st April to 2nd May, 1965. Although, this Fair was held after the 31st March, 1965 but the preparations relating to this participation were taken on hand in February 1965. In order to make our participation effective following measures were taken:

(1) Transferred some of the exhibits from the Council's showroom in Duesseldorf (West Germany) to Hanover Fair; and
(2) Arranged to send a few exhibits from India so as to reach the fair on time.

The Council arranged collection of engineering exhibits of member-firms in respect of following Exhibitions and Showrooms organised by the Ministry of Commerce, Government of India:

Exhibitions

(i) New Zealand 2nd International Trade Fair, Wellington. (20th Aug.-5th Sept. 1964)
(ii) Zagreb International Fair, Zagreb. (5th to 20th Sept. 1964)
(iii) Helsinki International Fair, Helsinki. (17ht to 27th Sept. 1964)
(iv) Brno International Trade Fair, Brno, Czechoslovakia. (6th to 20th Sept. 1964)
(v) British Columbia International Trade Fair, Vancouver (Canada). (13th to 23rd May 1964)
(vi) Barcelona International Samples Fair, Barcelona (Spain). (1st to 15th June 1964)
(vii) Budapest Fair, Budapest (Hungary). (15th to 25th May 1964)
(viii) Paris International Fair, Paris (France). (17th to 28th May, 1964)
(ix) Poznan International Fair, Poznan (Poland). (7th to 21st June 1964)
(x) 35th Food and Domestic Equipment Trade Fair, Brussels (Belgium). (10th to 25th Oct. 1964)
(xi) Royal Agricultural Show, Nairobi (Kenya). (30th Sept. to 3rd Oct. 1964)
(xii) Uganda International Trade Fair, Kampala (Uganda). (14th to 29th Nov. 1964)
(xiii) Ceylon Industrial Exhibition, Ceylon (Jan.-February 1965)
(xiv) Leipzig Spring Fair (February-March 1965)
(xv) Indian Exhibition, Kathmandu, Nepal (November-December 1964)

Government of India Display Centres and Showrooms Abroad

(i) India Showroom, Khartoum (Sudan)—(July-September 1964)
(ii) India Showroom, Bahrain (Persian Gulf)—(July-October 1964)
(iii) India Showroom, Tehran (Iran)—(July-October 1964)
(iv) India Showroom, Bangkok (Thailand)—(July-September 1964)
(v) India Showroom, Baghdad (July-October 1964)
(vi) India Showroom, Cairo (December 1964-February 1965)



Internal Propaganda

Home Bulletin

The Council's scope of activity within the country has been concentrated on collection, compilation and analysis of statistical data relating to exports of engineering goods from India. To acquaint the exporters of engineering goods in the country with regard to market possibilities abroad the Council publishes fortnightly Home Bulletin which contains: commercial information; shipping information; trade enquiries, exhibitions and fairs and tender information. Approximately 4,600 copies of the Home Bulletin are circulated every month among member-firms and subscribers.

Press Communiques

The Council issued the following important Press Communiques during the period 1964-65:

(1) Regarding export of engineering goods in 1964 and its prospects in 1965;

(2) Regarding recommendations of the Delegation to West Asia;

(3) Regarding achievement of all time high record of export performance in 1964-65 and fixation of target for 1965-66.

Servicing of Exporters

Registration

Special Export Promotion Scheme which was put on a permanent basis with effect from the 1st April, 1964 underwent changes in respect of certain policy matters. The important changes introduced in the Scheme from time to time by the Government are as follows:

(1) Effective from the 1st June, 1964—Annexure (V) of the Special Export Promotion Scheme was revised and grouping system was introduced. The Engineering items covered under the Scheme were formerly divided into 6 groups i.e., Electrical Equipment, Industrial Machinery and Machine Tools, Transport Equipment, Ancillary product and Equipment, General product and non-ferrous metal product. From the 1st June, 1964 the three revised groups were (i) General Engineering and Electrical Manufactures, (ii) Machinery and Transport Equipment (iii) Non-Ferrous semis, Alloys and fully processed manufactures. Import Licences which were earlier issued in the name of the Merchant Exporters were stopped and according to the revised Scheme only manufacturers were entitled to receive import licences in their own name; Manufacturers/Exporters and Merchant/Exporters were, however, permitted to transfer their import entitlement in favour of their designated manufacturers falling within the group of the exported products.

(2) In regard to export of stainless steel products, import entitlement in respect of which was suspended with effect from the 4th November, 1963, was reviewed by the Government and it was decided to revoke the suspension. Import entitlement on export of stainless steel products which was previously allowed on percentage basis was fixed on weight basis and made applicable on exports effected on or after the 4th November, 1963.

Stainless steel products were excluded from Annexure (V) of the Scheme as their exports were regulated separately.

According to the above, Manufacturers/Exporters were permitted to claim entitlement in their own names; in respect of exports effected by Merchant Exporters, entitlement was granted to the link manufacturers, i.e. manufacturers whose products had been exported by the Merchant Exporters, for use in their factory/factories.

(3) The entire import entitlement accruing under the Special Export Promotion Scheme for engineering goods was permitted to be utilised for import of equipment and spares required for modernisation, replacement, balancing and better finishing as well as in authorised expenses, with effect from 1.6.1964.

(4) Undertaking to submit Bank Certificates within a period of 6 months from the date of shipment along with import applications in order to claim import entitlement under

the Scheme was cancelled by the Government. Submission of undertakings were, however, subsequently restored vide Government Notification dated 17.2.65.

(5) Revalidation of Rupee Licences obtained against exports to East European countries permitting import from General Areas which was increased from 25% to 40% of the f.o.b. value of exports was cancelled by the Government. It was subsequently restored by the Government Notification dated 17.2.65.

(6) The question of grant of import entitlements on exports to Afghanistan was reviewed in the light of the Indo-Afghanistan Trade Agreement signed on the 21st January, 1964. On the basis of this arrangement, it was decided to allow normal import entitlement in the export of following items for which payment would be made in 1964.

i) Automobile and their spare parts
ii) Tractors
iii) Buldozers
iv) Compressors
v) Stone Crushing and Polishing Equipment
vi) Wood Working Machinery
vii) Lathes
viii) Road Rollers
ix) Graders
x) Central Air-conditioning equipment
xi) Refrigerators
xii) Slaughter House Machinery
xiii) Accounting Machines
xiv) Iron and Steel Construction material not mentioned under the heading 'Hardware' in Schedule 'B' (see foot note)
xv) Generators—Portable and fixed
xvi) Radio Receivers
xvii) Telephone and telegraph apparatus and equipment
xviii) Cranes

Note: Items mentioned under the Head 'Hardware' in Schedule B are as follows:

Locks and Padlocks, Cutlery, Bolts, Nuts, Screws and Hinges etc., Steel furniture and Hospital appliances, Scientific Instruments of all types, Weighing Machines, Surgical and Medical Instruments, Steel Buckets.

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) 'Bore-Monkey' Boring Tools
(2) Tricycles
(3) Joint Clips made of Brass
(4) Aluminium anodized Bicycle horns, brass motor car and truck horns complete with rubber bulb, clamp etc.
(5) Blow Lamps
(6) Glow Lamps (Electric wire tested with Neon Light)
(7) Screw Coupling

(8) Electrical Steel Stamping
(9) C.I. Moulds
(10) Car Radios
(11) Cotton healds
(12) Untested Steel Chains
(13) Wick Stoves
(14) Electrical and Gas operated Sterilizers
(15) Punching Machine
(16) Lift Components
(17) Electrical Main Switches
(18) Umbrella Frames
(19) Wooden & Metal Coat Hangers
(20) Magnets
(21) G. I. Wire netting
(22) Transistorized hearing aids
(23) Carbon Steel cut thread taps and adjustable dies
(24) Pepper Mill
(25) Aluminium Collapsible tubes
(26) Water meters
(27) Electric Wiring Joint Clips
(28) High Tensile/heat resistant bolts, nuts, screws
(29) Transistorized amplifiers and transistorized Megaphones
(30) Copper Roller for printing
(31) Wire Staple
(32) Wooden foot rules

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

Region	Total firms registered	Export Performance
Bombay	1306	Rs. 5,51,80,155·00
Calcutta	588	Rs. 6,09,93,128·00
Delhi	398	Rs. 1,09,48,730·00
Madras	289	Rs. 99,36,916·00

Bombay Region

(*i*) Value of import licences recommended (against exports of ferrous & non-ferrous both) .. Rs. 2,51,61,648.00

(*ii*) Advance Licences:
Licences recommended on advance basis during 1964-65 were in favour of 24 firms .. Rs. 18,37,762.00

(*iii*) Quantity of indigenous steel on advance basis (in favour of 17 firms) .. 10,376.780 M.T.

(*iv*) Buffer Stock in respect of 6 firms was recommended for steel .. 4,625.000 M.T.

Calcutta Region

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

(*i*) Value of Import Licences recommended (against exports of ferrous and non-ferrous items both) .. Rs. 2,71,60,456.00

(*ii*) Advance Licences:
Licences recommended on advance basis during 1964-65 were in favour of 9 firms .. Rs. 17,45,509.00

(*iii*) Quantity of indigenous Iron/Steel on advance basis:

Pig Iron	..	2,925.710 M.T.
Steel	..	7,033.207 M.T.

(*iv*) B.P. Hard Coke .. 5,599.000 M.T.

(*v*) Buffer Stock of Steel and Pig Iron:

Steel	..	807.000 M.T.
Pig Iron	..	10,400.000 M.T.

Delhi Region

(*i*) Value of import licences recommended (against exports of ferrous & non-ferrous products both) .. Rs. 46,68,468.00

(*ii*) Advance Import Licence .. Rs. 27,26,200.00

(*iii*) Advance Quota:

Pig Iron	..	46.800 M.T.
B.P. Sheets	..	75.450 M.T.

(*iv*) Buffer Stock:

Pig Iron	..	250.000 M.T.
B.P. Sheets	..	35.000 M.T.

Madras Region

(*i*) Value of import licences recommended (against exports of ferrous & non-ferrous products)	..	Rs. 33,11,469.59
(*ii*) Advance Licence: Licences recommended on an advance basis were in favour of 6 firms	..	Rs. 3,76,835.00
(*iii*) Advance Quota for G.P. Sheets in 24 Gauge	..	9.000 M.T.

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 as replenishment both against past export and on advance basis under Export Promotion Special Scheme. During the period under review, the Technical Sub-Committee met 5 times and fixed standard net weight and wastage in respect of 133 items.

Replenishment

During the period under review following quantities of Pig Iron, Steel and Tin plate were recommended to the different firms:

Items	*Quantities*
Pig Iron	.. 16,121.571 M.T.
Steel	.. 35,370.532 M.T.
Tin Plate	.. 599.610 M.T.

Trade Agreements

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

Afghanistan, Austria, Burma, Ceylon, Chile, Egyptian region of the U.A.R., France, Greece, Indonesia, Iran, Iraq, Italy, Japan, Jordan, Korea, Morocco, Pakistan, Sweden, Switzerland and Tunisia.

The Government of India have concluded Trade Plans with the following countries:

Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, U.S.S.R. and Yugoslavia.

The Trade Plan with Poland, G.D.R. and Rumania was concluded only for one year (i.e. for 1964) and with Bulgaria and Yugoslavia for two years (i.e. 1964 and 1965).

During the period under review, Trade Agreements as well as Trade Plans concluded or renewed were circulated among the members of the Council along with the salient points contained in such Trade Agreements. Suggestions were also invited from the member firms of the Council for inclusion of new items in the trade agreements as and when these agreements were being renewed.

Shipping Freight Concession

During the year under review, following shipping freight concessions were secured with the assistance of the Freight Investigation Bureau:

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
1	2	3	4	5	6
1. Manhole Covers	Calcutta	Aden	Rs. 100.05 P.	Rs. 34.65 P. (less 10% deffered commission)	Per 1000 Kg.
2. Hardware & Hand Tools not powered	India	U. S. A.	$ 71.75	$ 55.25	Per M3
3. Kerosene Pressure stoves & spare parts	On carrying rate from Singapore	Fiji	Sh. 211/-	Sh. 182/6	Per M3
4. Tools and Parts, Hand, not powered including axes (upto $ 1000.00 value per freighted ton)	East Coast of India (excluding Tuticorin)	U. S. Atlantic & Gulf of Mexico ports.	$ 71.75	$ 35.25	Per M3
5. Mild Steel Round Bars, Rods and Steel castings	Bombay, Saurashtra ports and Tuticorin	Singapore	Sh. 143/-	Sh. 105/-	Per 1000 kg.
		Bangkok (direct)	Sh. 201/-	Sh. 135/-	-do-
		Bangkok (with transhipment) (only applicable upto 9.20 meters in length)	Sh. 252/-	Sh. 192/-	-do-
6. Sewing Machine (non-electric)	Calcutta Visakhapatnam & Kakinada	Strait ports	Sh. 118/-	Sh. 91/-	Per M3
		Bangkok & Saigon	Sh. 166/-	Sh. 151/-	-do-
		Hong Kong	Sh. 158/-	Sh. 144/-	-do-
		Japan	Sh. 188/-	Sh. 171/-	-do-
		Alexishavan	Sh. 416/-	Sh. 403/-	-do-
		Kavieng, Lac, Wawak	Sh. 714/-	Sh. 403/-	Per M3
		Diak Island	Sh. 374/-	Sh. 365/-	-do-
		Dili	Sh. 402/-	Sh. 398/-	-do-
		Hollandia	Sh. 401/-	Sh. 392/-	-do-
		Lautoka	Sh. 356/-	Sh. 329/-	-do-
		Suva	Sh. 356/-	Sh. 329/-	-do-
		Madang, Samarai Port	Sh. 411/-	Sh. 397/-	-do-
		Lorangan	Sh. 601/-	Sh. 587/-	-do-

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
1	2	3	4	5	6
		Moresby	Sh. 404/-	Sh. 397/-	per M3
		Noumea	Sh. 429/-	Sh. 415/-	-do-
		Rabaul	Sh. 395/-	Sh. 267/-	-do-
		Tumpat	Sh. 210/-	Sh. 173/-	-do-
7. Machinery	Calcutta, Visakhapatnam & Kakinada	Straits ports	Sh. 181/-	Sh. 104/-	Per 700 Kg./C.M.
		Bangkok & Saigon	Sh. 166/-	Sh. 146/-	-do-
		Hong Kong	Sh. 158/-	Sh. 139/-	-do-
		Japan	Sh. 188/-	Sh. 166/-	-do-
8. Electric Fans	Calcutta, Visakhapatnam & Kakinada	Tumpat	Sh. 210/-	Sh. 173/-	Per M3
9. Aluminium Structural material	All Indian ports	Port Said & Suez	Sh. 210/-	Sh. 150/-	Per M3
	-do-	Alexandria, Istanbul & Lattakia	Sh. 222/6	Sh. 162/6	-do-
	-do-	Beirut & Piraeus	Sh. 230/-	Sh. 170/-	-do-
	-do-	Akaba, Algiers, Izmir, Safaga, Salonika Sazf, Tangier. Tripoli & Tunis	Sh. 235/-	Sh. 175/-	-do-
10. Refrigerators	All Indian ports	Port Said & Suez	Sh. 235/- Sh. 210/-	Sh. 167/6 Sh. 150/-	Per 1000 Kg. Per M3
	-do-	Alexandria Istanbul, Lattakia	Sh. 247/6 Sh. 222/6	Sh. 180/- Sh. 162/6	Per 1000 Kg. Per M3
	-do-	Beirut & Piraeux	Sh. 255/- Sh. 230/-	Sh. 187/6 Sh. 170/-	Per 1000 Kg. Per M3
	-do-	Akaba, Algiers, Famagusta, Izmir, Safaga, Salonika Sfax, Tangier, Tripoli & Tunis (Ad valorem—2½%)	Sh. 260/- Sh. 235/-	Sh. 192/6 Sh. 175/-	Per 1000 Kg. Per M3
11. Rubber & PVC Insulated cables	Calcutta	Singapore	Sh. 168/6 (gross)	Sh. 150/- (gross)	Per 1000 Kg.
12. Empty Drums of all kinds	India	Beirut	Sh. 132/6	Sh. 125/-	Per M3.
	-do-	Port Said & Suez.	Sh. 112/6	Sh. 105/-	-do-
	-do-	Alexandria, Istanbul & Lattakia	Sh. 125/-	Sh. 117/6	Per M3

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
1	2	3	4	5	6
	India	Piraeus	Sh. 132/6	Sh. 125/-	Per M3
	-do-	Akaba, Algiers, Fazagusta, Izmir, Safaga, Salonika, Sfax, Tangier, Tripoli & Tunis.	Sh. 137/6	Sh. 130/-	do-
13. Pipe, Iron or steel (upto & including 4″ inside dia.) bundled or strapped on pallets.	Bombay & Cochin	U. S. A. (Pacific Ports)	Sh. 82.50	Sh. 25.50	Per 1000 kilos
14. Pipe, Iron or steel (over 4″ inside dia). loose.	-do-	-do-	$ 82.50	$ 35.00	Per 1000 kilos
	-do-	-do-	$ 59.25	$ 31.25	Per M3
15. Machinery	Malabar ports	Saigon, Pnon-Penh, Haipong.	Sh. 273	Sh. 208	Per 1000 kilos or M3.
16. Cast Iron Coal pots packed in open bundles	Calcutta	Canada	Sh. 478 Sh. 666	Sh. 300 Sh. 340	Per M3 Per 1000 kilos
17. Pressure stoves, Lanterns etc.	Bombay	Philippines with transhipment at Japan.	Sh. 225	Sh. 201/6	Per M3
18. Motor vehicles (uncoated)	All Indian ports (except Calcutta)	U. S. A.	$ 59.25	$ 39.50	Per M3
19. Wire netting	Bombay	Muscat, Bunder, Abbas, Sharjah, Dubai, Umm Said, Bahrein, Bushire & Kuwait.	Sh. 300/-	Sh. 175/-	Per 1000 kilos
	Bombay	Abadan, Khorramshahr & Basrah.	Rs. 360/-	Rs. 200/-	Per 1000 Kilos
21. Rail accessories	Calcutta	Port Sudan	Rs. 134.40 P.	Rs. 76.50 P.	Per 1000 Kilos
22. Pipes, Fittings, Cast Iron	Bay of Bengal Ports	George town & San Domingo town	$ 53.25 for George town & $ 77.00 for San Domingo	$ 45.00	Per M3
			$ 102.75 for Georgetown & $ 150.75 for San Domingo	$ 70.00	Per 1000 Kilos
23. Steel Wire Rope	Calcutta	Aden	Rs. 100.50	Rs. 84.65	Per 1000 Kilos
	,,	Assab	Rs. 117.45	Rs. 101.60	-do-
	,,	Djibouti	Rs. 117.45	Rs. 101.60	-do-
	,,	Jeddah	Rs. 134.40	Rs. 118.55	-do-
	,,	Massawa	Rs. 117.45	Rs. 101.60	-do-
	,,	Port Sudan	Rs. 134.40	Rs. 97.35	-do-

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
1	2	3	4	5	6
24. Bicycles & components	Bombay	Canada	Sh. 395/- Sh. 550/6	Sh. 353/6 Sh. 393/6	Per M3 Per 1000 Kilos
25. Chainlink Fencing	Bombay	East African Ports	Rs. 190.00 Per 1000 Kg.	Rs. 67.00	Per Cu. Meter
26. Hand Saws	India	UK/Continent	Sh. 310 Sh. 280	Sh. 240 Sh. 215 (Less 10% deferred commission or 9½% immediate rebate on contract).	Per 1000 Kg. Per M3
27. Motor Cars & Chassis upto 400 C.M.	Bombay, Saurashtra Ports & Tuticorin	Bangkok	Sh. 1850/6	Sh. 1538	Each
Between 400 C.M. and 450 C.M.	Bombay, Saurashtra Ports & Tuticorin	Bangkok	Sh. 2050	Sh. 1711	Each
Over 450	-do-	-do-	Sh. 2149	Sh. 1913	Each
28. Brass & Copper Rods & Tubes.	All Indian Ports	Port Said & Suez	Sh. 235	Sh. 210	Per 1000 Kilos
	-do-	Alexandria, Istanbul & Lattakin	Sh. 247/6	Sh. 222/6	-do-
	-do-	Beirut and Piraeus	Sh. 255	Sh. 230	-do-
	-do-	Akaba, Algiers, Famagusta, Izmir, Safaga, Solanika, Sfax, Tangier, Tripoli and Tunis.	Sh. 260	Sh. 235	-do-
29. Steel Rails	Calcutta	New Zealand	Sh. 300	Sh. 240	Per tonne
30. G. I. Buckets	Bombay	Port Sudan	Rs. 6.00	Rs. 5.50	Per doz.
31. Empty Gas Cylinder	Bombay Saurashtra ports & Tuticorin	Manile (direct)	Sh. 215	Sh. 140	Per C.M.
		Manila (with transhipment)	Sh. 235	Sh. 160	-do-
32. Mild Steel Plates	Bombay, Saurashtra Ports & Tuticorin	Bangkok (direct)	Sh. 201	Sh. 152	Per 1000 Kg.
		Bangkok (with transhipment)	Sh. 252	Sh. 205	-do-
33. Steel Pipes	Bombay, Saurashtra Ports & Tuticorin	Bangkok (direct)	Sh. 201	Sh. 130	-do-
		Bangkok (with transhipment)	Sh. 252	Sh. 185	-do-

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
1	2	3	4	5	6
34. Airplanes & parts,	East Coast of India ports.	U. S. A. (Pacific Ports)	$ 82.45 or $ 59.15	$ 25.50 or $ 35.50	per 100 kg. Per M3
35. Stoves and Lanterns (including spare parts)	Bombay	Port Said (Suez)	Sh. 210	Sh. 175	Per C.M,
	-do-	Alexandria, Istanbul, Lattakia	Sh. 222/6	Sh. 187/6	-do-
	-do-	Beirut, Piraeus	Sh. 230	Sh. 195	-do-
	-do-	Akaba, Algiers, Famagustan, Izmir, Safaga, Salonkia, Tangier, Tripoli & Tunis	Sh. 235	Sh. 200	-do-
36. Transmission Line Tower Structures	Bombay, Saurashtra Ports & Tuticorin	Bangkok	Sh. 201	Sh. 120	Per 1000 Kilos
37. Sewing Machines	East Coast of India	U. S. A. Pacific Ports	$ 82.45 per 1000 Kg. or $ 59.15 per C.M.	$ 39.00	Per 1000 Kg/C.M.
38. Diesel Engines	Cochin	Persian Gulf Port (Lower)	Rs. 83.00	Rs. 57.00	Per C.M.
39. Textile Diesel Engines	Cochin	Persian Gulf Port (Upper)	Rs. 95.00	Rs. 68.00	Per C.M.
40. Bicycles	Bombay	U. S. A./ Canada	Sh. 353/6 Sh. 393/6	Sh. 250 Sh. 283	Per M3 Per 1000 Kgs.
41. Aluminium Conductors	Calcutta, Visakhapatnam & Kakinada	Brunei (with transhipment)	Sh. 340	Sh. 230	Per 1000 Kgs.
42. Mild Steel Bars	Bombay	Persian Gulf ports	Rs. 70.00 Per M3 Rs. 83.50 Per 1000 Kg.	Rs. 55.00	-do-
43. C. I. Manhole Covers	Bombay	Damman	Rs. 85.00	Rs. 78.50 Rs. 72.00	-do- Per C.M.
44. Stoves, Blow Lamps, Lanterns Burners and spare parts.	Bombay, Madras, Saurashtra ports & Mormugao	Hongkong	Sh. 164	Sh. 150	-do-
45. Sewing Machines	East Coast of India	U. S. A. Pacific Ports.	$ 82.45 per 1000 kg. or $ 59.15 per C.M.	$ 39.00	Per 1000 Kgs.
46. Agricultural Implements & parts N.O.S.	East Coast of India	U. S. A. Pacific Ports.	$ 82.45 $ 59.15	$ 44.25 $ 39.50	Per 1000 K Per M3

Commodity	Destination		Freight Reduction		Basis
	From	To	From	To	
1	2	3	4	5	6
47. Iron & Steel products, viz. Angles, Plain	Calcutta, Madras, Kakinada & Visakhapatnam.	U. S. A. Pacific Ports.	$ 82.45	$ 31.75	Per 1000 K
48. Bars, Billets & Blooms, Rails & Accessories including Spikes.	Calcutta, Madras, Kakinada & Visakhapatnam.	U. S. A. Pacific Ports.	$ 82.45 -do- -do-	$ 31.75 $ 30.00 $ 32.75	Per 1000 K -do- -do-
49. Rods, Wire Welding	Calcutta, Madras, Kakinada & Visakhapatnam.	U. S. A. Pacific Ports	$ 82.45	$ 34.50	Per 1000 Kgs. or M3
50. Rounds Slabs Plates	-do- -do- -do-	-do- -do- -do-	-do- -do- -do-	$ 31.50 $ 31.50 $ 31.50	-do- -do- -do-
51. Electric cables, Wires & Conductors	Bombay	Malaysia	Sh. 143	Sh. 130	Per 1000 Kg. or M3
52. -do-	-do-	Hongkong	Sh. 164	Sh. 150	Per M3

Tariff reduction

The Council continued its efforts to obtain tariff reduction in co-operation with the Union Ministry of Commerce and was successful in securing tariff reductions on the following items in respect of Australia and West Germany:

Australia .. Domestic Sewing Machines, Kitchen or table knives and blades thereof,
Razor and Razor Blades, Scissors and blades thereof,
Household washing machines,
Washing and dry-cleaning machines,
Machine Tools for working metals and metallic carbide (specified machines etc.)
Other machine tools for working metals and metallic carbide,
Wood working machines and appliances, Electric Fans, Wooden Chairs,
Other Furnitures etc.

West Germany .. Sewing Machines (relaxation of quota restrictions).

Eastern Indian Shippers Association

The Council became the member of the Eastern India Shippers Association—a newly formed organisation—with the objective of bringing together Shippers in various ports in Eastern India on a common platform to discuss various problems affecting shippers with particular reference to exports and to secure organised action in respect of difficulties experienced by shippers in effecting exports.

The Council brought to its notice a number of problems experienced by our members in respect of Shipping Space and freight, some of the important ones being as follows:

(1) Shipping Space from Calcutta to Colombo;
(2) High shipping freight and inadequate Shipping Space for East and West Coast of U.S.A.;
(3) Difficulties in shipping goods to South Vietnam under AID Scheme;
(4) High Shipping freight rates on Manhole Covers from Calcutta to U.K./Continent;
(5) High Port charges in Calcutta;
(6) Difficulties in shipment of goods to Indonesia and
Many other individual problems.

Some of the problems taken up with this Association were resolved, the remaining ones being under negotiation.

Mudaliar Committee on Freight Rates

The Government of India appointed a 'Committee on Freight Rates' in January 1965 under the Chairmanship of Sir A. Ramaswamy Mudaliar to identify the commodities export of which was inhibited by the existing shipping freight rates and to recommend such reduction in each case as would enable them to be exported at competitive prices. In order to facilitate a study of the subject the Council was approached to collect and compile information in the form of a pro forma. In the initial stage, the shippers found it extremely difficult to complete the pro forma as the data called for in the pro forma were very exhaustive, some of them being of highly confidential in nature. However, the pro forma was subsequently simplified and we are now happy to report that the requisite particulars in respect of a large number of items covering various destinations have been furnished for consideration of the Committee. Completed pro formas which are still being received are being forwarded to the Freight Investigation Bureau to be placed before the Committee.

Complaints

At the beginning of the year, there were 38 complaints outstanding from overseas buyers against Indian exporters either for defective supply or for delay in payment of commission. During the year 45 similar complaints were received. The Council, in consultation with the Complaint Sub-Committee, was able to settle 36 complaints, the remaining being under negotiation.

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 exports in regard to customs and central excise were also brought to the notice of authorities concerned. Delay in settlement of outstanding drawback claims were also taken up with the different Customs and excise authorities.

Certificates of Origin

During the period under review, 363 Certificates of Origin were issued by the Council.

Dissemination of Market information

Market Surveys

Following were the market survey reports received from the Commercial Secretaries of Indian Embassies:

Items	..	*Country*
Electric Fans	..	Thailand
Radio Receivers	..	Afghanistan
Auto Springs	..	Iran
Bicycles	..	Iran
Machine Tools	..	Frankfurt
Diesel Engines	..	Cambodia
Diesel Engines	..	Iran
Storage Batteries	..	Singapore
Sewing Machines	..	Canada
Wires & Cables	..	Iran
Steel Furniture	..	Aden
Refrigerators	..	Thailand
Electric Wires (Copper Enamelled)	..	Iran
Domestic Electrical Appliances	..	Middle East

The following ad-hoc market survey reports were received from commercial attaches of the Indian Missions abroad and also from the Council's Foreign Officers:

Vices and small tools	..	Aden, Beirut, Hong Kong, Iran, Japan, Nairobi & Poland
Aluminium Extrusions	..	Beirut, Philippines & Thailand

Rockwell Hardness Tester	..	Aden, Singapore
Transistor Amplifiers & Telecommunication equiqment	..	Aden, Bahrein, Beirut, Kuwait, Singapore
Sprayers	..	Aden, Beirut, Bahrein, Baghdad, Iran, Nairobi
Steel Pipes & Tubes	..	Baghdad, Iran, Kuwait, Laos, Turkey
Trailers	..	Beirut, Iraq, Kuwait, Pakistan
Rice Hullers	..	Pakistan, Thailand
Printing Types	..	Nairobi, Singapore
P & H Excavators	..	Aden, Ceylon, Afghanistan, Ghana, Iraq, Iran, Karachi, Nairobi, Sudan, S. Arabia, Thailand
Carbon Resistors & Electronic Test Equipment	..	Aden, Ceylon, Cambodia, Hong Kong, Kuwait
Tubular Poles & Power Transmission Line Towers	..	Lagos, New Zealand, Singapore
Domestic Electrical Appliances	..	Afganistan, Bahrein, Beirut, Cambodia, Ceylon, Hong Kong, Iran, Iraq, Kuwait, Karachi, Nairobi, Saudi Arabia, Thailand, Turkey
Electric Motors	..	Aden, Addis Ababa, Baghdad, Bangkok, Beirut, Ceylon, Hong Kong, Kuwait, Lagos, Nairobi, Singapore
Electric Furnaces	..	Singapore
Weights & Measures	..	Saudi Arabia
Electric Wires & Cables	..	Saudi Arabia
Spring Leaves	..	West Pakistan Iran
Brass Butt Hinges	..	Malaysia
Water Meters	..	West Pakistan
Metallic Sanitary Fittings	..	Syria
Crown Corks	..	East Africa

Wires & Cables	..	Malaysia
Aluminium & Aluminium Alloy	..	Ceylon
Miniature Bulbs	..	Yugoslavia
Wire Products	..	Ethiopia
Cables & Enamelled Wire	..	U.A.R.
Electric Bulbs	..	Sudan
Steel Furniture	..	Saudi Arabia
Hacksaw Blades	..	West Pakistan
Tractors	..	Cairo
Hoisting Machinery	..	Singapore
Dry Cell Batteries	..	Ceylon, Iran
Nipples & Adaptors	..	Nairobi, Kuwait, Aden
Storage Batteries	..	Iran
Fire Extinguishers	..	West Pakistan

Special mention must be made of the survey conducted by M/s. LPE International Ltd., London on bicycles and cycles components in West Africa and Malaysia. M/s. LPE International Ltd., were commissioned by the Council in April 1964 to undertake a survey of the market for Indian bicycles in West Africa and Malaysia. The report of M/s. LPE Internationl Ltd., which has been appreciated by members of the bicycle panel, covers examination of total market size and trends for bicycles and cycles components and parts, sources of supply, methods of import and distribution, the competitive situation and methods of advertising and sales promotion employed together with an analysis of the current ownership pattern, an assessment on market potential and consideration of the most suitable approach towards the marketing of Indian cycles.

Enquiries

More than 3000 enquiries were received during the year. These enquiries were received as usual from different countries either direct or through the Commercial Secretaries of India Mission abroad and Council's Foreign Officers. Enquiries were received from following countries:

South East Asia : Burma, Cambodia, Ceylon, Hongkong, Japan, Malaysia, Nepal, Pakistan, Philippines, South Vietnam & Thailand.

West Asia : Aden, Afghanistan, Bahrein, Iran, Iraq, Jordan, Kuwait, Lebanon, Saudi Arabia, & Syria.

Africa	:	Egypt, Ethiopia, Ghana, Kenya, Libya, Nigeria, Sudan, Rhodesia, Tanganyika, Uganda.
Europe	:	Belgium, Czechoslovakia, France, Germany, Hungary, Italy, Sweden, U.K., U.S.S.R., & Yogoslavia.
America	:	Canada, U.S.A. & Argentina
West Indies	:	Br. Guiana, Jamaica & Trinidad
Oceanic Island	:	Mauritius, Cyprus, Fiji & Malta

All these enquiries were duly circulated among the prospective manufacturers/exporters and necessary follow-up action was initiated. A large number of enquiries from European and other developed countries were also received. The number of enquiries will fu-ther increase in subsequent years.

Tenders

During the y ar 2,150 tenders received from following countries were also circulated among the prospective manufacturers/exporters and in some cases difficulties experienced by them in participation were got removed by the Council with the assistance of the Government of India Commercial Secretaries abroad.

S. E. Asia	:	Burma, Ceylon, Cambodia, Hongkong, Korea, Malaysia, Pakistan, Philippines, Sierra Leone, Thailand and Vietnam.
West Asia	:	Cyprus, Iran, Iraq, Jordan, Kuwait, Lebanon and Saudi Arabia.
Africa	:	Ethiopia, Kenya, Morocco, Nigeria, Northern Rhodesia, Southern Rhodesia, Sudan, Tanganyika & U.A.R.
		Australia & New Zealand, U.S.A. West Indies and West Germany.

Export Performance

Review of Export of Engineering Goods from India

Export of engineering goods including steel during 1964-65 by Sea route and Land route together amounted to Rs. 19.63 crores against the target of Rs. 20 crores. The export performance during 1963-64 was of the order of Rs. 14.64 crores and hence the performance in 1964-65 has recorded an increase of 34% over the performance of 1963-64, the respective share of steel being Rs. 2.82 crores and Rs. 1.22 crores.

The export performance of engineering goods during the period under review together with that of the corresponding year 1963-64 is as follows:

(Value in lakh rupees)

	Export 1963-64			Export 1964-65		
	Other than Steel	Steel	Total	Other than Steel	Steel	Total
Export by sea	1251.87	112.11	1363.93	1554.30	281.19	1835.49
Export by land	90.00	10.00	100.00	126.57	0.68	127.25
Total	1341.87	122.11	1463.93	1680.87	281.87	1962.74

Composition of Trade

Export of the following 48 items have contributed Rs. 13.71 crores or 81% of the total export excluding steel.

(Value in lakh rupees)

Sl. No.	Items	Performance 1963-64	Performance 1964-65
1	2	3	4
1.	Diesel Engines	64.81	125.87
2.	Automobiles Complete & Auto Parts	57.46	110.51
3.	Electric Fans & Parts	57.11	98.59
4.	Steel Pipes, Tubes & Fittings	37.38	82.60
5.	Bicycles & Parts	42.70	79.72
6.	Batteries Dry including Processed Manganese ore	58.97	61.35
7.	Railway Track Materials	42.75	60.26
8.	Electric Wires & Cables	15.33	58.76
9.	C.I. Products (all sorts) including Steel Castings	52.10	53.68
10.	Sewing Machines & Parts	26.23	47.25
11.	Aluminium Utensils	41.63	44.22
12.	Brass, Bronze & Copper Sheets, Circles & Ingots	32.13	41.12
13.	Jute Mill Machinery	25.51	37.05
14.	Umbrellas & Fittings	30.12	36.11
15.	Builders' Hardware including Locks	32.58	35.29

(Value in lakh rupees)

Sl. No.	Items	Performance 1963-64	Performance 1964-65
1	2	3	4
16.	Transmission Line Towers & Poles	8.23	34.33
17.	Razor Blades	27.26	30.63
18.	Electrical Accessories & Appliances	11.67	27.60
19.	Agricultural Implements & Hand Tools	10.72	26.88
20.	Oil Lamps & Stoves (both Pressure & Non-Pressure)	3.18	24.78
21.	Gramophone Records	16.54	22.50
22.	Wood Screws	7.63	21.78
23.	Brass & Copper Utensils	9.03	21.18
24.	Borehole Turbine & Centrifugal Pumps	11.47	16.38
25.	G.I. Buckets, Drums, Tubs etc.	11.39	16.24
26.	Machine Tools	10.51	16.93
27.	Storage Batteries	5.43	14.28
28.	E.P.N.S. Ware	12.15	13.71
29.	Cutlery	7.68	12.34
30.	Rice & Flour Mill Machinery	9.47	10.83
31.	Steel Ghamellas & Other Steel Utensils	7.08	10.27
32.	Water Fittings	4.86	9.69
33.	Enamel Ware	3.55	7.96
34.	Crown Corks	5.51	7.53
35.	Sugar Mill Machinery	3.72	7.45
36.	Structural Fabrication including P.S. Tanks	6.03	6.87
37.	Electric Motors, Switch-Gears & Transformers	3.10	5.90
38.	Printing Types & Solder Bars	3.05	5.34
39.	Wire & Wire Products	2.62	5.13
40.	Typewriters	2.42	4.68
41.	Wooden Furniture	2.85	3.72
42.	Electrodes & Welding Equipment	2.03	3.64
43	Zinc Strips & Ingots	3.24	3.61
44.	Public Address Equipment	0.57	2.06
45.	Zip Fasteners	1.27	1.94
46.	Scientific Instruments	1.59	1.90
47.	Abrasives & Grinding Wheels	0.48	0.86
48.	Weighing Scales & Weights including Weighing Machines	0.85	0.90
	Total	834.59	1371.22

On the other hand, the following 17 items have shown a decline in relation to the performance during 1963-64:

(Value in lakh rupees)

Sl. No.	Items	Export performance 1963-64	Export performance 1964-65
1A.	Aluminium Ingots	103.10	10.58
1B.	Aluminium Sheets & Circles	2.13	11.23
2.	Stainless Steel Products	72.84	18.27
3.	Steel Furniture	26.39	24.94
4.	Steel Trunks	25.08	23.81
5.	Tea Machinery	24.01	18.36
6.	Tinplate Containers	18.00	10.39
7.	Oil Mill Machinery	17.78	14.36
8.	Textile Machinery	15.14	11.72
9.	Electric Lamps & Fluorescent Tubes	9.59	9.48
10.	Flash Lights & Parts	7.40	3.00
11.	Bolts, Nuts, Rivets & Washers	6.21	6.16
12.	Radios & Parts	6.04	5.61
13.	Airconditioners, Refrigerators, Watercoolers & Ice Machinery	5.02	3.25
14.	Iron Cylinders	4.62	3.26
15.	Shoe Making Machinery	2.73	2.21
16.	Gas Plants	1.86	0.63
17.	Others	159.34	132.39
	Total	507.28	309.65

Direction of Trade

The Regionwise distribution of trade during the period April-March 1964-65 compared with the corresponding period of 1963-64 was as follows:

(Value in lakh rupees)

Regions	April-March 1963-64	April-March 1964-65
South East Asia	590.53	808.79
West Asia	336.18	522.67
Africa	233.80	298.61
Europe	215.10	218.58
North & Central America	44.28	63.42
South America	10.31	5.45
West Indies	4.61	4.55
Oceanic Islands	13.78	20.20
Australasia	15.39	20.47
Grand Total	1463.98	1962.74

An analysis of country-wise export performance reveals that export to the following 30 countries has recorded an increase over last year's performance, contributing Rs. 16.48 crores or 83% of the total export:

(Value in lakh rupees)

No.	Countries	1963-64	1964-65
1.	South Vietnam	115.64	174.52
2.	Malaysia	109.89	160.94
3.	Pakistan	118.00	138.13
4.	Iraq	42.00	130.80
5.	Iran	58.69	120.38
6.	U.K.	67.14	104.58
7.	Thailand	18.26	72.05
8.	Kuwait	66.44	71.25
9.	Kenya	47.15	70.70
10.	Aden	55.59	68.21
11.	U.S.A.	38.58	59.64
12.	Saudi Arabia	30.98	54.68
13.	Nepal	5.93	47.50
14.	Nigeria	22.23	45.53
15.	Hong Kong	18.16	44.16
16.	Egypt	31.32	41.84
17.	Philippines	6.12	33.24
18.	Japan	8.61	30.06
19.	Tanzania	18.33	25.22
20.	Muscat, Oman & Qatar	22.23	23.11
21.	U.S.S.R.	20.58	22.60
22.	New Zealand	11.28	18.66
23.	West Germany	13.23	17.72
24.	Fd. of Rhodesia & Nyasaland	10.34	15.29
25.	East Germany	0.11	13.19
26.	Indonesia	5.64	12.93
27.	Yugoslavia	0.06	8.20
28.	France	0.28	8.20
29.	Italy	3.30	7.43
30.	Libya	3.37	7.31
	Other Countries	63.11	101.13
	TOTAL	1032.54	1749.29

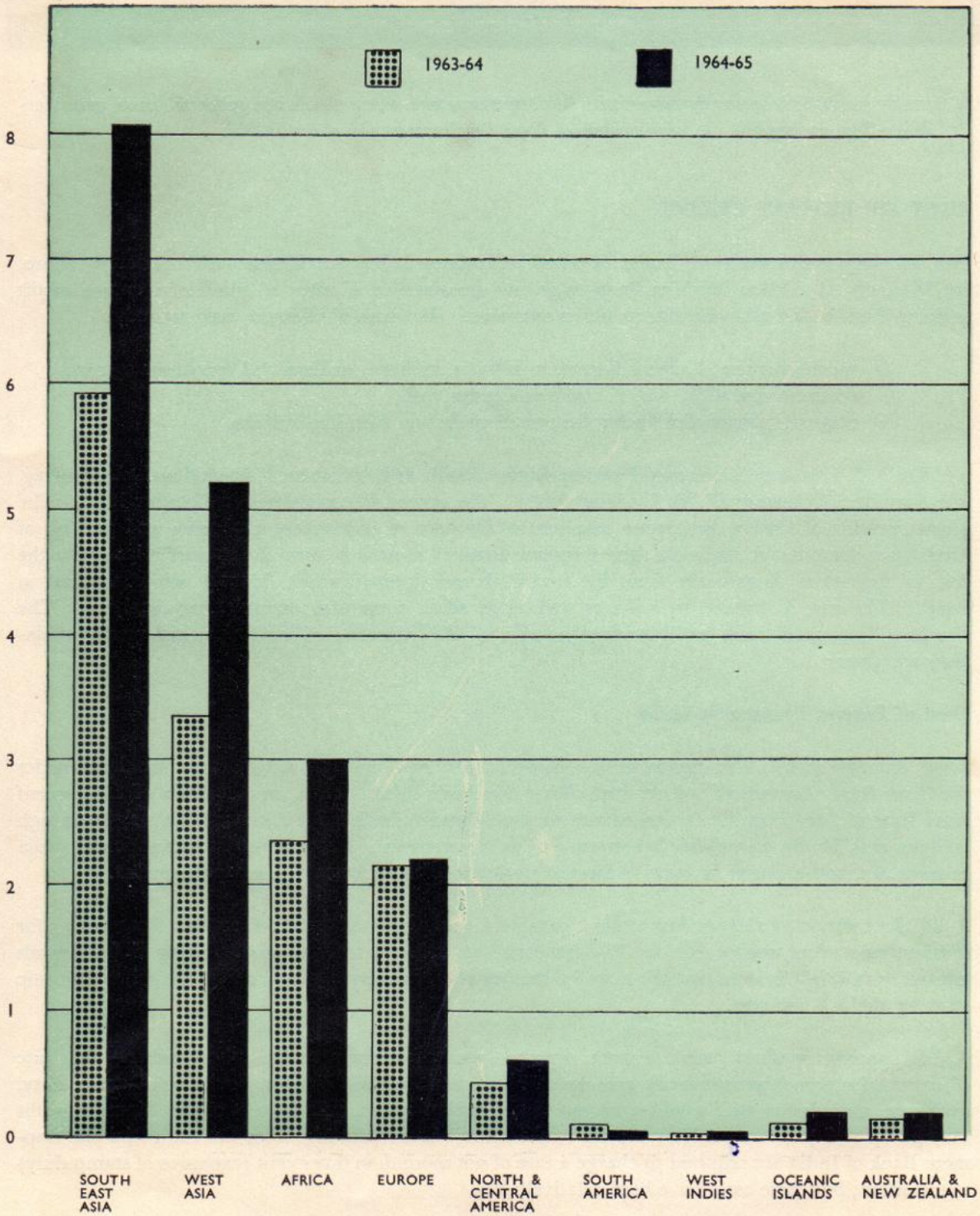
On the other hand, the following countries have recorded a decline over last year's performance:

(Value in lakh rupees)

No.	Countries	1963-64	1964-65
1.	Belgium	103.58	10.50
2.	Ceylon	82.28	59.18
3.	Sudan	51.00	42.62
4.	Formosa	35.63	3.21
5.	Cambodia	33.74	2.56
6.	Bahrein	33.22	24.93
7.	Ethiopia	32.81	25.36
8.	Burma	32.63	27.62
9.	Afghanistan	17.87	17.17
10.	Argentina	8.68	0.30
	TOTAL	431.44	213.45

DIRECTION OF EXPORTS

Value In Crore Rupees



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:

COST OF EXPORT CREDIT

THE Ministry of International Trade, Govt. of India (Now called the Ministry of Commerce) set up, on February 14, 1964, a Working Party to go into the question of rates of interest on export credit to bring them in line with the rates in other countries. Its terms of reference were to study:

(*i*) the mechanism of export finance in India in its short, medium and long-term aspects;
(*ii*) the incidence of the cost of credit on exports and
(*iii*) ways and means of reducing the cost of credit and their implications.

Dr. S. P. Chablani, Managing Director, Export Credit and Guarantee Corporation Ltd., Bombay, was appointed Convenor of this Working Party. The report was submitted in October 1964. The whole question of finance for exports required at the stage of production, processing and packing of goods upto the point of shipment (pre-shipment finance) as well as from the stage of shipment to the date of realisation of proceeds from the buyers abroad (post-shipment finance) was considered in detail. The cost of finance in India as well as in other competing countries was analysed. The Working Party made some useful recommendations. The summary of conclusions and recommendations are given:

Cost of Export Finance in India

2. (*a*) PRE-SHIPMENT: The minimum pre-shipment rate on loans and advances as stipulated under the 'Inter-Bank Agreement' is 2 per cent above the Bank Rate. Thus, on the basis of the current Bank Rate of 5 per cent, the minimum rate on pre-shipment credit is 7 per cent; and it may be as high as 9 per cent for the second-line borrowers and new customers. There is also no distinction in India between the rates charged for loans to finance production for the home or the export market.

3. (*b*) POST-SHIPMENT: According to the Committee's calculations, the total cost of the exporter for discounting sterling usance bills for 90 days comes to about $7\frac{1}{2}$ to 8 per cent. Taking all incidentals into account, it will be seen that the rates for sterling bills are currently higher than the prime domestic rates by about 1 per cent.

4. As regards medium term export finance—comparatively a recent phenomenon—the rate of interest for post-shipment credit goes up to $7\frac{1}{4}$ per cent. The total cost (inclusive of stamp duty, exchange, commission etc.) would work out to about $8\frac{1}{2}$ per cent, and the cost of pre-shipment credit may go up to 9 per cent. However, the banks which obtain refinance from the Industrial Development Bank of India are required to charge a rate of not more than 6 per cent (exclusive of stamp duty) to exporters; but these cases have been relatively few.

Comparative Cost of Export Finance

5. THE Committee's examination reveals that the cost of post-shipment credit, whether viewed in relation to the domestic rates or by comparison with the export credit rates prevailing in other countries is, on the whole, relatively high in India, nor are there any concessions for pre-shipment finance.

General Approach to the Problem

6. IN their general approach to the problem they consider it necessary to keep in view the present institutional structure. The interest rates are subject to regulation by agreement between the banks. Though the Reserve Bank of India has the power to regulate advance interest rates, it has so far had no occasion to exercise this power specifically for export credit.

7. As export credit rates are somewhat out of alignment with the rates abroad, the Committee is of the view that it will be necessary to prescribe a ceiling on the rates of interest charged by banks to exporters both for pre-shipment as well as post-shipment finance. However, the mere fixing of a ceiling on export credit rates may not be enough, for it might lead to a diversion of funds to the non-export sector and the very purpose of the ceiling rates may be defeated. Therefore, due consideration needs to be given to: (*a*) provision of adequate refinance facilities to banks: and (*b*) maintenance of a reasonable spread between the cost at which a bank raises funds and its lending rates.

8. As export credit (including pre-shipment credit) constitutes but a small portion of the total bank credit in the country, it would be for each bank to determine whether any marginal adjustment would be necessary in their rates of interest for non-export finance to recompense themselves for the loss of earnings, if any, resulting from the imposition of ceiling rate on export finance. It is not unlikely that their profits on export bills might be reduced fractionally; but this would be in the wider interests of export promotion. It stands to reason that though the rates of interest prevailing in the countries which compete with our exports cannot be lost sight of the question of reducing the cost of export finance must be viewed in the context of the internal rates in India.

9. THE Committee does not consider it necessary to have an automatic link between India's rates for export credit with the interest rates in foreign countries; but the banks in India should continue to be free to discount export bills abroad if they find it profitable to do so, provided they adhere to the prescribed ceiling rate.

10. THE Committee is also of the view that the scheme for cheapening the cost of export finance should be applicable to the whole export sector.

Rupee Export Bills Scheme

11. THE Committee also recommends that: (*a*) the present Export Bill Scheme, which enables banks to obtain refinance from the Reserve Bank against the collateral of Rupee usance bills at the Bank Rate, should be placed on a permanent footing; (*b*) the stipulation regarding the ceiling rate to be charged to the exporters under the Scheme should apply to all rupee usance export bills, irrespective of whether or not a bank obtains refinance from the Reserve Bank.

12. THE Rupee Export Bill Scheme does not cover sight bills, foreign currency bills and preshipment finance. The Committee considered to what extent the scope of the Rupee Export Bill Scheme could be enlarged to serve as a useful basis for cheapening the cost of export credit in general.

The Committee makes the following suggestions:

13. SIGHT BILLS: The current transit interest rates in the case of sight bills are reasonable. The burden of interest cost to the exporter is also negligible in relation to his total cost. The amount of sight bills outstanding is so large that the inclusion of this amount for concessional finance from the Reserve Bank would present difficulties in the operation of credit control. It is, therefore, considered neither necessary nor desirable to extend the Rupee Export Bill Scheme to sight bills.

14. STERLING BILLS: The current discount element in Sterling bills is of the order of 6¼ to 7 per cent; and on this basis the total cost to the exporter works out to 8-8½ per cent. The Committee considered this rate to be high in relation both to the domestic rates and to the rates charged by banks for discounting export bills in several foreign countries. It is, therefore, necessary to lower the cost of discounting sterling export bills by prescribing a ceiling rate, particularly because sterling bills account for more than half the export usance bills negotiated by banks. This would also give the banks access to an increased supply of export credit at a concessional rate. The amount involved would not be so large as to affect materially the Reserve Banks credit control mechanism.

15. THE Committee also recommends that if the fraction in the buying rate is more than 1/64d, it should be rounded off to 1/32d; and where the fraction is 1/64d. or less it may be knocked off.

16. STAMP DUTY: As a measure of export promotion, the Committee recommends that the stamp duty on all usance export bills should be abolished.

Implications of the Extension of the Rupee Bill Scheme to Sterling Bills

17. IF the Rupee Export Bill Scheme is extended to Sterling bills whilst the banks would get the reimbursement of rupees, they would remain over-bought in forward sterling owing to the difficulty of covering forward purchases by forward sales, in the local market. With a view to facilitating the operation of the concessional scheme of refinance by the Reserve Bank, the Committee suggests that the banks may be allowed to remain over-bought to the extent of such Sterling usance bills held to maturity by them.

18. DOLLAR BILLS: Whereas the Sterling buying rates are fixed by the FEDAI and apply to all banks, the banks are free, in the case of Dollars, to quote their own rates. In consequence, there is a wide disparity in the rates charged by different banks ranging between 4 and 6½ per cent. The Committee does not consider this to be desirable and would recommend that the FEDAI should fix the exchange rates for US Dollars as is being done at present for Sterling in such a way that all the exporters derive the benefit of the current lower rates on Dollar usance bills

19. THE Committee also considers it necessary to include Dollar usance bills in the concessional rate scheme.

Usance Bills in other Currencies

20. USANCE BILLS drawn in other currencies should also be brought under the scheme of concessional refinance.

Cost of Pre-shipment Export Credit

21. LENDING RATES for pre-shipment export credit in some of the leading exporting countries such

as the U.K., U.S.A., France, Germany and Japan are lower than in India; and if the present trend is a guide, the interest rates in India are if at all, likely to move upward, the Committee, therefore, recommend that pre-shipment export finance should be brought within the purview of the Reserve Bank's concessional scheme for export finance.

Japanese Model

22. With a view to obviating the difficulty of identifying export finance at the pre-shipment stage, the Committee suggests that the 'Export Advance Bills Scheme' of Japan, with suitable modifications, may be adopted in India for exporters having firm orders. This benefit should also be available to exporters who produce goods in anticipation of export orders on the basis of their past or prospective performance. The concession may be extended to them either through a system of rebate, or a draw-back of interest, on such part of the credit as corresponds to the finance utilised for exports.

Credit Insurance and Guarantees

23. On the basis of the recommendations of the Mathrani Committee, ECGC have devised a scheme which will enable the banks to finance the difference between what they would normally lend on the basis of the export bills and the domestic value of the goods destined for export. The concessional finance scheme proposed below is so devised that it would not only apply to the f.o.b. values but also the amounts financed against the ECGC guarantee.

24. ECGC comprehensive policies and financial guarantees place in the hands of banks an instrument of security which reduces their risk in the provision of credit to the export sector. It will be in the interests of exporters as well as of banks to insure, to the extent possible, against risks of default and non-payment. This will help to direct an increased flow of credit to the exporter and facilitate the growth of his business. The Committee realise that banks cannot always insist on their clients, for reasons of inter-se competition, to take out an ECGC cover; but it will be an advantage if an understanding to this effect could be reached between the banks at the Association level. The Committee also suggests that E C G C should review its premium rates and see to what extent they can be reduced so as to minimize the burden on the exporter.

Refinance from Reserve Bank for Pre-shipment Export Credit

25. The volume of pre-shipment export finance and its inclusion for the purpose of borrowing at a concessional rate might seriously reduce the efficacy of credit control. The Committee is, therefore, unable to recommend the same concession in regard to pre-shipment finance. The Committee, however, recommends a scheme analogous to that in operation in respect of advances to small scale industries and co-operatives which provided an additional quota at a concessional rate not on the basis of bank's actual lending but on the basis of the increase in the bank's lending. The Committee suggests that under the proposed scheme for pre-shipment finance, banks should be required to charge the stipulated ceiling rate to all their exporters. The Reserve Bank may formulate a suitable scheme for this purpose.

Exports not Financed by Bills

26. Export finance found through methods other than by purchase or discount of bills such as (a) advances against goods exported on consignment and (b) advances against bills for collection, should also be covered by the concessional scheme for refinance.

Ceiling on Short-term Post-shipment Rates

27. THE Committee recommends that the ceiling on the usance factor in the exchange rate for all export bills up to 6 months should be fixed at 1 per cent above the Bank Rate in India. On the basis of the current Bank Rate, the ceiling would be 6 per cent. This rate should apply irrespective of whether or not the banks obtain refinance from the Reserve Bank.

28. IN the case of Dollar bills we trust the FEDAI will be able to pursuade all the banks to fall in line with the current rate (4-4½ per cent). When the rates abroad are lower than the prescribed ceiling, FEDAI should take into account the lower rate, in calculating the buying rates for usance bills. To facilitate this, the restrictions imposed by the Reserve Bank on the outstanding amounts with the authorised dealers may, if necessary be, suitably relaxed.

29. THE net reduction in the interest cost as a result of the proposed ceiling would range up to 1½ per cent and will afford the exporter considerable relief.

Ceiling on Short-term Pre-shipment Cost of Credit

30. As the cost of export credit at the pre-shipment stage is not always of the same significance as the rate for post-shipment finance, the Committee recommends that the ceiling rate, exclusive of toher charges, if any, on pre-shipment export credit should be fixed at 1½ per cent above the Bank Rate in India. On the basis of the current Bank Rate, the ceiling rate on pre-shipment export credit would be 6½ per cent; and it would result in a reduction of interest by ½ per cent to the prime or first class borrowers; the gain to the second line borrowers may be perhaps 2½ per cent.

Lending Rate of the Reserve Bank of India for Export Finance

31. THE Reserve Bank should provide, at the Bank Rate, refinance to banks against: (a) collateral of usance export bills, and (b) the increase in the pre-shipment export credit with reference to the base period.

Medium and Long-term Export Finance

32. THE longer the term of finance, the greater the risk and, therefore, higher would be the rate of interest. So would be the incidence of the rate of interest as an element of cost. But medium/long term finance would primarily relate to non-traditional goods, the export of which India urgently needs to foster.

Ceiling Rate on Medium and Long-term Export Credit

33. IT is, therefore, necessary to fix a ceiling on the rate at which medium-term finance is provided to exporters, irrespective of whether or not the financial institutions avail of the refinance facilities. The Committee recommends that the ceiling rate on post-shipment credit should be 1 per cent above the rate at which refinance is provided by the Industrial Development Bank, and that for pre-shipment credit it would be fixed at 1½% above the refinance rate of I.D.B. On the basis of I.D.B.'s current rate of refinance (4½ per cent), the ceiling rate on post-shipment and pre-shipment export credit would be 5½ per cent and 6 per cent, respectively. These rates compare well with the rates on medium-term export credit in U.K., U.S.A., Japan, Germany and France. As the I.D.B. has not the regulatory powers of the Reserve Bank, the Committee suggests that the ceiling rates envisaged by it should be stipulated by agreement between the banks themselves.

Reserve Bank's Control on Clean Advances

34. It has been pointed out by the banks that the credit given by them on export bills drawn on D.A. terms, which account for a bulk of the usance bills, is being regarded as 'clean' credit. The Committee would urge the Reserve Bank to make it explicit to the banks that the directives pertaining to clean advances do not apply to the extension of credit for exports. The Committee considers that such a step would remove any inhibitions in the minds of banks in this regard and thus help to secure a larger flow of credit to the export sector.

Extension of the Scheme for Small-scale Industries to Exports

35. Small-scale industries have an important role to play in India's export drive. The Committee recommends that the State Bank's scheme for small-scale industries, which enable manufacturers of small means but of proven integrity to obtain credit on easy terms, should be extended to exporters of small means, whose products enjoy a market abroad. The Committee also suggests that the Guarantee Scheme of the Government of India, which provides a measure of protection to the lending institutions against possible losses in respect of which advances to small-scale industries, should be extended to cover credit granted by banks and other lending institutions to the small exporters. The scheme should cover only such exporters as have firm export orders in hand and whose exports are secured either by Letters of Credit or E.C.G.C. policy.

SELECTIVITY

At its 10th meeting held in Ernakulam on November 23, 1963, the Board of Trade, while taking note of the dangers inherent in a situation in which excessive and unhealthy inter-se competition was allowed to develop among a large number of Indian exporters in the same commodities in the same markets, expressed the view that it would be necessary to evolve a selective approach whereby a group of competent and quality-conscious exporters working in co-operation would specialise in export trade with a particular region. The Board decided to set up a Committee to examine the matter and make recommendations on the manner in which such a selective approach could be built into the export effort. Accordingly, a Committee was constituted for the above purpose headed by Sir A. Ramaswamy Mudaliar.

According to the Committee's recommendations, the concept of selectivity could best be applied over the export sector by categorising ranks of exporters into a three-tier pattern. At the lowest level would be the registered exporters grouped into suitable panels; the seond level would be occupied by Export houses recognised by the Government on the basis of certain well-defined criteria. The third level—which would necessarily have somewhat limited application—would consist of Consortia of Exporters in a product or group of products.

The recommendations made by the Committee were placed before the Board of Trade for consideration. The Government invited the views of the Export Promotion Councils, Commodity Boards, Chambers of Commerce and other trade organisations. In the light of these views, certain modifications to the original recommendations were proposed. The Committee considered those views and submitted a modified report.

The Scheme of Selectivity suggested by the Committee is briefly as under:

Registered Exporters and Panels

In the application of the selectivity principle of exporters it might be convenient to distinguish between the traditional and non-traditional commodities figuring in our export trade. The former category would include our staple export items such as tea, jute manufactures, spices etc., while the second category would comprise in particular the new manufactures such as engineering products, chemicals, plastic goods, etc. So far as the non-traditional commodities are concerned, exports by and large are assisted by the grant of various forms of incentives which offer a convenient means of introducing a measure of selectivity in export trade. The Committee has already seen how to qualify for the grant of these incentives an exporter is required to register himself with the appropriate registering authority; but the requirement of registration as at present conceived and applied does not provide for the desired measure of selectivity. The Committee feels that the criteria for registration should not only be more specific but also separate and distinct for each of the products or group of products.

While the criteria for registration could take into account various aspects, the most important would be the exporters' ability to deliver the goods, i.e., his production if he is a manufacturer exporter, and his tie-up arrangements, if he is a merchant-exporter. It is clear, however, that the criteria for this purpose should take into account the nature and scale of operations of the exporters. It will be convenient to categorise exporters according to the four categories mentioned below, applying to them the criteria shown under each:

(1) Industrial units licensed under the Industries (Development and Regulation) Act, and registered non-scheduled industrial units.

For these, their actual production and installed capacity may be taken into consideration.

(2) Approved or registered small scale units.

For these, the criterion could be their annual production in the immediate past.

(3) Cottage and handicraft industrial units in the decentralised sector.

In their case, the criterion could be the type and quality of goods produced, and, to the extent this can be ascertained, the quantum of production.

(4) Merchant-exporters;

In their case, their tie-up arrangements with producing units may be taken into account.

In addition, any or all of the following criteria may be taken into account, having regard to the category of the exporter:

(*a*) Quantum of export turnover in a specified product or a broad group of related products. (While previous performance would be a desirable qualification, even new-comers, who have no previous record of exports, could be considered for registration if they are found suitable in other respects).

(*b*) Quality specifications of the products, including inspection and testing facilities available prior to export.

(*c*) Record of commercial disputes, if any, in which the exporter has been concerned, and their settlement; general standing in trade (including bank references).

(*d*) Overseas channels of trade and customer servicing facilities.

The criteria, and hence the rules of registration, should be formulated by the Export Promotion Council concerned for the different products (or broad groups of allied products) with reference to the nature of each product or group of products and the domestic and international trade practices that prevail in respect of that product or group of products. The rules should be subject to Government approval and after they have been approved they should be applied in disposing of applications for registration under the appropriate Export Promotion Scheme. It follows that omnibus registrations will be given up and that applicants will be registered only in respect of that product or group of products for which they are qualified in terms of the respective rules.

In laying down the rules for registration, the Committee has taken into account the need for flexibility, as well as the need to avoid unnecessary paper work. In order that the rules may be appropriate to the commodities covered, it would be necessary to have separate rules for a distinct product or group of products. In order, however, that there may not be a large volume of unproductive paper work, it would not be necessary to have separate rules for every individual product; a single registration should suffice for a broad group of similar products, such as drugs.

If the Scheme of registration of exporters is suitably amended on the above lines it will be possible to ensure that only exporters of standing and reputation with sufficient capacity and resources to undertake export trade are allowed the benefits under the appropriate Export Promotion Schemes. In order to ensure, however, that a certain measure of discipline is observed by these registered exporters in their export trading practices it would be neccessary to suppliment these proposals so as to provide for the creation of an organisational forum for bringing together all registered exporters of a single product (or a broad group of allied products). For this purpose, all the registered exporters of a product or group of products should be formed into a panel within the frame-work of the concerned Export Promotion Council. Thus under this scheme there will be a panel of bicycle exporters under the Engineering Export Promotion Council, consisting of all exporters registered with the Council for export of bicycles; likewise there will be a panel of drugs exporters under the Chemicals and Allied Products Export Promotion Council, and so on.

The Committee notes that it may be desirable for an exporter to specialise in exports not only of a particular product or group of products, but also in a particular market or markets, as trading conditions often vary widely in different markets. Export Promotion Councils should, therefore, encourage market-wise specialisation. In suitable cases, they may create sub-panels within the same commodity panels, for dealing with different regions of the globe.

Each panel or sub-panel should evolve its own Convention of Trading, which may, among other matters, cover all or any of the following aspects:

(*a*) Quality standards.

(*b*) Export allotments, global or regional.

(*c*) Agreements on delivery schedules, payment terms, commissions, packing and after-sales service, and other customer services.

(*d*) Specification of the range of brands to be handled by each exporter or group of exporters, wherever appropriate.

Where necessary, price regulation may also be resorted to, but with the approval of the Central Government.

Only such export transactions as conform to the Convention of Trading and are effected by registered exporters should qualify for the grant of import entitlements against their exports. Any member of the Panel who consistently violates the Convention of Trading should be subject to expulsion from the Panel. In order to enable the Panel to function effectively and enforce the Convention of Trading among its members, it should have the power to require its members to file particulars of their export contracts for scrutiny by such authority as it may nominate in consultation with the Government.

Apart from import entitlements, competent registered exporters, selected on the basis of their performance, may be assisted by Government in other ways to enable them to overcome difficulties in production, improve their standards, and increase their exports on a planned basis wherever possible.

In the case of our traditional export commodities, the grant of incentives does not normally arise. In cases where the trade has developed on sound lines, and is proceeding satisfactorily, on particular action would be called for.

If, however, unhealthy practices, are found to develop, suitable action will have to be taken. The exact measures called for in any particular case would depend on the nature of the commodity, the trading practices that have developed in that commodity, and the circumstances demanding intervention. Broadly speaking, observance of all or any of the following requirements might be required:

(*a*) Registration of exporters on the basis of well-defined criteria such as previous performance.
(*b*) Fixation of maximum and minimum prices.
(*c*) Quantity-wise limitation on exports and fixation of quotas.
(*d*) Registration of export contracts.
(*e*) Pre-shipment inspection and quality control.
(*f*) Regulation of trading practices such as prohibition of consignment sales, etc.

The Committee observes that action on the above lines has already been taken in certain sectors of trade where the circumstances justified such action, for instance, trading in mica, export of bleeding Madras etc. Other commodities already subject to some form of regulation include coir, tobacco, etc. some of these requirements e.g., quality control, are already provided for under various enactments. Where the necessary regulation cannot be achieved through existing enactments, it may be necessary to resort to direct export control under the Imports and Exports (Control) Act and the Exports (Control) Order. Such control should, however, be resorted to only when it is found to be necessary, in the light of trading practices which have developed or are developing, and the criteria should be laid down with care so as not to act harshly on competent exporters, particularly the smaller ones.

There is a limited range of products such as cotton textiles which though figuring in our traditional exports are assisted by the grant of special incentives. In such cases the procedure suggested by us for non-traditional commodities could be applied whenever circumstances so warrant.

Export Houses

In the scheme, the second tier in the export complex will be occupied by recognised Export Houses. The justification for a Scheme of this kind arises from the fact that unless positive steps are taken to build up a number of Merchant Houses, concentrating almost exclusively on exports, specialising in trading

in different commodities and with different regions, with the capacity to acquire the required marketing skills and the resources to undertake export business in a large volume and on a sustained basis, it would be impossible to compete successfully with the highly efficient and experienced foreign businessmen that today operate in the world market. It has already observed that the Scheme of recognition of Export Houses as at present being implemented has not by and large achieved the success expected of it. In the first place the Scheme does not appear to be selective enough; secondly the recognition of Export Houses is not specific enough with reference to particular commodities (or markets) and thirdly the requirement of good performance as a condition for continuance of recognition has not been sufficiently emphasised. It feels that the Scheme should be suitably amended to remove the lacunae and defects referred to above. It suggests that the Scheme be operated on the following lines:

(*a*) As at present, only companies incorporated under the Companies Act and Co-operative Marketing Societies or Federations registered under the appropriate law should be eligible for recognition as Export Houses. It is very necessary to ensure that corporate bodies in whose favour special assistance may have to be considered are subject to the discipline of the Companies Act. While there is no objection to private limited companies being eligible for recognition along with the public limited companies, partnership firms and proprietory concerns should be kept out.

(*b*) The competence, credit-worthiness and resources of the applicant body should be taken into account for the purposes of recognition. No purpose will be served by recognising as an Export House any corporate body whose resources are inadequate for export trading on a large scale.

(*c*) The Scheme of recognition of Export Houses should be reoriented to make it more specific with reference to commodities. In other words, recognition should be accorded with reference to a particular group of commodities. Such a stipulation is called for by the need to develop sufficient specialisation, since it would be difficult to expect any single Export House to cover adequately the entire world in a wide range of different products. There are some advantages in confining recognition with reference to specific markets as well as specific commodities. The Committee does not, however, press this, since the Committee noted that there is a general feeling against a restriction in regard to markets, as exporters do not like to be in the position of depending entirely on a particular market. As regards commodities, an Export House may be recognised in respect of a group of commodities selected by it which it can be expected to handle successfully. There should, however, be no question of according recognition in respect of export of traditional commodities to traditional markets since there are already well established Merchant Houses in these sectors of trade.

(*d*) Only Business Houses of standing and possessing the following qualifications should be eligible for recognition:

(*i*) Substantial experience in handling the commodities in question for export generally and preferably to the selected markets; and

(*ii*) In the case of manufacturing concerns, the exports should normally constitute a substantial proportion of their production; this condition could however be relaxed in cases where the actual quantum of production available for export is substantial, even if it does not form a high proportion of the total production. In the case of trading concerns, export turnover should constitute a substantial proportion of total turnover.

(*e*) Recognition should be accorded in the first instance for a limited and specified period, say three years. Renewal of recognition should depend upon good performance and may, in deserving cases, be for periods of upto 10 years at a time. It should also be made clear that recognition may be withdrawn at any time if the Government are satisfied that the Export House has failed to maintain high standards of integrity and business ethics in its trading operations, for instance, by shipment of shoddy goods, failure to abide by terms of contract etc.

At present Export Houses are eligible for the following facilities:

(*i*) Lump sum releases of foreign exchange for business visits abroad by their representatives.

(*ii*) Grants-in-aid (under the Code of Grants-in-aid) for undertaking market surveys and export publicity.

(*iii*) Grants-in-aid under the Code of Grants-in-aid in cases where three or more Export Houses set up a joint foreign office or where an Export House and an approved organisation such as an Export Promotion Council set up a foreign office jointly.

The above concessions should continue. Each Export House should be required to draw up a detailed export programme in consultation with the Government immediately after recognition has been accorded; such a programme might cover a wide range of activities including opening of foreign offices, export publicity etc. as well as the anticipated fulfilment of specific export targets. While approving the programmes the Government should be prepared to indicate in advance the assistance that would be accorded to the Export Houses on the successful completion of the programme, so that the Export House can go ahead with its implementation on the basis of that assurance.

The Committee feels that the Scheme of Recognition of Export Houses is suitably modified on the above lines might be expected to make a contribution to the approach of selectivity and lead to the fostering and development of business houses specially oriented towards the export of our non-traditional commodities and specialising in marketing to various regions of the globe. As regards business concerns which have already been recognised as Export Houses under the present scheme, the Committee suggests that they may be given a reasonable time to organise their activities so as to conform to the above pattern, failing which recognition may be withdrawn.

Consortium of Exporters

At the third and highest level in the suggested three-tier system the Committee would place Consortia of Exporters which may be formed for the sale of identical or complementary products to overseas markets. Such consortia would be composed of all or a group of exporters in a single commodity or batch of commodities, and would be in a position to negotiate with foreign businessmen as a single entity and parcel out foreign orders amongst their constituent members. The Committee realise that the formation of such consortia can only be a gradual process and that in any case it may not extend over the whole range of our export trade. Wherever, however, exporters show to necessary discipline and sense of unity required for the formation of such consortia it would be desirable for the Government to assist in their establishment financially or otherwise as may be necessary. Some attempts to set up such consortia appear to have already been made in limited fields such as cotton textiles. The advantages of such organisations in eliminating inter-se competition, increasing foreign exchange earnings and facilitating orderly marketing are obvious; and they are of special advantage in those lines where the trade has to deal with Monopoly Purchasers or where foreign buyers have organised themselves for

joint purchase. Consortia of exporters could, of course, cover both traditional and non-traditional export commodities.

The detailed constitution of such consortia would, of course, have to be drawn up in the light of the circumstances prevailing in each case. All that can be said is that the membership should be as wide as possible and that an equitable scheme of allocation of business should be drawn up in advance.

General

The Committee understands that in addition to the registration of exporters, it is proposed that each Export Promotion Council will prepare lists of exporters/producers of the products coming within its scope, classified as below:

(1) Selected competent exporters who have achieved a specified minimum export of a sizable amount, depending on the commodity;

(2) Medium and small scale exporters, who have developed a particular brand or quality of goods with export potentialities; and

(3) Large producing units in the organised sector which can export but which do not have appreciable exports at present.

In making out the lists, Export Promotion Councils/Commodity Boards will include also suitable exporters/producers who are not as yet registered with them, but who have potentialities of export.

The intention is that on the basis of the above lists, Government will take necessary steps for the encouragement or competent units, by helping to remove difficulties in production, improving the quality of their products, and starting to export or increasing the volume of their exports.

Northern India Conference on Export Promotion

THE Government of Uttar Pradesh organised a Conference on export promotion in April 1965. This conference was originally sheduled to be held on 27th & 28th March '65 but was postponed to April 1965. The primary purpose of this Conference was to stimulate export consciousness in the Northern Region and to focus attention on the production and export problems of various exportable commodities of the States of Uttar Pradesh, Punjab, Delhi and Rajasthan. This was the first Regional Conference of its kind. The Conference was inaugurated by Shri Manubhai Shah, Union Minister of Commerce and was presided over by Mrs. Sucheta Kripalani, Chief Minister of Uttar Pradesh.

The following were the salient recommendations:

The break-up of the total target for this region in terms of individual engineering products in the year 1965-66 is assessed as shown below:

Group (A) Metal Manufactures

Items	*Rs. Lakhs*
(*a*) Grey iron castings (e.g. cast iron pipes, manhole covers and malleable castings, etc.)	50
(*b*) Steel castings, particularly those required for the Railways like centre buffer couplers.	1

	Rs. Lakhs
(*c*) Non-ferrous castings including water pipe fittings.	15
(*d*) Steel fasteners like bolts, nuts, rivets, screws & wire nails.	10
(*e*) Wire products, both ferrous and non-ferrous (e.g., wire gauze, mesh, and barbed wire etc.)	6
(*f*) Railway track materials (dog spikes, screw spikes, loose jaws, etc.) ..	..
(*g*) Thin-walled tubes including conduits	15
(*h*) ERW tubes	1
(*i*) Ferrous and non-ferrous hardware and halloware	5
(*j*) Hand tools and cutting tools	15
(*k*) Razor blades	1
(*l*) Steel furniture	2
(*m*) E.P.N.S. ware	20
(*n*) Aluminium sheets, circles and utensils.	7
Total	148

Group (B) Machinery And Equipment (Non-electrical) including Transport Equipment

(*a*) Diesel engines and components	20
(*b*) Power driven pumps including special pumps	5
(*c*) Machine tools	5
(*d*) Oil Mill Machinery	8
(*e*) Sugar Mill Machinery	5
(*f*) Automobile ancillaries	10
(*g*) Printing Machinery	1
(*h*) Miscellaneous industrial Machinery	1
Total	55

Group (C) Electrical And Electronic Products

(*a*) Electric fans	15
(*b*) Electric lamps, all sorts	1
(*c*) Electrical lighting fittings and wiring accessories	1
(*d*) Electric motors	2
(*e*) Electronic equipment (e.g. P.A. equipment, radio receivers, etc.) ..	10
(*f*) Electric cables and conductors	6
(*g*) Electrical domestic appliances	5
Total	40

Group (D) Apparatus, Appliances And Instruments (Non-electrical) .. 5

Group (E) Other Light Engineering Products

(*a*) Bicycles and components	50
(*b*) Sewing Machines and Components	10
(*c*) Others	2
Total	62
GRAND TOTAL	310

(*i*) Export-mobilisation could be considerable in respect of lighter engineering products with lower material cost.

(*ii*) The Conference, however, particularly suggested that, as a measure of the pre-shipment inspection and quality control it would be desirable that branches and centres of internationally recognized inspection agencies, like Superintendence Company, be opened in all important cities of the region such as Agra, Kanpur, Ghaziabad, Moradabad, Varanashi, Delhi, Ludhiana and Jaipur. Concurrently, creation of common laboratory and other testing facilities for export products in this region is indicated. As most of the exports from this region would emanate from small and medium enterprises, it would be necessary to establish in the region centralised agencies for procurement and warehousing of both indigenous raw materials like pig iron and steel and imported raw materials like non-ferrous metals for distribution to the exporters and enterprises in such areas where arrangements do not exist.

(*iii*) The Conference was strongly of the view that the formation of the proposed Export Corporation in the State of Uttar Pradesh be expedited in order that the Corporation could play an active role in this field, although its main function would always be one of extending marketing assistance abroad to the enterprises in the State. The Conference also recommended that a strong bias be created by the respective Directors of Industries of the Northern Region in the allocation of actual user quota licences in favour of export-oriented units and suggested that, particularly when a unit is about to enter the export market, advance allocations of raw materials should be made by the State authorities till such time as the unit is in a position to earn its own entitlement under the Export Promotion Scheme.

(*iv*) The Conference also suggested the following product-wise recommendations:

(*a*) *i.* In order to realise a higher unit value of foreign exchange in this fields, it would be necessary to promote in the long run complex and alloy iron castings, both machined and unmachined. In view, however, of the relative lack of capacity in the Northern Region for such castings, it appears that, at least in the next 2 to 3 years, exports of such castings from the region should be concentrated on the relatively simpler grey iron castings and malleable iron castings.

ii. The Northern Region has a good potential for export of the simpler iron castings but, in order to bring the standard of these castings to internationally acceptable qualitative levels, the concentration of foundry activity in this region (in Agra, Ludhiana, etc.) should be assisted with sufficient technical know-how. It is hence necessary that facilities be created on a crash basis for metallurgical analysis as well as for ensuring sound castings free from blow-holes and surface defects arising out of defective sand conditioning etc.

iii. The Conference also suggested that, in the operation of foundries, the State Electricity Authorities should be more co-operative with exporters, especially in peak hours of production and the matter of sanctioning of power for operating blowers and for service in the foundry industry.

iv. The Conference recommended that more pig iron should be allowed for the manufacture of moulding boxes and that by-product hard coke be also allotted under the scheme.

v. The Conference recommended that immediate attention be given to the problem of storage and loading at Calcutta Port.

vi. The Conference also recommended that both the existing and prospective exporters divert the traffic to Kandla Port to the extent possible. Simultaneously, it also suggested that the frequency of shipping services from Kandla be increased.

(*b*) *i.* The Conference recommended that immediate arrangements be made by the Minerals and Metals Trading Corporation to contract in bulk at producers' prices for the import of copper and to distribute the tonnages imported by them to the four States of this region, especially for export production.

ii. The rail movement of these castings is usually in smalls. Consequently, rail priority which is now partly available for booking of whole wagons, should be extended to small traffic. In the view of the Conference this item should qualify primarily to a reasonable ocean-freight rate. The Government of India should prevail upon the Conference Lines to bring this item under general cargo rates and to offer special rates, as has been done in the case of some engineering items.

(*c*) *Wire Products, including fasteners made from steel wire*

(*c*) *i.* In regard to ferrous wire products, the major problem is one of a uniform rail-head price all over the country for hard bright wire, particularly for the production of wire nails for export (for which a mass demand exists in U.S.A.). While all other categories of steel qualify for such a uniform rail-head price, hard bright wire at present does not. It is recommended that this anomaly should be removed.

ii. In regard to non-ferrous wire products, an item of considerable promise for export is non-ferrous wire gauze, mesh and netting. The earlier observations regarding bulk import of copper at producers' prices apply to this category as well.

(*d*) *Steel Tubes including Conduit Pipes*

One of the major items figuring in exports from this region is thin rolled tubing including conduit tubing. The overseas market preference for conduits is for manufacture from 1.78 mm. thickness sheet/strip/skelp. It is understood that the main producers of steel are reluctant to roll 1.78 mm. strip/ or skelp in hot rolled condition. In view of the impending switch-over to I.S.I. specification of the conduits meant for the home market, a substantial off-take from the industry could be expected both for home and export markets, thereby making it economical for the main producers to roll this gauge in hot rolled condition. The Conference recommended that immediate attention be given to this problem, particularly as it would reduce costs of production for export in a very promising item like conduits.

(*e*) *Builders' Hardware*

The Northern Region has a good potential for production and export of all types of both ferrous and non-ferrous builders' hardware for which markets are now opening up even in the highly industrialised countries. It is, however, necessary—particularly for an item like hinges—to ensure production at the steel works of superfine steel sheets (with a high gloss) for export purposes in order to be able to avail of the export opportunities in this line from the highly industrialised countries. It is understood that Tata Iron & Steel Company used to roll such superfine sheets. The Conference recommended that the production of such sheets be taken up with Hindustan Steel Ltd.

(*f*) *i. Machine Tools*

The Conference endorsed the general policy followed in respect of confining export of machine tools to Grade I machine tools (regardless of whether such grading is done by Central Government or State Govt.) and suggested that applications from exporting units in the industry for grading should be processed on an urgent basis by the competent authority with constructive suggestions to bring the machine tools produced upto Grade I quality.

ii. While foreign competitors have the advantages of offering off-the-sheff delivery for general purpose machine tools, the Indian producers, particularly in the medium and small sectors, are handicapped in this regard because of raw material shortages. It is urged that, pending the earning of entitlements by the exporting units under the Export Promotion Scheme, the State Directors of Industries should make some allocations in advance to them for at least the commencement of production for exports.

(*g*) *i. Oil Mill Machinery*

The Indian industry (particularly that portion which is in the Northern Region) is geared to step up exports of not only oil expeller filter presses and other machinery in the line of modern design but also to cater to the spare-part requirements of foreign-designed oil expellers in other countries. In order to ensure that production for export in this line is maintained and improved, it is necessary to get the main producers of steel to roll 160 mm. rounds for worm shafts and supply the same to exporting units on a priority basis. It is also necessary to ensure an adequate supply to the industry of crucibles, steam traps and pressure gauges and, for this purpose, no restrictions should be imposed on their imports, at least under the import entitlement scheme.

ii. The cash assistance of Rs. 50 per tonne, now being given by the Government to exporters of "as cost" items, should be extended to Oil Mill Machinery, a substantial percentage of which is in cast iron.

(*h*) *Sugar Mill Machinery*

Export business is offering in a substantial way for reshelling of rollers, but the present procedure for import of shafts for reshelling is cumbersome from the viewpoint of both Import Control and Customs Control. This procedure needs immediate simplification. Manufacturers of components of sugar mill machinery suffer from lack of adequate knowledge of technical standards prevailing in various foreign countries. The Conference suggested that the various foreign specifications, wherever they exist, be collected and made available to the exporting units.

(*i*) *Automobile Ancillaries*

It was very strongly recommended that exports of automobile ancillaries be immediately brought under compulsory quality control and pre-shipment inspection. Exporting units engaged in rear axle shafts consider the import entitlement even for the purpose of reimbursing the special steel used in export. While the general level of entitlement of 75 per cent for automobile ancillaries, as a class, is considered adequate, the entitlement should be so fixed as to cover at least the bare replenishment of the imported raw material in respect of a few specified items like rear axle shafts, radiators, etc.

(*j*) *i. Electric Fans and Motors*

The Northern Region has a fairly good potential for export of both items. In the case of electric fans, while the service value and air displacement of Indian fans in general, including those produced in the Northern Region, are high, these have not yet matched the Japanese standard in design and finish, particularly in respect of table fans on which exports must be increasingly concentrated. In this respect, it is essential that the requirements of the industry for specialised plating and painting materials as well as special components (e.g., piano switch regulation) should be freely allowed under the entitlement scheme. The Institutes of Design, as already existing in the country, should be asked to take up competitive designing of table fans for export markets on a priority basis. It would also

be necessary to invite foreign technicians for the specific purpose and/or to encourage Indian manufacturers to obtain foreign know-how in designing and finishing, on a lump-sum engineering fee basis.

ii. In regard to electric motors, to meet the international competition, Indian production should be geared to the small frame sizes relative to horse ratings and adoption of class 'E' insulations. The Conference noted with satisfaction that a promising attempt had been made in this direction in the Northern Region. In order to ensure larger production of such electric motors for export, the Conference endorsed the suggestion already made by the Development Council for Heavy Electrical Equipment for raising the import entitlement for this item from the existing 40% to 75% to cover the initial imports of components.

(*k*) *i.* An item of great promise for export from the Northern Region is public address equipment. The allocation of raw materials/components to the units receives step-motherly treatment in view of relatively low priority accorded to this industry. The development of this industry has been further retarded owing to restrictions on import of prototype samples of the wide range of amplifiers, loud speakers, etc. in vogue in foreign countries. To promote exports in this line, no restrictions should be placed on imports of such samples as well as on the vital components for commercial production for export against import entitlements. In view of the increased transistorisation abroad, the market for transistorised amplifiers is considered good but, to avail of this opportunity, the import entitlement of transistorised amplifiers should be brought in line with that for transistorised radio receivers.

ii. It was brought to the notice of the Conference that customs examination of public address equipment exceeds not only the approved percentage of such inspection but is also extended to a virtual dismantling of the equipment. This is a very serious matter, as even an ordinary appraiser should be able to identify the different items of the exported public address equipment by a mere visual examination. In view of the large designs, models and ranges in this line, the time-consuming processes of fixation of rates of drawback for each and every item, size and model should be dispensed with and drawback rates fixed for major types like amplifiers, loudspeakers, etc., as percentages of the f.o.b. value of export.

(*l*) *Electric Wires and Cables*

This is an item of good export potential from the Northern Region, but the extent to which export opportunities can be seized in this line would depend on the arrangement for bulk import of electrolytic copper as suggested earlier. As electrolytic copper is used widely in electrical industries (other than cables and wires) such as electric fans, motors, transformers, etc., the entitlement earned by this industry should not be limited to Group III but also extended to Group I under the special Export Promotion Scheme.

(*m*) *i. Bicycles :* This is already an important item of export from the Northern Region, but the potential for export in this line is much greater. Production of bicycles for export is at present threatened by an acute shortage of Dunlop tyres, tubes, and rims for which there is a pronounced foreign market preference. While noting with satisfaction the contemplated arrangements for ensuring a regular export reimbursement supply of Dunlop tyres, tubes and rims to exporting units, the Conference reiterated that the matter was of such grave importance as to warrant an immediate decision and its communication to the suppliers of these materials and exporters of bicycles. It would also recommend a preferential supply, to the extent feasible, of Dunlop tyres, tubes and rims to the exporting units even for the home market. Some exporting units are also handicapped for lack of adequate supplies

of hubs, chains, B. B. Shells and spokes. In view, particularly, of the limitation in the face value of imported components under the entitlement scheme, arrangements should be made with reputed manufacturers in India for ensuring adequate supplies of these components from indigenous production.

ii. While exports of complete bicycles to Afghanistan qualify for cash assistance under the arrangement of the C. N. A. with the Government of India, the Conference was concerned over the delay in the extension of this assistance to exporters of bicycle components to Afghanistan. It recommended immediate Government orders on the subject, particularly as exports of bicycle components to Afghanistan do not qualify for an import entitlement. The Conference had noticed a small lacuna in the notification regarding cash assistance on exports of bicycles under the scheme operating prior to 31st July 1964. As the new pool scheme started from 1st August, 1964, it was essential that exporters of bicycles during the month of July 1964 (when heavy shipments were made) should also qualify for the cash assistance.

iii. As a measure of self-disciplining regulation in the export of bicycles, Government, the Cycle Manufacturers Association of India, and the Engineering Export Promotion Council have arrived at floor prices for export of complete bicycles which have also been defined. It is suggested that the Government should ask the Engineering Export Promotion Council without any further loss of time to notify these prices to the exporters.

iv. It is felt that the time has now arrived when quality control/pre-shipment inspection should be imposed without any further delay on export of both bicycle and bicycle components.

(*n*) *Sewing Machines and Components*

The Conference recommended strongly that exporters of industrial sewing machines should be allowed free import of the components (which they require for the production of industrial sewing machines) within their earned import entitlement without any face value restriction.

Export of Engineering Products

SEMINAR IN CALCUTTA

Organised jointly by the Council & I.I.F.T.

IN the series of commodity-wise and country-wise studies, the Indian Institute of Foreign Trade, in collaboration with the Engineering Export Promotion Council, organised a threeday Seminar on 'EXPORTS OF ENGINEERING PRODUCTS' at Calcutta from October 29 to 31, 1964.

The Seminar deliberations covered the problems of production, export assistance, overseas marketing, packaging, quality control and pre-shipment inspection and publicity of the engineering goods, including light engineering and electricals, machinery, transport equipment and products of non-ferrous metals. Seventy-three participants drawn from industry and trade, Export Promotion Council, State Trading Corporation, Reserve Bank of India, Export Houses and Ministries of the Government of India, participated in the deliberations.

Shri A. Ramaswamy Mudaliar inaugurated the Seminar discussions. Emphasizing the role of exports in a developing economy, he exhorted the exporters to remember that cost and quality constituted the two primary factors in boosting up export trade. He also stressed the increasing need for the State Governments to realise their responsibilities in regard to export promotion. It would be difficult to achieve the objective unless the State Governments took bold steps to extend the necessary help and facilities to exporters as well as to industries which produce exportable items.

After a general discussion in the opening session, the Seminar divided into three Groups for intensive deliberation of the particular problems facing the engineering goods industry. Group (I) considered 'Problems of Production', Group (II) 'Problems of Export Assistance' and Group (III) 'Problems of Overseas Marketing'. Reports of the Groups were presented in the concluding session of the Seminar, in which the recommendations and conclusions of the Seminar were finalised.

Problems of Production

The present acute shortage of basic raw materials like foundry grade pig iron, rolled mild steel, matchined steel, special steel and non-ferrous metals like fire refined and electrolytic copper, zinc spelters and electrolytic zinc, pig lead, tin and aluminium, in the, opinion of the Seminar, is a serious inhibiting factor in organising production for export of the magnitude indicated in the plan targets for 1965-66 and 1970-71. The Seminar, therefore, recommended establishment of an '*Export Industries Materials Corporation*' by the Government in consultation with the Engineering Export Promotion Council. The Seminar also recommended the following measures in respect of individual items of the more important raw materials:

Iron & Steel

It was suggested that the Council should consitute a Study Group consisting of 6 or 7 technical experts from selected and representative engineering industries to assess the requirements of

foundry pig iron, quantity, category, sizes and sections of rolled steel in great detail for production of fabricated items for export and to recommend steps for forward planning of rolling programmes in the indigenous steel plants and for arranging complementary imports.

Range of indigenous rolling of Steel

There were certain sections/sizes which were not available from the main producers. It was recommended that steps should be taken to develop the rolling of these sections in the re-rolling sector. Further, manufactuers/exporters or their associates who are in a position to put up their captive rolling mills for developing these special sections should be freely permitted to do so, regardless of the normal policy followed in respect of licensing of industrial capacity for re-rolled steel.

Quality of iron & steel supplies

As the quality of the end-product for export, particularly in the engineering field, is intimately linked with that of the basic raw material itself, the Seminar strongly recommended that at least in so far as the export supplies were concerned, full arrangements be made by the authorities for ensuring the conformity to proper specifications.

Imported steel

In order to promote exports of electric motors, transformers and other heavy electrical equipment, now dormant, the Seminar favoured the liberal import and use of cold rolled grain oriented low loss electrical steel sheets so as to enable the Indian manufacturers to compete on equal terms with their foreign competitors.

Streaming the procedures for supply of indigenous pig iron & Steel

The Seminar felt that the time consumed in the scrutiny of exporters' requirements, issue of quota certificates, planning of indents, and issue of works orders, would admit of substantial reduction.

Components and Spares

It suggested that the Engineering Export Promotion Council be empowered to recommend and the licensing authorities to grant import licences for emergency spares of a reasonable value in concerned cases, subject, of course, to the condition that the foreign exchange involved was eventually set off against the import entitlement of the manufacturers/exporters, to the extent to which such spares were not available in the normal way.

Power and Fuel

The Seminar suggested that, in the case of high power consumption industries engaged in export effort, such as aluminium, steel castings, ferro-alloys and abrasives, the electricity duty and the tariffs imposed by the State Government be waived. It recommended that, in the case of these foundries, B.P. Hard Coke should be allotted as a rule and supplies of nut-coke, beehive coke and coke breeze should not be forced on them.

Installed Capacity

The Seminar recommended a formula by which any engineering factory which already exported 15% or more of its production, was automatically allowed to double its capacity if, under the

expanded capacity, it undertook to export the same additional percentage of production. For other engineering enterprises which export a lesser percentage of production, the Seminar suggested that priority consideration in sanctioning of additional capacity may be given on the merits of each case. Some of the industries which would come under the purview of these suggestions are sewing machines, bicycles, electric cables and conductors, crown corks etc.

Manufacture & Development

The Seminar recommended that steps be taken by appropriate authorities to make the concerned Government Purchasing Departments also sufficiently aware of the importance of the export drive. The Seminar recommended that such of those manufacturers/exporters as desired to create their own research and development cells within their plants, should be granted ad-hoc import licences for laboratory, testing and other equipment. The Seminar felt that no restriction should be placed on reasonable imports of such proto-types and samples by exporting engineering factories.

Production Costs and Productivity

In recent years, the Indian engineering industries have been faced with a steady increase in the value of raw materials, stores, chemicals, lubricants, fuel, electricity, etc., consumed in the factory, as indicated by rising input-output ratio as given below:

Year	*Input as percentage of output*
1950 ..	55.7
1951 ..	57.5
1952 ..	57.7
1953 ..	57.3
1954 ..	58.7
1955 ..	59.6
1956 ..	61.6
1957 ..	64.3
1958 ..	NA
1959 ..	69.1
1960 ..	70.0
1961 ..	71.3

In the view of the Seminar, while the present measures of export assistance help in the drive for export of engineering products, a permanent solution to the competitive power of our products abroad would fundamentally hinge on the question of lowering of costs of production all round. The reduction of production costs will, in turn, depend on the reduction of costs of

(*a*) Raw materials and components
(*b*) Fuller plant utilisation
(*c*) Labour
(*d*) Overheads.

Regarding (*a*), the two essential raw materials for most exporting engineering industries are pig iron and rolled-steel, the present internal prices of both of which are out of all alignment

with intrnational prices. The Seminar, while welcoming the concessional price structure for steel announced by the Government for export of fabricated products, viewed seriously the non-implementation as yet of the considered suggestion of the Engineering Export Promotion Council for a further reduction of the existing concessional prices by Rs. 20/- per tonne, to off-set the port and stevedering charges, according to the London Metal Bulletin, F.O.B. Continental prices, on the basis of which the concessional prices have been announced. It also expressed its grave concern over the disproportionately high quality, size and length extras for Indian steel and suggested that these extras should be brought in parity with international extras for purposes of export. Further, the present concessional price structure equates untested steel with foreign Thomas quality commercial steel which is qualitatively acceptable. The Seminar recommended that in the new switchover to the three grades of specifications for rolled steel, now being worked out in consultation with the Indian Standards Institution, the export concessional prices for the intermediate grade should correspond with L.M.B. prices for commercial Thomas quality steel. It also recommended that the Central Sales Tax of 2% on steel supplies for export production of fabricated products should be refunded on an immediate basis, and not be made contingent on time consuming decisions on Saraiya Committee's recommendations. The Sales Tax incidence on aluminium supplies for export production should also similarly be relieved.

Regarding (*b*), namely fuller plant utilisation, the Seminar recommended that manufacturers/exporters of engineering products should be given additional actual user allocations of particularly imported raw materials and components within the overall foreign exchange allocations for the industries concerned so as to enable the former to operate to fuller capacity and thereby reduce costs of production.

Greater collaboration between the Engineering Export Promotion Council on the one hand and the National Productivity Council and the National Institute of Training in Industrial Engineering on the other was recommended with a view to carrying out productivity studies atleast in selected factories engaged in the export of engineering products and also with a view to priority employment of available industrial engineers, Indian and foreign, in export oriented industries.

Packaging

The packaging of a product for export is as important as the quality itself of the product. Bad packaging can damage the reputation abroad of even qualitatively excellent products and, in fact, certain cases of this nature have been reported at the Seminar. The Seminar suggested that the Institute of Packaging which is proposed to be set up by the Government of India should accordingly pay special attention to the problems of packaging of engineering products for export, especially as these problems are more complicated and specialised than those of primary commodities. The Institute should evolve and popularise suitable designs of packaging for the entire complex range of engineering products with the objective of compactness, strength, appearance and economy. It is evident that, if this is done and our exporters/manufacturers adopt these designs, there would be, apart from customer's satisfaction abroad, an incidental benefit of reduction in ocean freight.

Free Trade Zone

The Seminar recommended that, in the allotment of factory space and facilities to manufacturing enterprises in the Zone, the claims of existing export enterprises should be given

priority consideration both for diversification of products and manufacture of new products for export. The Seminar noted that a proposal has already been mooted with the Government for establishment of a similar Free Trade Zone at Haldia in West Bengal. This proposal has the support of the Seminar, as the bulk of the manufacturing enterprises and talent in the engineering fields is concentrated in the Eastern region. It would urge upon the Government to expedite decision in the matter.

Problems of Export Assistance

Export Finance

The Seminar noted with concern that in spite of the Scheme introduced by the Refinance Corporation for Industry for providing refinance facilities for pre-shipment and post shipment credit, the banks had been slow in showing interest in export finance. The Export Credit & Guarantee Corporation has introduced Export Finance Guarantee under which the E.C.G.C. guarantees to indemnify the banks to the extent of 75 per cent of the loss incurred in the event of the loanee's insolvency or default. In spite of this guarantee, the banks were reluctant to provide medium and long term funds to exporters. The Seminar was of the view that unless exporters of engineering products were enabled to offer identical credit facilities to exporters as their counterparts from other exporting countries were offering, it would be difficult to achieve the target.

Export Assistance

Review of Export Promotion Scheme

The Seminar, therefore, strongly recommended that the present Export Promotion Scheme should remain unaltered for 10 years unless the changes are favourable to exporters. If, for any reason, 10 year period is too long, the Scheme should atleast remain unchanged till the end of the Fourth Five Year Plan.

Tax Concessions

The Income tax relief is one of the most powerful incentives for export promotion. Such relief has been given by way of exporters' compensation in some of the advanced countries like Germany, France, Japan with considerable success. The question was exhaustively dealt with by Ramswamy Mudaliar Committee which made certain recommendations for Income Tax relief.

Other cases and Burdens

The Seminar felt that the recommendations of 'Saraiya Committee' on sales tax should be implemented as early as possible. In addition, octroi duties and other levies and burdens imposed on raw materials and components entering into the manufacture of items meant for export should be exempted.

Railway freight concession

The Seminar noted with concern that considerable difficulties were experienced by the exporters in getting the refund of the railway freight paid even in respect of items for which

concessional freight rates have been announced. The Seminar recommended that to avoid this difficulty, only the concessional railway freight be charged at the time of booking the consignment for export. An undertaking should be obtained from the exporters that they will submit the proof of export within a specified period. The Seminar further recommended that all the engineering items exported from inland centres to port towns should be given freight concession at the rate of 50%. Besides, priority allocations of wagons should be made for movement of export consignment.

Shipping freight

The Seminar expressed concern at the high shipping freight, and non-availability of ships in certain sectors. It, therefore, recommended that the Government should take necessary steps for chartering small ships through suitable Government machinery so that the difficult sectors are covered.

The Seminar noted that port charges in Calcutta were very high. One of the reasons for this was that the dredging charges, which were normally borne by Government in other places, were included in the port charges. The Seminar recommended that dredging charges be borne by the Government.

Release of Foreign Exchange

Considerable difficulty was at the present moment being experienced by the exporters in organising the export activities through opening foreign offices or sending representatives. The foreign exchange allocation to the visiting representatives is so small that they could neither live comfortably nor entertain people. The Seminar, therefore, made the following recommendations:

The Reserve Bank of India should adopt a liberal policy in regard to the opening of foreign offices and sanction be given within a month of making the application for opening the office, if all the information has been submitted and a case made out.

In case of new industries which have a definite programme of export, the Reserve Bank should sanction foreign exchange for market surveys sympathetically. The minimum daily allowance to the visiting representatives should be increased from Rs. 70 to Rs. 100 and from Rs. 100 to Rs. 150 and from $35 to $50 for respective destinations.

The Reserve Bank should set up an Advisory Board consisting of representatives of Export Promotion Councils and Commodity Boards, and should draw up a list of such exporters who have shown adequate performance and have good record to their credit in consultation with the Board. Foreign exchange should be given to representatives of such firms immediately after the application is made.

Since the blanket permits given to exporters whose export exceeds Rs. 20 lakhs a year has operated satisfactorily, the time has now come to enlarge the scope to cover exporters with exports of Rs. 10-20 lakhs, Rs. 5-10 lakhs and below Rs. 5 lakhs, under the blanket permits scheme. The information about export performance of the various categories of exporters can be supplied by the Council. For introduction of new items in foreign market the Council should make recommendations from time to time to the Reserve Bank of India regarding the names of exporters who may be considered eligible for special facilities even though their performance may not be covered by the above slabs.

The Engineering Export Promotion Council should select a group of 6 to 8 persons who are acquainted with the problems concerning foreign exchange and should take a deputation to the Governor, Reserve Bank of India, and all the problems connected with foreign exchange required for after-sales-service, publicity and propaganda, delegations, and study terms etc. should be discussed with the Reserve Bank.

Creation of an image for Indian products

The Seminar recommended that the Engineering Export Promotion Council should draw up a detailed scheme for printing first class technical catalogues for various groups of exportable products, publicity and propaganda. Fifty per cent of this proposed amount should be borne by the Council, and the Council should consider ways and means of raising this amount from these industry. It should then approach the Government for a matching grant from the Marketing Development Fund.

Special assistance for export of new items to new countries

The Seminar recommended that the exporters who draw up a definite programme of work for developing new items or in new countries should be given 50% of the total expenditure on market surveys, publicity and other marketing effort from the Marketing Development Fund. The Council will declare new items and new destinations for this purpose, and approach the Government of India with a concrete scheme in this behalf.

Problems of Overseas Marketing

The Seminar noted that exports of engineering products were envisaged to be stepped up from Rs. 13.5 crores in 1963-64 to Rs. 19.0 crores by 1965-66, i.e. by about 50%. By the end of the 4th Plan period, exports were expected to accrue Rs. 50.0 crores, i.e. roughly 175% over the level of 1965-66. Such an increase required an all-round and coordinated effort from the stand-points of securing production surpluses for export and of devising overseas marketing strategy to supply quality goods at competitive prices to export markets, in accordance with their individual requirements with respect to designs, specifications and standards.

Selection of specific markets for export effort

According to the Seminar the following regions were decidedly prospective markets for engineering goods but the opportunities were not being fully exploited:

(*a*) *East Europe*

The Seminar was of the view that the Engineering Export Promotion Council should, as far as East Europe was concerned, utilise fully the services of the State Trading Corporation for trading with countries in East Europe where there were State-owned Foreign Trade Enterprises for both imports and exports, whether in regard to market survey or providing warehousing facilities. The State Trading Corporation should work in close co-operation with the Engineering Export Promotion Council in order to ensure that the opportunities existing in these countries were fully availed of.

(*b*) *Central and Latin America*

Basically agricultural in character and being still in a stage of under-development industrially, the Latin American countries were potential buyers of engineering goods. Very little, however, was known about their requirements. The Seminar, therefore, recommended that an

exhaustive survey of these countries should be carried out in order to determine the type and range of engineering items that were in demand.

(*c*) *Africa*

African countries which were potential buyers of engineering goods needed immediate concentration in order to bring satisfactory results. The Seminar therefore felt that various markets in Africa should be thoroughly studied to develop export of engineering products to this Continent. The Seminar also felt that for carrying out the Surveys and making concentrated efforts, the Engineering Export Promotion Council was a suitable agency in view of the experience it had gained in export promotion efforts during the last few years.

Market Surveys

The Seminar felt that there was need to co-ordinate such informations in relation to the changing political and economic conditions in foreign countries. It was also desirable that commercial information should cover a large number of countries in respect of specified commodities rather than on a large number of commodities in just a few countries. The commerical information should cover inter alia such aspects as tariff regulations and full description of items in demand or in use in a country to enable Indian manufacturers to examine the possibility of offering similar products for export.

Countries in which and commodities for which market surveys should be conducted

The suggestions made by the Engineering Export Promotion Council for conducting market surveys of various commodities were accepted by the Seminar in the case of the following items:

Storage Batteries, Automobile parts, Refrigeration and Air Conditioning equipment, Surgical instruments, Electric Motors, Textile and other industrial machinery, Wooden furniture, Machine Tools, Precision instruments such as Lathe Chucks etc. Small Tools, Electric Lamps, Flourescent Tubes and other Electrical accessories, Public address equipment, Duplicating machines, Ploughs, Fire Extinguishers, Wire nails, Panel Pins, Brass Water Fittings and Agriculture land Implements, Groundnut decorticators, Sugarcane crushers and animal driven Ploughs, Stainless Steel products, Wood Screws, Wire Netting and Wire Mesh.

The Seminar however, suggested that the Indian Institute of Foreign Trade should, in consultation with the Engineering Export Promotion Council, draw up a detailed priority list for market surveys.

Agencies for conducting market surveys and finances for market surveys

It was felt that for conducting the market surveys, the Engineering Export Promotion Council was the suitable agency but may utilise the services of a specialised body either in India or abroad. The Committee of Administration of the Council should find out the means of raising the necessary funds so that they will be able to raise matching funds from the Marketing Development Fund.

Creation of Marketing Research Division in the Council

The Seminar recommended the setting up of a Marketing Research Division in the Council:

(*a*) To make a detailed commodity and country-wise study of the export potential and present a programme of surveys to be carried out.

(*b*) To decide upon the agencies to conduct surveys.

(*c*) To collect, collate and disseminate information arising out of the studies conducted by the agencies. The Research personnel could be trained by the Institute of Foreign Trade.

Sales Teams and Trade Delegations

The Seminar felt that the success of the work of the Sales Teams and Trade Delegations depended on the quality of the personnel. It was, therefore, recommended that a High-level Committee should screen the prospective personnel in order to ensure that only those of the highest calibre capable of doing full justice to the important mission were included.

The Seminar also recommended that the members of the Delegations should make an in-country tour, prior to their tour abroad, in order to closely and collectively acquaint themselves with the problems which they desire to study abroad. Realising that the work of the Delegations does not end with the submission of a report, the Seminar felt that the Council should convene panel-wise meetings within two months after circulation of the report to assess the steps taken by them to implement the recommendations of the Delegations and to consider the difficulties, if any, inhibiting such implementation.

Additional Overseas Offices of the Council

While noting that the Council's existing Foreign Offices (5 in number) covered a good portion of the globe and the proposed office in Chicago would also be very useful, the Seminar observed that the territories covered by Beirut and Nairobi offices were too vast and, therefore, recommended that a separate office should be set up in West Africa to look after the stretch of territory from Congo to Algeria.

Overseas After-sales-Service Centres

In order to have continuous hold on the export market, the importance of after-sales-service was emphasized by the Seminar. The after-sales-service includes obligations to be fulfilled by the manufacturers under warrantees and guarantees. To enable the exporter to fulfil his obligation, the Reserve Bank should allocate a blanket permit of foreign exchange upto 5% of the f.o.b. value of the previous exports so that the exporter may be free to send his mechanic or engineer promptly, provide necessary facilities for giving effective after-sales-service through his organisation or through the agents and distributors and the necessary equipment for after-sales-service etc., to the agents or his customer and meeing with the actual expenditure of the after-sales-service. Where it is not possible for a single organisation to put up after-sales-service organisation abroad of their own, the Council should encourage pooling of resources for putting up a combined after-sales-service organisation and the Government and the Reserve Bank of India should provide necessary facilities on the recommendation of the Council. The Seminar also suggested that since the manufacturers/exporters are required to give free replacement of defective or damaged parts as a guarantee obligation, the Reserve Bank should facilitate quick and expeditious despatch of such replacement parts on production of warranty claims in prescribed form. The Council was requested to devise such a form for the use of exporters.

Collaboration arrangements, technical know-how, barter agreements, and trade agreements

The Seminar felt that the question of collaboration was not within their purview and they have therefore, made no suggestion on the problems of collaboration. As regards technical

know-how, barter agreements and trade agreements, the Seminar felt that since the Ministry of Commerce and Ministry of Industry & Supply was now associating businessmen during negotiations for trade agreements, there was no necessity for special recommendation on these points.

Warehousing facilities

The Seminar recommended that an appropriate organisation under the aegis of the Engineering Export Promotion Council should undertake to provide warehousing facilities for engineering products. Warehouses should be put in the following regions:

West Germany, East Europe, East Africa, West Africa, West Asia and South East Asia.

In addition to the warehousing facilities, the proposed organisation of the Engineering Export Promotion Council may also undertake to provide for after-sales-service and secretarial assistance on a commercial basis wherever feasible, although it was felt that an effective after-sales-service would ultimately have to be provided by the agent and distributor of the exporter.

Tariff Concessions

The market research division should also make a constant study of the tariff, customs and documentation requirements of the various countries and maintain up-to-date data and disseminate the information to the members and make recommendations to the Government for redress wherever necessary.

Publicity and Propaganda

With a view to projecting the correct image of the industrialising India, it was felt that the Government should undertake intensive publicity and propaganda in consultation with the various export organisations in the country to bring to the notice of overseas buyers the country's capacity as a manufacturer of quality manufactured products. Over and above this, the Council should prepare a programme to help build up an appropriate image that India can supply quality engineering goods. With this end in view, the Seminar felt that the Council should undertake a programme for production and free distribution of catalogues and brochures on different commodities. The Seminar further felt that there should be a sizeable number of brochures and catalogues published every year. These publications should be of high standard and may be entrusted to specialised agencies. The cost of the publications should be no consideration as they will be of commercial and prestige value abroad. These publications should be produced in five major languages, viz., English, French, Russian, Arabic and Spanish, and the Council should make special efforts to distribute them as widely as possible. The Council should also prepare and produce 2-3 films relating to development of engineering industries of India, quality and performance of engineering products, etc. These films should be produced in the above major languages. They should be exhibited through the Council's Foreign Officers, India's Trade Commissioners and Embassies abroad. The Council should consider the feasibility of making use of television in the countries where sufficient efforts and ground-work have been made viz. countries in West Asia.

In order to strengthen efforts in building up an appropriate image of India, the Seminar felt that it was most desirable to invite to India the dealers, users as well as the people connected with publicity and the Council should find out suitable ways and means to arrange for such visits in consultation with the manufacturers.

Exhibitions and Trade Fairs

The Seminar, recommended that the planning of exhibitions should be done well in advance in consultation with the Engineering Export Promotion Council and adequate intimation should be given to the participants so that they should be in a position to supply exhibition-finish products. The Seminar further recommended that terms and conditions of participation in exhibitions and trade fairs should be suitably revised.

Shipping facilities and freight rates

The Seminar recommended that the Engineering Export Promotion Council and the Government should use their good offices with the Conference Lines in obtaining uniform shipping freight rates as also to have the freight structure of shipping companies export-oriented.

The Seminar felt that there was urgent need of developing export consciousness among the general public of our country. In order to develop this consciousness the Government of India and the State Governments should be approached for fully making use of the various agencies such as the All India Radio and other publicity media, public functions, fairs and Community Development Programmes, stressing the urgency and importance of export promotion efforts of the country.

ACCOUNTS

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

R. K. SINGH
Secretary

R. H. MODY
Chairman

AUDITORS' REPORT TO THE MEMBERS

We have audited the Balance Sheet of ENGINEERING EXPORT PROMOTION COUNCIL (Limited by Guarantee) as at 31st March, 1965 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, 1965 and

(b) In case of the Income & Expenditure Account, subject as aforesaid, of the excess of Expenditure over Income 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 18th day of September, 1965.

SINGHI & CO.
Chartered Accountants.

As at 31.3.64	LIABILITIES		
Rs. P.		Rs. P.	Rs. P.
	RESERVE AND SURPLUS		
	Income & Expenditure Account		
5,14,536.71	As per last Balance Sheet	6,25,226.35	
1,10,689.64	*Less:* Balance being excess of Expenditure over income for the year transferred from Income & Expenditure Account	3,66,281.10	2,58,945.25
	CURRENT LIABILITIES & PROVISIONS:—		
	(A) Current Liabilities		
—	Grant-in-aid Received in advance against rent	1,31,600.00	
4,22,674.54	Sundry Creditors	4,06,463.11	
—	Amount due to Marketing Development fund (since paid)	2,00,000.00	
67,563.20	Unspent contribution of Joint Foreign Publicity Scheme	1,16,103.81	
11,500.00	Subscription received in advance	19,000.00	
—	Contribution towards common exhibition	13,025.00	
—	Liability for excess of cheques drawn over Bank Balance (Book overdraft)	36,065.24	
6,167.91	Other Advances	9,039.28	
1,39,386.94	Other Finance (Suspense)	1,40,837.37	
	Marketing Development Fund		
	Amount transferred from Income & Expenditure Account Rs. 60,758.89		
3,25,000.00	Liabilities for excess of cheques issued over Bank Balance (Book overdraft) Rs. 1.82,441.11	2,43,200.00	
	Providend Fund Trust Fund (Partly deposited as per Contra)	94,178.06	
	(B) Provisions—		
53,656.40	For Expenses	61,733.19	14,71,245.06
16,51,175.34	Carried over		17,30,190.31

PROMOTION COUNCIL

GUARANTEE)

AS AT 31st MARCH, 1965

ASSETS

As at 31.3.64 Rs. P.		Rs. P.	Rs. P.
	FIXED ASSETS:—		
1,50,966.00	As per Schedule 'A' annexed		2,50,019.76
	CURRENT ASSETS, LOANS & ADVANCES:—		
	(A) CURRENT ASSETS—		
10,093.16	Interest accrued but not due on short term Call Deposit	—	
17,639.58	Stock of Paper, Publications and Stationery (Paper & Stationery at cost and Publications at selling price) As taken, valued & Certified by the Management	43,295.62	
21,715.23	*Sundry Debtors:* (Unsecured, Considered Good) Debts outstanding for a period exceeding six months: Good 30,130.58; Doubtful and not provided for 6,108.39	36,238.97	
42,159.74	*Other Debts:* Sundry Bills	52,415.05	
22,047.47	Contribution Receivable	10,053.02	
7,842.28	Cash Balance on hand (including at Foreign Offices Rs. 20,769.46)	23,756.90	
—	Cheques in hand	4,76,672.00	
30,500.00	Money-in-Transit	1,36,646.25	
8,35,730.02	Balances with Scheduled Banks— In current Account in India and at Foreign Offices Rs. 31,743.57	91,004.63	
4,00,000.00	Short Term Call deposit Account	—	
—	Marketing Development Fund Cheques in Hand Rs. 43,200.00 Amount due from General Account Rs. 2,00,000.00 (Since received)	2,43,200.00	
	Provident Fund Bank Account with State Bank of India	90,215.90	12,03,498.34
15,38,693.39	Carried over		14,53,518.10

As at 31.3.64	LIABILITIES	Rs. P.	Rs. P.
Rs. P.			
16,51,175.34	Brought forward		17,30,190.31

CONTINGENT LIABILITY NOT PROVIDED FOR—

In respect of advertisement Bills under Joint Foreign Publicity Scheme not yet ascertained Rs. 1,16,103.81 (Previous year Rs. 67,563.20)

NOTES:—

(1) Currency has been converted as follows:—

(a) West Germany D.M. ·84 = Re. 1/-
(b) Straits Dollar 1 = Rs. 1.55 P.
(c) East African Currency Sh. 1-6d = Re. 1/-
(d) Lebanese Currency 66 Piastras = Re. 1/-
(e) United Kingdom £.1 = Rs. 13.35 P.

(2) Every member of a 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/-

16,51,175.34	TOTAL		17,30,190.31

PROMOTION COUNCIL

GUARANTEE)

AS AT 31st MARCH, 1965

As at 31.3.64 Rs. P.	ASSETS	Rs. P.	Rs. P.
15,38,693.39	Brought forward		14,53,518.10
	CURRENT ASSETS, LOANS & ADVANCES (*Contd.*)		
	(B) LOANS & ADVANCES— (Unsecured, Considered Good)		
70,897.78	Advances (recoverable in cash or in kind or for value to be received and/or to be adjusted)	1,30,402.83	
2,738.98	Units in Franking Machine	3,245.93	
10,748.39	Prepaid Expenses (including Rs. 10,541.19 for Study Team tours undertaken in 1965-66)	13,659.60	
25,481.49	Security Deposits (including Foreign Offices Deposits Rs. 11,194.10 of which Rs. 7,000.00 is under dispute)	1,24,667.60	
2,615.31	Suspense Pending Adjustments	4,696.25	2,76,672.21
	Note:—Maximum amount due at any time during the year from an Officer Rs. 460.00 Closing Balance Nil		
16,51,175.34			17,30,190.31

As per our report annexed

1-B, Old Post Office Street,
Calcutta, the 18th day of September, 1965.

SINGHI & CO.
Chartered Accountants

For the year ended 31.3.64

Rs. P.	EXPENDITURE	Rs. P.	Rs. P.
	To Administration with:n India		
2,20,395.48	Salaries & Allowances	3,14,173.11	
38,064.00	Rent	1,25,971.75	
86,088.11	Printing, Stationery, Postage & Telegrams, Telephones etc.	1,16,795.02	
2,018.09	Electricity	2,687.35	
34,851.68	Travelling & Conveyance	33,623.04	
8,838.84	Motor Car up-keep	8,336.60	
29,624.60	Miscellaneous Expenses (including Staff Welfare Rs. 10,800.53 and Brokerage for premises Rs. 13,560/-)	77,388.43	
1,06,825.20	Regional Office Expenses (as per Schedule 'B')	2,09,938.25	
			8,88,913.55
	,, Administration Outside India		
2,20,514.90	Foreign Office Expenses (as per Schedule 'B')		4,24,280.47
	,, Trade Delegation and Study Teams		
3,37,876.37	(including total expenses for tours commenced during the year but completed in 1965-66 inclusive of unsupported voucher as approved by the Working Committee and brought forward from previous year's account Rs. 7,086/- out of which Rs. 1,800/- less realised and provision Rs. 16,299.95)		5,06,032.46
	,, Propaganda Outside India		
41,862.70	Advertisement	53,927.08	
4,36,492.98	Joint Foreign Publicity	4,66,062.68	
		5,19,989.76	
15,63,452.95	Carried over	5,19,989.76	18,19,226.48

PROMOTION COUNCIL

GUARANTEE)

FOR THE YEAR ENDED 31st MARCH, 1965

For the year ended 31.3.64 Rs. P.	INCOME	Rs. P.	Rs. P.
2,65,500.00	By Membership Subscription (including Rs. 3,000/- for 1963-64)		3,31,500.00
	,, Special Contribution		
	Towards Joint Foreign Publicity Scheme transferred from last year's account	67,563.20	
	Add Contribution received during the year	2,81,571.94	
		3,49,135.14	
	Less the unspent balance carried forward	1,16,103.81	
2,18,246.49			2,33,031.33
	Trade Delegations & Study Teams Expenses	3,46,452.42	
	Add Transferred from last year's account	50,253.75	
		3,96,706.17	
	Less Carried forward for adjustments against Study Teams Expenses to be		
2,61,480.20	incurred in 1965-66	26,412.00	
			3,70,294.17
	By Grants received under Marketing development fund brought forward from last year	3,25,000.00	
	Received during the year	4,86,700.00	
		8,11,700.00	
	Less disbursements	7,50,941.11	
		60,758.89	
	Less carried over to Balance Sheet	60,758.89	nil
10,54,127.00	By Grant-in-Aid from Government of India		12,10,885.00
2,054.81	By Miscellaneous Receipts		1,701.96
18,01,408.50	Carried over		21,47,412.46

For the year ended 31.3.64

Rs. P.	EXPENDITURE	Rs. P.	Rs. P.	Rs. P.
15,63,452.95	Brought forward		5,19,989.76	18,19,226.48
	To PROPAGANDA OUTSIDE INDIA (*Contd.*)			
	Brochures, Leaflets, Directory, Overseas Journal & Foreign Publications (after adjustment of stocks)	99,499.72		
25,049.72	*Less* Sales & Advertisement Receipts	66,706.99	32,792.73	
—	Exhibitions		10.100.53	
37,369.38	Entertainment to Foreign Delegations etc. in India		8,569.41	
	Showroom & Trade Centre		606.50	5,72,058.93
	PROPAGANDA WITHIN INDIA			
33,029.61	Advertisement		37,961.69	
	Home Bulletin (after adjustment of stocks)	50,714.50		
22,667.91	*Less* Sales & Advertisement Receipt	15,112.77	35,601.73	
	Journal & Books (after adjustment of stocks)	9,790.93		
4,721.52	*Less* Sales of Publication	5,381.13	4,409.80	
—	Exhibitions		92.50	
5,555.38	Entertainment		12,142.81	
512.55	Samples		2,893.26	93,101.79
16,92.359.02	Carried over			24,84,387.20

50,714 = 50
9,790 = 93
60 505-43

PROMOTION COUNCIL

GUARANTEE)

FOR THE YEAR ENDED 31st MARCH, 1965

For the year ended 31.3.64 Rs. P.	INCOME	Rs. P.	Rs. P.
18,01,408.50	Brought forward		21,47,412.46
	By Receipts from the Sale of 'Drill' Sale Proceeds	2,873.65	
98.65	*Less* Cost of Paper and Printing charges	2,760.36	113.29
6.815.26	,, Profit on the Sale of Office Car		3,623.52
414.11	Sundry Credit Balance Written Back		
10,093.16	,, Interest on Short Term Call Deposit		4,767.11
5,874.79	,, Sundry Adjustments (relating to previous years) (Net)		
	,, Balance being excess of Expenditure over Income Transferred to Balance Sheet		3,66,281.10
18,24,704.47	Carried over		25,22,197.48

For the year ended 31.3.64 Rs. P.	EXPENDITURE	Rs. P.	Rs. P.
16,92,359.02	Brought forward		24,84,387.20
	To Sundry Adjustments (relating to previous year) Debit	1,886.87	
—	Credit	1,397.49	489.38
3,000.00	,, Auditor's Honorarium	4,000.00	
	In other Capacity	102.00	4,102.00
18,655.81	,, Depreciation & write offs		33,218.90
1,10,689.64	,, Balance—Being excess of Income over Expenditure Transferred to balance sheet		
18,24,704.47	Total		25,22,197.48

PROMOTION COUNCIL

GUARANTEE)

FOR THE YEAR ENDED 31st MARCH, 1965

For the year ended 31.3.64 Rs. P.	INCOME	Rs. P.	Rs. P.
18,24,704.47	Brought forward		25,22,197.48

NOTES:—

(a) 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 and 1964-1965 amounting to Rs. 29,000/- not accounted for as their dues were not received till date.

(3) Salary & Allowances, Regional & Foreign Offices expenses include Provident Fund Contributions Rs. 17,380.20.

(4) Propaganda Outside India Account—Joint Foreign Publicity includes payment during the year for previous years Rs. 12,537.21.

(5) Previous year's figures have been regrouped wherever found necessary.

18,24,704.47			25,22,197.48

ENGINEERING EXPORT PROMOTION COUNCIL
LIMITED BY GUARANTEE

SCHEDULE "A" of FIXED ASSETS annexed to and forming part of the Balance Sheet as at 31st March, 1965

Description	Cost to 31.3.1964	Additions during the year	Sales/adjustments during the year	Total Value of Assets to 31.3.1965	DEPRECIATION AND WRITE OFFS				Net Value as at 31.3.65	Net Value as at 31.3.64
					Upto 31.3.1964	For the year	Less on sales/ adjustments	Total upto 31.3.1965		
	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.
Motor Car	37,001.64	45,775.78	12,296.80	70,480.62	22,765.64	10,248.44	8,670.32	24,343.76	46,136.86	14,236.00
Furniture, Fixture, Electric Fittings, Office Equipment, Air Conditioner etc.	1,90,201.60	89,702.98	145,00	2,79,759.58	56,637.60	22,433.43	..	79,071.03	2,00,688.55	1,33,564.00
Library	6,011.56	565.38	..	6,576.94	2,845.56	537.03	..	3,382.59	3,194.35	3,166.00
TOTAL	2,33,214.80	1,36,044.14	12,441.80	3,56,817.14	82,248.80	33,218.90	8,670.32	1,06,797.38	2,50,019.76	1,50,966.00
Figures as at 31-3-64	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	

NOTE:—Profit or loss on sale of furniture has not been adjusted in the absence of original cost.

SCHEDULE "B" annexed to and forming part of the Income & Expenditure Account for the year ended 31st March, 1965

OFFICES	EXPENSES			Total	For the year ended 31.3.1964
	Salary	Rent	Miscellaneous		
1	2	3	4	5	6
	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.
I. REGIONAL OFFICES					
(1) Bombay	61,499.76	16,016.67	37,875.54	1,15,391.97	57,953.25
(2) New Delhi	30,500.54	9,100.00	9,888.03	49,488.57	19,996.48
(3) Madras	26,703.07	6,694.76	11,659.88	45,057.71	28,875.47
TOTAL ..	1,18,703.37	31,811.43	59,423.45	2,09,938.25	1,06,825.20
II. FOREIGN OFFICES					
(1) London	43,679.74	15,338.63	32,846.51	91,864.88	25,935.95
(2) Dusseldorf	41,321.36	34,628.62	46,804.29 (including Brokerage Rs. 1,914.28)	1,22,755.27	25,779.39
(3) Beirut	28,835.39	8,454.54	27,454.84	64,744.77	62,640.18
(4) Singapore	29,399.92	15,112.50	29,949.55	74,461.97	55,837.08
(5) Mombasa/Nairobi	24,386.34	19,657.85	26,410.39	70,454.58	50,322.30
TOTAL ..	1,67,622.75	93,192.14	1,63,465.58	4,24,280.47	2,20,514.90


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