INSURANCE IN INDIA

Nationalization of Insurance—It is unique in the annals of life insurance all the world over, that the Government of India have taken over from 1956 the life insurance business in its own hands. It is the largest government-owned organisation in the world operating life insurance.

As a first step in this direction, the Life Insurance (Emergency Provisions) Ordinance was promulgated by the President on January 19, 1956, vesting in the Government of India, with immediate effect, the management of the life insurance business in India of both Indian and foreign insurances and the foreign life insurance business of Indian insurers. The Ordinance affected the entire business of Provident Societies as well as capital redemption and “annuity certain business.”

The Life Insurance Corporation Bill was passed on May 23, 1956 and the Corporation came into being in Bombay on September 1, 1956. This Corporation has the exclusive right to carry on life insurance business, including capital redemption business, annuity certain business and reinsurance business, in India and outside. No insurance company is authorised to carry on life insurance business in India after the establishment of the Corporation. All contracts, agreements, etc., which were in effect before the establishment of Life Insurance Corporation and which have been transferred to it, now remain in full force. The Act does not apply to the Post Office Life Insurance Fund and to existing compulsory life insurance schemes for Government employees. The Life Insurance Corporation has an initial capital of Rs. 5 crores, which is provided by Government. It is managed by a Board consisting of not more than 15 members, including Chairman, appointed by the Central Government, which ensure that members have no such financial or other interests as is likely to prejudicially affect the exercise of their functions. Members are to take part in the deliberations or discussions of the Corporation in respect of contracts in which they are directly or indirectly interested. The general superintendence and direction of the Corporation may be entrusted to an executive committee consisting of not more than 5 of its members. The corporation acts, as far as possible, on business principles and is guided by direction issued by Government on matters of policy involving public interest. The Act sets out the principles governing compensation payable by the Corporation to the life insurance companies and provides for the constitution of a tribunal for settlement of disputes arising in the process of nationalisation, including disputes concerning compensation. The Act has laid down that there shall be five zones with headquarters at Bombay, Calcutta, Madras, Delhi and Kanpur. Under each zone, there shall be Divisional Offices.

Under the provisions of the Act, 33 Divisional Offices have been
established all over the country. Under the Divisional Offices, there would be a network of branches—some 180 in number.

The other terms of nationalisation are—certain private firms are allowed to carry on business outside India, provided they can satisfy the Government about their capacity to handle it. Foreign companies are permitted to take their sterling policies out of the country. The nationalised industry is to be run on strictly commercial lines and not subject to the tiresome impediments of official audit or day-to-day Parliamentary control. General insurance is left in private hands for the time being.

**New Plans of Insurance**—New schemes of insurance have already been introduced by the Corporation—(1) *Janata Scheme* is working as a pilot project in the industrial and rural areas of Greater Bombay, Ahmedabad, Sholapur, Delhi, Rohtak, Kanpur, Calcutta, Siliguri, Madras, Madura, Coimbatore and Hyderabad (2) *Group Insurance and Superannuation Schemes*—provide low cost life insurance to homogeneous groups of white collar workers and factory employees under one Master Policy (3) *Salary Saving Scheme*—This is a scheme for the employees to enable them to pay premiums by automatic deduction from their salaries.

**Functions and Organisation**—Under the Ministry of Finance, there is the Department of Economic Affairs and one of the Divisions and this Department is *Insurance Division*. This Insurance Division deals with the administration of Insurance Act, 1938 and the Life Insurance Corporation Act of 1956.

**Investment Policy of the Corporation**—The investment policy of the Corporation was announced on the 25th August, 1958 by the Government of India. The investments of the Corporation would be divided into three broad categories—

1. the Government and approved securities which generally mean gilt-edged securities.
2. investments approved under the Section 27 (A) of the Insurance Act, and
3. other investments.

The limitations are that at least 50 per cent of the total funds should be held in Government and approved securities and not more than 15 per cent should be held in the form of other investments. The balance of 35 per cent would be held in what is known as approved investments.

**Associate Bodies**—*Insurance Association of India*—All Insurance Companies of India working under the Insurance Act of 1938 constituted themselves into Insurance Association of India, 1950. The Association has two councils, namely, Life Insurance Council and the General Insurance Council with membership confined to insurers carrying on life and general insurance business respectively. With the nationalisation of life insurance business in India, the Life Insurance Council has become *functus officio*. The General Insurance Council has evolved a code of conduct for observance by general insurers with the object of eliminating various alleged malpractices of relating and payment of excessive commission.

**Reinsurance Corporation of India**—In consultation with the
INSURANCE IN INDIA

Government of India, insurers carrying on general insurance business in India have set up a Reinsurance Corporation of India to check drain on account of reinsurances from India. All member insurers will compulsorily cede to the Corporation an agreed amount of their annual premium income. Capital of the Corporation has been subscribed both by the Indian and European insurers.

Provident Societies—These Societies formed under the Provident Societies Act serve people of moderate means. The maximum amount that could be insured with a provident society is Rs. 1000. In 1956 there were 71 registered provident societies

Postal Insurance—was instituted in 1883 to serve the needs of postal people only. Subsequently the facility was extended to most civilian employees. In Jan 1948, members of the Defence Services were also admitted to the Fund.

Other classes of Insurance—In addition the Insurance Corporation of India, there are other classes of insurance in the restricted sphere, insurance business is carried on by the Post and Telegraphs Department, by some States, such as Andhra Pradesh, Kerala, Mysore, Rajasthan and Uttar Pradesh where life insurance business is restricted to their employees. Marine and miscellaneous classes of business are transacted by Insurance Companies.

LIFE INSURANCE STATISTICS
(In Crores of Rupees)

<table>
<thead>
<tr>
<th>Year</th>
<th>New business</th>
<th>Total business in Force</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Insurers</td>
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</tr>
<tr>
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</tr>
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<td>1955</td>
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EMPLOYERS’ STATE INSURANCE CORPORATION

The present Act was passed in 1948 and amended in 1951. The Scheme was launched in February 1952 in Kanpur and Delhi with the objective of spreading it over the whole country in two years. At present, however, it covers ten States and more than eleven lakhs of workers who constitute nearly half the factory workers in the country.

A Central Fund has been set up under the scheme. Workers receiving less than 30 rupees a month as wages make no contribution to it but get all the benefits. Those receiving between 30 and 45 rupees a month contribute 2 as a week and the scale rises until a rupee and four annas is charged a week from workers getting 240 rupees a month or more. But no one receiving more than 400 rupees a month can join the scheme.

Workers covered by the scheme get free medical advice and
treatment at special dispensaries set up for the purpose or, if necessary, in their homes. They are admitted to hospitals free of cost and in remote areas medical aid reaches them in mobile dispensaries. If they fall ill, they receive a little more than half the daily wage as sickness benefit and can go on receiving it for 8 weeks in any period of 365 days. If they are injured in the course of their duties, they get a cash benefit in instalments and if the injury disables them permanently, they get benefits for the rest of their lives. If the injury proves fatal, long-term pensions are given to their dependents. Women can get 12 as. a day or the full sickness benefit for 12 weeks at a time as help during maternity.

The scheme is administered by a Corporation. The Government of India pays two-thirds of the administrative costs and the State Governments meet a share of the medical expenses. Employers all over the country meet part of the expenditure, whereas workers make their contribution only in areas where the scheme is already in force.

INDIAN INDUSTRY

ADMINISTRATIVE SET-UP—On the ‘Industries’ side the Ministry of Commerce and Industry’s activities include the encouragement and ordered development of large and small scale industries in the private and public sectors, assistance to industries, development and control of plantation industries and active promotion of overall industrialisation. The Ministry also exercises control over production, distribution and prices of certain essential commodities like cement and is also responsible for regulation of “Forward Trading.”

The executive work of the Ministry is carried on by the several attached organisations which are as follows—

1) Office of the Chief Controller of Imports and Exports, New Delhi—It is responsible for the execution of the Government’s policies relating to import and export control. Branch offices are functioning in Amritsar, Bombay, Calcutta, Cochin, Madras, New Delhi, Pondicherry, Rajkot, Shillong and Visakhapatnam.

2) Office of the Textile Commissioner, Bombay—This office is responsible for the development and regulation of all textile industries other than the jute and sericulture industries.

3) Development Wing, New Delhi—The primary function of this wing is to assist and advise the Ministry in formulating and executing plans relating to the control and regulation of industries. Its main responsibility is to deal with the problems of planning and development of large and medium scale industries, with some exceptions like textile, sugar and vanaspati industries.

4) Office of the Development Commissioner for Small Scale Industries, Delhi—is responsible for development and fostering of small scale industries.

5) Office of the Economic Adviser—renders technical advice to the Ministry on all issues of economic nature.
(6) **Tariff Commission**—is a statutory body and inquires into claims for protection to industries as well as other allied matters referred to it by the Central Government. It also reviews the manner in which protection is granted to industries.

(7) **Office of the Salt Commissioner, New Delhi**—It is an attached office with four regional offices at Sambhar, Bombay, Madras and Calcutta and is responsible for the administration of Salt Cess Act, quality control of salt, etc.

(8) **Office of the Director General of Intelligence and Statistics** compiles and publishes statistics of India's foreign and inland trade. It is in charge of commercial intelligence work.

(9) **Forward Markets Commission, Bombay**—is a statutory body entrusted with the regulation of forward markets in pursuance of Forward Contracts (Regulation) Act, 1952.

(10) **Office of the Controller of Patents and Designs**—administers the Patents and Designs Act. The office is located at Calcutta.

(11) **Office of the Registrar of Trade Marks, Bombay**—The administration of the Trade Marks Act, 1940 is entrusted to the Registrar of Trade Marks. The Registry is located at Bombay and has branch offices at Calcutta and Bangalore.

(12) **Indian Standards Institution**—This is a quasi-Government Institution which is responsible for drawing up standards for the products of Indian industries.

(13) **Office of the Custodian of Enemy Property, Bombay**—This office is responsible for the administration and disposal of assets in India of former enemy countries.

(14) **The Khadi and Village Industries Commission**—was established in pursuance of the khadi and village Industries Act 61 of 1956 replacing the advisory body known as the All India Khadi and Village Industries Board set up in 1950. The functions of the Commission are to plan, organise and implement programmes for the development of khadi and village industries.

(15) **All India Handicrafts Board**—The Board was initially constituted in 1952 to advise Government on measures to be taken for the development of handicrafts.

(16) **The Central Silk Board**—was constituted as a statutory body in 1949. It is vested with the responsibility of looking after the development of sericulture and silk industry and co-ordinates development work in States. It also undertakes schemes of research, training of staff and development of spacial race of silk worms. Its headquarters is at Bombay.

(17) **Central Sericultural Research Station, West Bengal**—is located at Berhampore (West Bengal). It is responsible for research into the improvement and development of the sericulture industry and cocoon production. A sub-section is located at Kalimpong.

(18) **The Tea Board**—The Tea Board administers the Tea Act of 1953 and is concerned with measures for the development of the tea industry in India including the control of the cultivation of tea and propaganda.

(19) **The Coffee Board**—is a Statutory Board and its function is the development of coffee industry.
(20) Rubber Board—is responsible for the development of the rubber industry.

(21) The Coir Board was established at Ernakulam under the Coir Industry Act of 1953 for the development of coir industry.

(22) The All India Handloom Board was constituted in 1952. It advises Government generally on the problems of the handloom industry.


INDUSTRIAL POLICY OF THE GOVERNMENT—The Industrial Policy of the Government of India was first promulgated in their Resolution on 6th April, 1948. This envisaged a mixed economy with an overall responsibility of the Government for the planned development of industries and their regulations in national interest. While it stated the right of the State to acquire an industrial undertaking in the public interest, it reserved the appropriate sphere for private enterprise. Industries were classified under three heads. First category included arms and ammunition, atomic energy, river valley projects and the railways, which are declared to be State monopolies. The second included coal, iron and steel, aircraft, telephones, telegraphs, wireless, shipbuilding, and mineral oils, which were to be the responsibility of the state. The existing private undertakings in these industries were, however, to continue for at least ten years. In the third category was the rest of the industrial field which were left open to private enterprise. A fresh statement of industrial policy was announced by the Government on April 30, 1956, due to the acceptance of a socialistic pattern of society as the objective. Under this, the State can assume direct responsibility for the future development of industries over a wider area than before. Under the revised policy, 17 key industries specified in Schedule A will be the exclusive responsibility of the State and twelve in the Schedule B of those which will be progressively State-owned. The remainder (not listed) will be left to the private sector. The statement promises private industrial undertaking “as much freedom as is consistent with the targets and objectives of the National Plan.” It assures fair and non-discriminatory treatment in cases where both sectors exist in the same industry.

SCHEDULE A INDUSTRIES—Arms and ammunition and allied items of defence equipment, atomic energy, iron and steel.

Heavy castings and forgings of iron and steel, heavy plant and machinery required for iron and steel production, for mining, for machine tool manufactures and for such other basic industries as may
be specified by the Central Government; heavy electrical plant, including large hydraulic and steam turbines.

Coal and lignite, mineral oils.

Mining of iron ore, manganese ore, chrome ore, gypsum, sulphur, gold and diamond; mining and processing of copper, lead, zinc, tin, molybdenum and wolfram; minerals specified in the schedule to the Atomic Energy (Control of Production and Use) Order, 1953.

Aircraft; air transport, railway transport.

Shipbuilding; telephones and telephone cables; telegraph and wireless apparatus (excluding radio receiving sets); generation and distribution of electricity.

SCHEDULE B INDUSTRIES—All other minerals except “minor minerals” as defined in section 3 of the Minerals Concession Rules, 1949; aluminium and other non-ferrous metals not included in Schedule A.

Machine tools, ferro alloys and tool steels.

Basic and intermediate products required by chemical industries, such as the manufacture of drugs, dyestuffs and plastics.

Antibiotics and other essential drugs; fertilizers, synthetic rubber; carbonization of coal; chemical pulp.

Road transport. Sea transport.

CONTROL OF INDUSTRIES—The industrial policy of the Government enunciated in 1948 and 1956 envisaged state regulation and control of industries. These powers of the Government had to be acquired by legislation. The first step in this direction was passing of Industries (Development and Regulation) Act of 1951. Under this Act, all new and existing undertakings are to be licensed. The Government is authorised to examine the working of any industrial undertaking and to issue directions as it considers necessary. If the undertaking continues to be mismanaged, the Government is empowered to take over the management.

The Act also envisaged the establishment of a Central Advisory Committee consisting of the representatives of industry, labour, consumers and primary producers to advise the Government on all matters concerning the development and regulation of industries. It also provides the setting up of Development Councils for industrial industries.

Other important Act for control of industries is Mines & Minerals (Regulation and Development) Act, 1948 together with Mineral Concessions Rules and the Petroleum Concessions Rules framed under it. It empowers the Central Government to frame rules for regulating the terms and conditions of prospecting licenses and mineral leases, the conservation and development of minerals and the modification of existing licenses and leases on payment of compensation.

A Licensing Committee has also been set up to examine application for licences of industries.

FINANCIAL AID TO INDUSTRY—Various credit institutions have been started by the Central and State Governments in recent years for the development of industries in the country. The Industrial Finance Corporation of India started in July 1948 is the earliest
of such institutions for medium and long-term loans to the industrial concerns of India. Its authorised share capital is Rs. 10 crores. The capital is guaranteed by the Government of India as to the repayment of the principal and of a minimum dividend at the rate of 2½ p.c. per annum. The State Financial Corporation Act of 1951 envisages the establishment of industrial finance corporations in the States with a view to financing medium and small-scale industries which do not fall within the scope of All-India Industrial Finance Corporation. There are now 13 State Financial Corporations in India. The Industrial Finance Corporation of India and the State Financial Corporations have been followed by the National Industrial Development Corporation and the Small Industries Corporation, Industrial Credit and Investment Corporation.

The Industrial Credit and Investment Corporation has been registered on January 6, 1955. The primary object of the Corporation is to assist industrial enterprise within the private sector of industry in India. Its purpose generally is to assist the creation, expansion and modernisation of such industrial enterprises, to encourage and promote the participation of private capital both internal and external in these enterprises and to encourage and promote private ownership of industrial investments.

The Corporation will provide finance by way of long and medium term loans or participate in the equity capital of industry or guarantee loans for other private investment sources.

Private investors for India, the UK and the USA will subscribe to the initial share capital of the Corporation, which will be Rs. 5 crores. The authorised capital of the Corporation will be Rs. 25 crores, divided into 500,000 ordinary shares and 2,000,000 unclassified shares of Rs. 100 each.

National Industrial Development Corporation was registered as a private company on October 20, 1954, with an initial capital of Rs. 1 crore, of which Rs. 10 lakhs has been subscribed. The main functions of the Corporation are (1) to formulate and, where necessary, execute projects for setting up new industries (2) to act as the agency of the government for the grant of loans for rehabilitation and modernisation of jute and cotton textile industries. The finances required by the corporation are provided by the government in the shape of grants and loans.


The latest development is the starting of National Small Industries Corporation to provide marketing and other assistance to small industries. It will accept contracts for Government orders and sub-contract them out to suitable small industries. In order to decentralise the work relating to hire-purchase of machinery, marketing etc, which was being done by the Corporation at Delhi, the follow-
ING, etc., which was being done by the Corporation at Delhi, the following four subsidiary Corporations have been established at Delhi, Bombay, Calcutta and Madras in 1957—National Small Industries Corporation, Delhi; National Small Industries Corporation, Bombay; National Small Industries Corporation, Calcutta; National Small Industries Corporation, Madras.

Refinance Corporation of Industry Private Ltd. has been started in 1958 to augment the resources available for the use of medium-sized industrial units in the private sector. The Refinance Corporation is designed to assist banks to lend money to industries. The authorised capital is Rs. 25 crores and the issued capital is Rs. 12½ crores contributed jointly by the Reserve Bank of India, Life Insurance Corporation and 15 of the larger scheduled banks.

Industrial Estates—Industrial estates are being established in the different parts of the country by the Government. It has two-fold objects; it seeks to remove small industrial units from crowded urban areas and thus reduce the pressure on the latter and secondly it seeks to provide small units with factory space and common facilities for efficient working. The Ministry of Commerce and Industry have so far sanctioned the setting up of 9 industrial States in the country. The Government of India advance to the States the entire cost of the estates on loan; grants are also given for specific purposes.

State Trading Corporation was set up in May 1956 as a private limited company with an authorised capital of Rs. 1 crore. The objectives of the Corporation are to organise exports from and imports into India of such goods and commodities as the Corporation from time to time may determine and to do all such other things as are incidental or conducive to the attainment of the above objects. The Corporation mainly seeks out opportunities to make its contribution towards the building up of the country's commerce with new markets and new sources of supply, providing facilities to augment exports, securing, wherever possible, improvement on terms of trade and economics in imports and arranging, to the extent practicable, for import and distribution of certain essential new materials at stable prices.

National Productivity Council—has been set up as an autonomous body with the object to inculcate productivity consciousness in the country and apply the latest techniques of increasing productivity in industry.

Indian Standards Institution—In 1947 Indian Standards Institution (ISI) was set up. The Indian Standards Institution has for its objects the preparation, promotion and general adoption at the national and international levels of standards relating to materials, commodities, structures, practices and operations. The Indian Standards Institution is the National Standards Organisation for India similar to the National Standards bodies in other countries, such as the British Standards Institution in the United Kingdom. An important step taken by the ISI to aid industrialists to produce quality goods and for consumers to recognise them, is the establishment of ISI Certification Marks Division which issues licences to manufacturers to stamp their goods with a standard mark, certifying that the goods conform to the relevant Indian standard.
ISI collaborates closely with the International Organisation for Standardization (ISO) and the International Electro-technical Commission (ISC), two important bodies engaged in international standardisation. Close liaison has also been established with National Standard Bodies of the Commonwealth.

Foreign Capital—The Government's policy in regard to the foreign capital was enunciated in the Industrial Policy Resolution of April 1948, which laid down—

1) the participation of foreign capital and enterprise should be carefully regulated in the national interest, for example, by ensuring that the major interest in ownership and effective control should, save in exceptional cases, always be in Indian hands and that the training of suitable Indian personnel for the purpose of eventually replacing foreign experts will be insisted upon in all such cases;

2) there will be no discrimination between foreign and Indian undertakings in the application of general industrial policy;

3) reasonable facilities will be given for the remittance of profits and repatriation of capital consistently with the foreign exchange position of the country;

4) in the event of nationalisation, fair and equitable compensation would be paid.

The Planning Commission has also recommended the inflow of foreign capital should be encouraged. With that end in view, it has recommended that Indian and foreign capital should collaborate in new ventures. Some foreign concerns have already been set up in India in partnership with Indian firms; on the other hand Government have started big public concerns with the help and co-operation of foreign firms.

NATIONALISED INDUSTRIES—Government of India and the State Governments have set up a number of important industries as State enterprises. From the point of view of management, the existing State enterprises can, broadly speaking, be classified under three categories, namely (a) enterprises owned and managed by the Government Department, (b) enterprises owned and managed by public corporation and (c) enterprises owned by the Government wholly or in partnership with private agencies and managed as private limited companies. Railways, Posts and Telegraphs and Chittaranjan Locomotive works are the instances of State enterprise. The Airlines, D V. C. and Shipping are run by public corporations, while most of the industrial enterprises proper are run by private limited companies.

1. Sindri Fertilizers and Chemicals (P) Ltd.—Sindri Fertilizer Factory has been constructed at Sindri at a cost of about Rs. 28 crores and went into production at the end of October 1951. Sindri has a production target of 1,000 tons of ammonium sulphate daily or about 350,000 tons a year. The Sindri factory is producing at present only ammonium sulphate.

2. Hindustan Aircraft Ltd.—In the Hindustan Aircraft Factory at Bangalore, Government of India owns a two-thirds share.
Governments of India and Mysore are the only two share-holders. It is now Government’s instrument for manufacturing aircraft under the control of the Ministry of Defence. The factory caters to the needs of the Indian Airlines and the Indian Air Force for repairing, overhauling and servicing different types of aircraft. It builds H.T.2, a trainer aircraft for civilian and defence purposes. The Company has undertaken the assembly and manufacture of Vampire jet aircraft. It also manufactures all-steel rail coaches for Indian railways and bus bodies.

3. Chittaranjan Locomotive Works—For lessening the dependence of the Indian Railways upon foreign sources for locomotives, the Government have started at a cost of Rs. 15 crores a Locomotive Workshop at Chittaranjan (Mihijam). It is designed to produce 120 locomotives and 50 spare boilers per annum. This is in addition to the existing railway workshops and repair establishments. The work was started early in 1948 and first India-made locomotive from assembled parts was produced in 1950 and named Deshabandhu.

4. National Instruments (P) Ltd., Calcutta—it was originally started as the Mathematical Instruments Office in 1830 for the repair and service of instruments used by the Survey of India. It has now been converted into a private limited company in 1957 under the name of National Instruments (P) Ltd. It has now begun to manufacture all kinds of precision instruments—mechanical, optical, electrical, aircraft, etc. The manufacture of new items like the theodolites, high temperature thermometers and rod stadia has been undertaken.

5. Integral Coach Factory, Perambur—State-owned Integral Coach Factory at Perambur in the north-west of Madras went into production in October 1955 for the manufacture of all steel light weight integral rail coaches. The factory has taken its name from the “integral” coaches which it will manufacture. Unlike the conventional type in which the coach-body is merely mounted and fixed to a separate steel under-frame, the integral coach as its name suggests, will have its body and under-frame integrated into a single unit, all made of steel, with several advantages over the present type. It will have smoother riding qualities and will, therefore, be much less jerky while on the run. Being seven tons lighter than the conventional 42-ton coach, more coaches can be hauled per locomotive. It has anti-telescopic device, which will afford greater protection to passengers in case of an accident and its body will not get smashed up as easily as in old type coach in which the body, being a separate piece, gets pushed off and broken up in an accident. As a result of an agreement between the Government of India and the Swiss Car & Elevator Manufacturing Corporation Ltd. of Schlieren, Switzerland, the latter is providing the technical “know-how” including specialised personnel as well as the necessary training facilities at its works in Switzerland.

6. Nangal Fertilisers & Chemicals (Private) Ltd.—It is a fertiliser and heavy water project. The factory is expected to go into production in 1960. The authorised capital of the company is Rs. 30 crores. Vitro Engineering Division of New York has been engaged as techni-
7. Hindustan Antibiotics, Pimpri (Poona)—This company for the manufacture of penicillin, the only one of its kind in India and the largest in the East, was set up by the Government of India with the financial and technical assistance from UNICEF and WHO. The private company was formed in 1954. Its authorised capital is Rs. 4 crores, out of which Rs. 3.32 crores has been subscribed so far exclusively by the Government of India. The factory has gone into production since 1956-57.

8. Hindustan Housing Factory—The Hindustan Housing Factory Ltd., was incorporated on January 27, 1953 as a private limited company with the Government of India and Basakha Singh-Wallenberg Ltd. The agreement with Basakha Singh-Wallenberg Ltd. has been terminated and the factory has been taken over by the Government of India from August 1955. The factory is now manufacturing transmission poles, street light poles, industrial heavy beams, prefab. Roofs, doors, windows, foam concrete and partition blocks.

9. Nahan Foundry, Sirmur, Himachal Pradesh—A small unit, the Nahan Foundry (Himachal Pradesh), came under the ownership and control of the Government of India in October 1952. The Foundry manufactures sugarcane crushers, sugar boiling pans, paddy threshers and other miscellaneous articles. It has recently started producing centrifugal pumps, paddy threshers and corn shellers. A private limited company called the Nahan Foundry Ltd., was incorporated on Oct. 20, 1952 for the management of the foundry.

10. Eastern Shipping Corporation—The Corporation has been formed for increasing India’s overseas shipping. The estimated cost of the enterprise is Rs. 1.48 crores. 74 per cent of the subscribed capital is owned by the Government of India. Corporation has purchased two ships for a total cost of Rs. 44 lakhs. It is now engaged in the Indo-Australian trade.

11. Hindustan Machine Tools (P) Ltd.—The control and the management of this factory is under Hindustan Machine Tools Ltd., Jalahalli, Bangalore. The authorised capital of the company has been fixed at Rs. 12 crores, divided into 1,20,000 ordinary shares of Rs. 1000 each. The issued and called-up capital for the present is Rs. 4 crores. The factory has been built up with the assistance of the firm of Oerlikons of Switzerland. This firm is the technical consultants of the Company. The Company went into production in 1954.

12. Hindustan Cables Ltd.—The factory has been started at Rupnarainpur, West Bengal to meet the requirements of the Posts and Telegraphs Department with regard to paper insulated, lead-covered and armoured telephone cables. The Drum shop for the manufacture of cable drums was completed and commissioned in the middle of December, 1953. It has been built at a cost of 110 lakhs.
13. Hindustan Shipyard—The foundation stone of the Hindustan Shipyard was laid on June 21, 1941. The keel for the first ocean-going 6,000 tonner steamship was laid in June 1946 and was launched in March 1948 by Mr. Nehru. The Government of India took over the Shipyard in March 1952 recognising the national importance of the industry. A new Government-sponsored company, the Hindustan Shipyard Private Ltd., in which two-thirds of the share-capital was held by the Government and the remaining one-third by the Scindia Steam Navigation Company was incorporated for this purpose. The shipyard is now equipped with four large slipways and adequate workshops and jetty. The shipyard has so far built a total of 23 ships. Nine more ships are planned to be built during the Second Plan period. The total tonnage built at the yard touches the 100,000 GRT mark up to June 1958.

14. Machine Tools Prototype Factory—which has been stated at Ambarnath (near Bombay) in April, 1951 designs special type of tools and machines required for use by ordnance factories. This project forms a landmark in the development of the nation’s defence industries. A novel feature of the factory is a training school attached to it which will train 100 skilled artisans every year. This factory will meet to a considerable extent the need for the production of prototypes for the new defence equipment.

15. Indian Telephone Industries Ltd.—Under the name of Indian Telephone Industries Ltd., a telephone factory has been started at Bangalore by the Government of India. The Union Government holds 90 per cent of the shares, and the remaining shares are held by the Government of Mysore and the Automatic Telephone & Electric Co. Ltd., of England. The factory is manufacturing all types of telephone equipment and long-distance carrier equipment.

16. Hindustan Insecticides Ltd. Delhi—This D.D.T. factory has been set up at Delhi in 1955 with the assistance and technical collaboration of the UNICEF and CNICEF. It was agreed that all the productions of this factory would be utilised for public purposes without cost to ultimate beneficiary.

17. D.D.T. Factory, Always (Kerala)—The Government of India has started a second D.D.T. Factory at Alwaye with a capacity to produce 1,400 tons of technical D.D.T. per annum. It has already gone into production. The Alwaye factory has been put up with the help of an American firm. With the completion of the Alwaye project and the expansion of the Delhi factory, India’s current requirements of anti-malaria insecticides will be met internally. Both the Delhi factory and the Alwaye project are being managed by the Hindustan Insecticides (Private) Limited, a Government-owned company.

18. Indian Explosives Factory—The Government of India entered into an agreement with Imperial Chemical Industries to set up a factory for the manufacture of India’s requirements of industrial blasting explosives. The necessity for this has arisen on account of the development of the mining industry, as also the extension of irrigation works, road buildings, dams, power houses, coal mining and iron ore industries, the working of quarries, the building of rail-
ways, etc. Indian Explosives Ltd. is a public company in which the Government of India holds 20% of the equity capital and I.C.I. the remaining 80%. The authorised capital of the company is Rs. 4 crores. This factory was opened on the 5th Nov. 1958 at Gomia, district Hazribagh, Bihar and the Company will handle the distribution and sale in India of manufactured explosives and will give technical service to consumers.

19. Bharat Electronics (P) Ltd.—The Government of India registered on April 19, 1964 a company known as Bharat Electronics (Private) Limited to set up a large scale industry for the manufacture of wireless and electronic equipments primarily for the defence services and civil departments of the Government. The entire capital of Rs. 9 crores is provided by the Government of India. Jalahalli near Bangalore is the area where the factory has been started. The factory began production in December, 1955.

20. Steel Projects—The Steel Projects of the Government of India are under the united control of Hindustan Steel (Private) Ltd. (1) Rourkela Steel Project—An agreement was signed with Krupp-Demag Combine of Germany for financial and technical collaboration in the execution of 500,000 ton Rourkela Steel Plant in Orissa in 1953. Krupp-Demag was to give technical assistance and train Indian personnel. They were to invest in the capital of the Company. A private limited company was started with an authorised capital of Rs. 100 crores. The ratio of shares held by the Government of India and the German Combine will be maintained at four to one. (2) Bhilai Steel Project—An agreement was entered in 1955 with the Soviet Government in February 1955 for the erection of a one-million steel plant at Bhilai in Madhya Pradesh for the setting up of a modern integrated Iron and Steel Plant with an initial capacity of one million tons of ingots to be rolled into about 150,000 tons of rolled products. The total cost of plant has been estimated at Rs. 110 crores. Of this, the Indian expenditure on materials and construction would be Rs. 47 crores. (3) Durgapur Steel Project—The British Steel Consortium’s Project for one-million steel plant at Durgapur, Bengal, has since been signed by the Government of India in March, 1956. To finance the sterling expenditure, the Government shall get loan of £11.5 million from a syndicate of British Banks and a loan of £15 million from the United Kingdom Government. The plant at Durgapur would be capable of producing 1.3 million tons of ingots.

21. Lignite Factory—A private limited company has been formed in 1956 under the name of Neyveli Lignite Corporation (Private) Ltd., entirely financed by the Central Government for the production of lignite coal at Neyveli, South Arcot district in Madras. The factory is in the process of construction. The operation is expected to begin shortly. A 250,000 kw. thermal power station to consume 1.5 million tons of the mined lignite annually would be established under the 500 million rupee Soviet credit. A fertilizer factory at Neyveli for the annual production of 1.52 lakh tons of urea with a fixed nitrogen content of 70,000 tons would be set up by the Government.

22. Ashoka Hotels Ltd., New Delhi—A public limited company
which wanted to start a big hotel in New Delhi got certain assistance from the Government of India, but it could not raise the requisite finance. So ultimately in May 1956 the entire project was taken over by the Government of India which built a hotel known as Ashoka Hotel, which started functioning from October 1956.

23. Heavy Electricals (Private) Ltd.—The Government of India have set up a factory at Bhopal for the manufacture of heavy electrical equipment in the country. The factory will produce a large variety of electrical goods including transformers, motor switch gears, control gears and electrical cables. The Government of India have entered into an agreement with the Associated Electrical Industries of Britain for the execution of the work. A private limited company with an authorised capital of Rs. 30 crores completely owned by the Government was incorporated on August 30, 1956.

24. Bombay Uranium-Thorium Factory—The foundation stone of the factory was laid in January 1954. The cost of the factory is estimated to be Rs. 45 lakhs. It will produce 205 to 228 tons of thorium nitrate per annum. The factory will process indigenous uranium and thorium ores, as well as uranium-bearing residues of Indian Rare Earths Ltd. The uranium will be extracted, purified and converted into metal for use in atomic reactors. A plant will also be set up in the Bhakra-Nangal area to manufacture fertilizers and heavy water, the latter of which is essential in the production of atomic energy.

25. National Coal Development Corporation—has been registered at Ranchi in 1956 with an authorised capital of Rs. 15 crores to take charge of production of coal in the public sector. The coal company has been formed to own and manage the existing State collieries as well as the new collieries to be established.

26. Indian Rare Earths (Private) Limited—was set up in August 1950 jointly by the Government of India and Kerala. This factory is designed to treat 1,500 tons of monazite per year and to produce therefrom about 1,500 tons of rare earth and also carbonate and sodium phosphate.

27. Travancore Minerals (Private) Ltd.—This industry was started in 1956 jointly by the Government of India and the Government of Kerala for taking over all sand separation undertakings from a previous company.

28. Hindustan Salt Factory—The Company has been set up by the Government of India to take over the Government Salt Works at Sambhar and Didwana in Rajasthan and Kharaghoda in Bombay respectively. The Company was registered on April 12, 1958 under the Indian Companies Act and will, among other things, undertake the manufacture, utilisation and processing of salt and its bye-products. The authorised capital of the Company is rupees one crore.

29. Orissa Mining Corporation (Private) Ltd.—This private Company was set up in May 1956 as a joint venture of the Government of India and the Government of Orissa. The main object of the Company is to raise, assemble and transport iron and other minerals
in Orissa for the purpose of sale or export or for undertaking of other responsibilities incidental or conducive to the attainment of the above objects.

30. Heavy Engineering Corporation—The Government of India have started a new Company, called the Heavy Engineering Corporation, for the administration of different engineering projects under contemplation in 1958. The projects include the Heavy Machine Building and Coal Mining Machinery Plant for which assistance has been secured from the Soviet Union and the Foundry-Forge plant being established with Czech assistance. The Company has been registered at Patna and will have its registered office at Ranchi where two of the plants in view are to be set-up.

DESCRIPTION OF INDIAN INDUSTRIES

1. TEXTILE INDUSTRY—The Textile Industry of India is believed to have started on 22nd February, 1854. It occupies the foremost place among the organised industries of India. It has the largest capital structure—the amount invested being Rs. 110 crores—provides employment for nearly 800,000 and produce goods of the value of nearly one-third of the organised industries in the whole of India.

Although Bombay, Ahmedabad, Sholapur, Kanpur, Nagpur, Indore, Madurai and Coimbatore are the main centres of the industry, the Bombay State counts for more than half of it.

Cotton Textiles Export Promotion Council has been formed in 1954 to organise and generally put the export trade in textiles on a stable footing in the face of increasing competitions from other textile producing countries.

The Office of the Textile Commissioner, Bombay is mainly responsible for the execution of government’s policies in respect of affording necessary assistance and for taking other steps for the betterment and development of cotton, woollen and art silk industries.

The Cotton Textile Fund Committee was constituted to administer the Cotton Textile Fund, which was established under the Cotton Textile Funds Ordnance 1944, for supervising the export of Indian cloth and yarn and for the development of technical education, research and other matters relating to cotton textile industries.

Textile Research—Ahmedabad Textile Industry’s Research Association has been in the field of research in textile industry since 1948. Under the guidance of the Cotton Textiles Fund Committee, two new research associations—Bombay Textile Research Association and South India Textile Research Association, have come into being.

A feature of the cotton textile industry has been the levy of excise duties since the year 1949. The duties were fixed on ad valorem basis in earlier stages, but later on they were turned on square yardage basis.

2. IRON AND STEEL—There are at present three main producers of iron and steel, viz., the Tata Iron and Steel Co., the Indian Iron and Steel Co., and the Mysore Iron and Steel Works at Bhadrawati. The total capacity for pig iron and finished steel is estimated to be 1,878,000 and 1,050,000 tons per annum respectively. The in-
Industry is mainly concentrated at the present time in Bihar and West Bengal. The Tatas were the first in the field of steel production. They started in 1908 and gradually built up their production to the present level of 800,000 tons per annum, consisting mainly of rails, structures, billets, bars, plates, etc.

The important raw materials of the industry are iron ore, coking coal, manganese ore, refractories made from magnesite, dolomite, chromite, fire clay, etc., and fluxing materials like silica, limestone, flourspar. In regard to most of these raw materials, India enjoys a favourable position. The deposits of iron ore, which are the principal raw material of the industry, are plentiful and of superior quality. The average iron content of the ore is between 60 and 50 p.c. as compared to 40 p.c. in Europe, and 50 p.c. in United States.

The three steel factories started in the public sector are one at Rourkela in Orissa, one at Bhilai in Madhya Pradesh and one at Durgapur in West Bengal. An agreement was signed on 15th August, 1953 between Government of India and a German Combine of Demag and Krupp to build up a new steel plant at Rourkela. The agreement provides for both financial and technical participation in the plant by the German combine. The estimated capital cost of the new plant is 150 million with a German participation of up to 20 million. Rourkela is 275 miles from Calcutta on the main railway line between Calcutta and Bombay. The production has now started from 1959.

Another agreement has been signed between the Government of India and Russian Government for starting second steel factory at Bhilai in the Drug district of Madhya Pradesh. Bhilai is a railway Station on the main railway line from Bombay to Calcutta. It is 156 miles from Nagpur. In the establishment of this plant, the Government of U.S.S.R. has given economic and technical assistance. Except for such work as can be done in India, the Government of U.S.S.R. is responsible for design and manufacture of the plant in that country. The Bhilai Plant will produce heavy products like rails and structures. The production has now started from 1959.

The third steel plant in the public sector is located at Durgapur in West Bengal, which is 110 miles from Calcutta in the main Calcutta-Delhi railway line. A contract has been signed on 31st October, 1956 by the Government of India and a Consortium of British manufacturers for setting up the Durgapur Steel Plant. The contract was for a grand total of Rs. 138 crores. The company is responsible for supply, construction and erection of the plant in its entirety.

Ancillary Industries—The iron and steel industry in India may be divided broadly into two categories—basic and re-rolling. The main producers who may be placed in the first category is iron ore which makes pig iron out of which they manufacture steel. Alongside these, there is a wide range of subsidiaries. There are the re-rollers who produce certain sections of steel machines from billets and scraps supplied by the main steel producers. It is estimated that there are about 95 steel re-rolling mills in India. Following are the main ancillary industries—(1) Tinplate for the metal box and con-
tainer produced by the Tinsplate Company of India Ltd., (2) Production of wide range of light rod, hard bright, galvanized and barbed wire, wire nails, bolts and nuts and rivets by Indian Steel Wire Products Ltd. and others who can manufacture railway permanent way equipment including steel sleepers, points and crossing rails, signal materials, special bolts and nuts, (3) there is a steel processing industry for construction of wagons and other railway rolling stock. The most important among them is the Indian Standard Wagon Co., Ltd., (4) there are companies producing machine tools.

3. JUTE—This important textile industry has the distinction of accounting for approximately a quarter of the total export trade of the country. The progress of the industry can be gauged from the fact that India has today become the chief jute manufacturer, consuming more than 60% of the raw jute of this sub-continent. The total capital invested in the industry is about Rs. 30 crores and the industry employs more than 3 lakhs of workers on the average.

At present the mills concentrate on producing mainly (1) gunny bags or cloth used for packing rice, wheat, oil seeds etc.; (2) hessian cloth or bags used for bailing cotton, wool and other fibres; (3) coarse carpets and rugs and (4) cordage, (5) jute tarpaulins (6) hessian, jute carpets and jute webbing.

The jute industry has a total of 72,365 looms which represent 53 per cent of the total loomage in the world. There are 112 mills of which 101 are in West Bengal. There are 82 jute mill companies managing these 112 mills. Their total capacity is about 100,000 tons of jute goods per month on the basis of a single shift of 48 hours a week. The total value of jute goods produced in a year is about Rs. 130 crores. There has been no Government control of production or distribution of jute goods. The only control in vogue is that exercised by the Indian Jute Mills’ Association, the main object of which is to ensure that production and supply are geared to the world demand.

4. COAL INDUSTRY—The production, distribution and prices of coal are administered by the Department of Mines and Fuel in the Ministry of Steel, Mines and Fuel. This Department has a Coal and Coke Division. It deals with the following things—Regulation and control, distribution and transportation, coal prices, coal controller’s organisation, production in the private sector, amalgamation of collieries, production in the public sector, National Coal Development Corporation, establishment of coal washeries, synthetic oil, soft coke, Coal Board, safety measures in coal mines and conservation of coal. Coal Council of India and Coal Transport Advisory Committee. Coal Controller, Calcutta is responsible for regulating the production of coal and arranges for its distribution and movement. He also acts as the Adviser to the Government of India in the matter of fixation of statutory prices of coal. The Government of India have established a high-powered body known as Coal Council of India for reviewing and studying and planning the development, utilization and due conservation of coal resources of the country. There is also a Coal Advisory Committee, whose function is strictly advisory. It deals with all matters pertaining to con-
control exercised by the Coal Controller, as well as cases brought to it by the official members. There is a Coal Board in Calcutta which is a statutory body set up under the Coal Mines (Conservation and Safety) Act of 1952 for dealing effectively with the problems relating to safety in mines and conservation of coal. The National Coal Development Corporation (P) Ltd., at Ranchi was formed in 1956 with an authorised capital of Rs. 50 crores. The administrative control of the existing State collieries and of those proposed to be established in future was entrusted to this Corporation. Under the Coal Mines (Conservation and Safety) Act, 1952 which was a positive step for the conservation of metallurgical coal, the production of coking coal was pegged from 1952. The Fuel Research Institute at Dighwadi helps to spread the knowledge of the composition of coal and of factors that influence its behaviour when heated.

Coal mines are largely in the hands of private enterprise. The Government owns only eleven collieries which supply coal primarily to the railways. Pakistan and Japan are the biggest purchasers of Indian coal at the moment.

5. ALUMINIUM INDUSTRY—The internal primary production in India began in a small way around 1942. India's total bauxite reserves are estimated at about 250 million tons, but workable deposits containing over 50 p.c. alumina are estimated only at 28 million tons. Even at this assessment, an annual output of 50,000 tons of finished aluminium could be maintained for over 100 years. The chief producers are the Aluminium Corporation of India (installed capacity 2,500 tons a year working at Asansol) and the Indian Aluminium Company Ltd., Calcutta (5,000 tons a year). The latter company has its aluminium works at Murree in Bihar, its aluminium smelter at Alwaye (Kerala) and its rolling mills at Belur near Calcutta. The Company has set up another aluminium smelter at Hirakud. Among the non-integrated fabricators must be mentioned Venesta Ltd., Calcutta which produce foil in sufficient quantity to supply practically all the country's requirements of tea chest liners. Aluminium conductor manufacturers, besides the Aluminium Industries Ltd., are the Indian Cable Co. Ltd., Tatanagar, National Insulated Cable Co., Shandagard, Electrical Manufacturing Co., Dum Dum and the Hindustan Conductors Ltd., Faridabad.

The Government of India has decided to start India's first two aluminium plants in the public sector at Mattur (Madras) and Rihang (U.P.).

6. SUGAR—India is the largest sugar producing country in the world. Indian industry employs about 1,50,000 workers. The country has nearly 4,00,000 acres under cane, which constitutes 35 p.c. of the world's total area under cane cultivation. The per-acre yield in India—14 to 15 tons, however, compares most unfavourably with the yields of 62 tons in Hawaii and 56 tons in Indonesia. The more important of cane-growing and sugar producing States in the country are Uttar Pradesh, Bihar, Punjab, Bombay, Andhra and Madras. The first two alone contribute more than 70 p.c. of the total production. Approximately 55 per cent of the total cane produced in India is utilised for the manufacture of Gur and Khandsari. Only 25 p.c.
goes to the mills for the manufacture of crystal sugar. Sugar mills on modern lines were first started in India about the year 1903. Yet the expansion of the industry began only after 1932 when it received protection. During the last two decades, both production and consumption of sugar have been progressively on the increase. From 9.31 lakh tons in 1937-38, production rose to 19.75 lakh tons in 1953 and consumption of sugar increased from 11.5 lakh tons to 19.9 lakh tons in the corresponding period. It is India's second largest industry, next only to textiles. The total capital invested in the industry is estimated to be Rs. 72 crores. Though the sugar industry is enjoying tariff protection since 1932, it is strange that after 34 years of such help the industry not only refuses to stand on its own legs but has not used its days of prosperity to take to more efficient methods of production or to lower the cost.

Indian sugar is of three forms—jaggery, khandsari, and white sugar. Of these, the simplest is jaggery, being merely cane-juice boiled (to a temperature of 115°C) and solidified. Juice is boiled in open pans to solidify. Jaggery-making is an important cottage industry and 50 to 60 per cent of the cane produced goes into its making. Khandsari sugar is made through an indigenous process by the molasses being separated from sucrose. Its output is small, being about 12 lakhs of tons compared to about 1.6 million tonnes of white sugar and 7.8 million tons of jaggery. White sugar is directly produced in the factories in India. Only 26 per cent of the total cane produced goes into the making of white sugar.

The phenomenal growth of the industry led to the establishment of a net-work of sugar and cane research stations throughout the country. In the development of these research stations, the industry has a big hand with the funds raised from the industry in the shape of cane cess, excise duty, etc. The responsibility of guiding sugarcane research rests mainly on the Indian Central Sugarcane Committee which has been financing and guiding all sugarcane works in India. A chain of sugarcane research stations has been established in various states.

The establishment in 1936 of the Indian Institute of Sugar Technology at Kanpur is another great contribution made by the Government of India in the cause of sugar industry. The Development Council for the sugar industry was set up by the Government of India under the Industries (Development & Regulation) Act, 1951 in 1956. The functions are: recommending targets of production, co-ordinating production programme, improving the quality and reducing the cost, etc.

The three main by-products of sugar industry—bagasse, press-mud and molasses—are used as raw materials by a number of industries. Bagasse is widely employed in the manufacture of paper pulp and card board. Considerable work is being done in respect of extraction of wax from press-mud. Similarly, molasses is used in the manufacture of acetic acid, industrial and power alcohol, chemicals, tobacco curing, etc.

The area under sugar cultivation in India is larger than in any other country in the world. But the yield and quality of Indian
cane are at present among the lowest in the world. It is interesting
to see in this connection that the per capita sugar consumption of
the country (with gur) continues to be as low as 30 lbs. (gur account-
ing for 24 lb.) compared with 112 lb. in U.K., 114 lb. in Australia,
115 lb. in New Zealand, 128 lb. in Denmark and 11 lb. in Java.

Government Control—While there is no statutory con-
trol over the price of sugar, factories are obliged to keep 25 per-
cent of their production in reserve, which may be requisitioned
by Government in times of need. Releaser on factories are also
regulated by Government with an eye to the supply and demand posi-
tion in the country.

7 CYCLE INDUSTRY—Records indicate that first bicycle made
its appearance in India in 1890. The indigenous industry was spon-
sored first in 1925 in Madras with German technical assistance but
then effort proved abortive. Between 1938 and 1941 three manufac-
turing concerns were started, namely India Cycle Manufacturing Co.,
Calcutta Hindustan Bicycle Manufacturing Co., Patna, and Hind
Cycles, Bombay. In 1919 Government of India gave permission to
these new units to establish manufacturing plants—(1) Sen-Raleigh
Industries who secured technical collaboration with Raleigh Indus-
trie, (2) T. I. Cycles of India with technical co-operation of Tube In-
vestment Ltd., and Hercules Cycle & Motor Co., of England and (3)
Atlas Cycle Industries.

Since then the development of cycle industry has been phenome-
nal. The output of bicycles in the small scale sector in the
country exceeded the one lakh mark in 1957. There are 78 units in
the small sector. Of them 22 are in the Punjab, 14 in Delhi, 10 in
West Bengal, 9 in Uttar Pradesh, 8 in Bombay, 4 in Madhya Pradesh
and 2 in Madras, 5 in Rajasthan, 2 in Mysore 1 each in Andhra Pradesh
and Orissa are to go into production soon. There are 20 large-scale
bicycle factories in the country which produced about 7.91 lakh
bicycles in 1957 as against about 6.64 lakh bicycles in 1956 and 4.91
lakh bicycles in 1955. Of these big units Uttar Pradesh and Punjab
have six each, West Bengal three, Delhi two, Bombay and Bihar one
each. India can be said to be self-sufficient already in so far as the
requirements of complete bicycles are concerned.

8 ALCOHOL INDUSTRY—Alcohol is available in three
varieties. It can be used as drink; secondly, it can be used for indus-
trial purposes, such as in the manufacture of a number of
chemicals; thirdly, it can be used as a motor fuel for the pro-
duction of mechanical power which is called power alcohol. About
drinking alcohol we have many country produces, such as beer, toddy
and certain variety of foreign liquors produced in distillaries
which are about 70 in number. Industrial alcohol is valuable in the
manufacture of chemicals like acetone, acetic acid, ether, chloro-
form, etc. It is also necessary as a solvent in the manufacture of
fine chemicals, medical preparations and toilets, etc. It is produced
from molasses, a by-product of sugar industry. The installed capacity
of the manufacture of power alcohol has increased from a bare 6.2
million gallons in 1946 to well over 15 million gallons in 1957.
9. PAPER AND PAPER BOARDS—The first paper-mill was started in India a century ago by Dr. William Carey, the famous missionary. It did not make much headway. With the help of protective tariffs from 1925 to 1947, industry made steady growth though slow as yet to make the country self-sufficient even in paper and paperboards, not to speak of newsprint. The paper industry today is one of the major industries and has made considerable progress since second World War. The paper industry at present employs 26,000 people. The industry at present has a capacity of about 2,10,000 tons per year without taking into consideration the capacity of newsprint mill which is about 30,000 tons a year. The average per capita consumption comes to about 1.4 lb. compared to 150 lb. in U.K., 175 lb. in Canada, over 300 lb. in the U.S.A., 77 lb. in Germany, 4 lb. in Egypt and 85 lb. in Sweden. Though as yet insufficient quantity, India produces varieties of paper and boards including toilet paper, craft paper, mill boards, corrugated boards, grey boards, duplex and triplex boards, etc.

All the raw materials required by the industry, like bamboo, *sabai grass*, bagasse, rags, waste paper, miscellaneous fibres, etc., are available in the country. In recent years, only a small quantity of materials required for the production of specialised paper and viscose conversion is imported.

At present 20 units are engaged in the production of paper with the annual installed capacity of 210,100 tons.

The bulk of the production consists of the more common types of paper, viz., printing and writing papers. Some quantities of wrapping and craft papers and of superior varieties like bond, azure laid, ledger, manifold and poster papers are also made.

At present the entire requirements of the country in respect of newsprint are being met from imports. However a beginning is being made in this country for the manufacture of newsprint. The National Newsprint Paper Mills Ltd., which was established in M.P., has gone into production in 1954.

10. LEATHER, HIIDES AND SKINS—Leather industry in India ranks probably fourth in importance as an earner of foreign exchange. Indian Union produces annually 5.1 buffalo-hides, 16.1 million cow-hides, 22.9 million goat skins and 14.2 million sheep skins, besides a considerable quantity of reptile skins, such as those of crocodile, python, snake, lizard, etc., that make pretty looking fancy leathers. The value of the raw hides and skins produced annually is estimated to be about Rs. 40 crores. Indian leather industry fetches foreign exchange to the extent of Rs. 23 to 25 crores annually.

West Bengal and Madras are overwhelmingly the largest producers of cattle hides, Madras is the largest producer of buffalo hides and sheep skins, and U. P. the largest producer of goat skins followed by Bengal and Bihar.

By far the largest utilisation of leather is in the production of footwear. Footwear produced in this country may briefly be classified into two categories—(1) Western types, (2) Indian types. The footwear producers are classified into three classes—(a) machine-made section, (b) small-scale section, (c) cottage industry section.
The industry is organised mainly on a small scale, although there are a few big tanneries in Madras, Kanpur, Calcutta and Bombay. There are about 725 tanneries in the country, only 76 of which employ more than 50 workers. The industry is almost entirely in the private sector. The bulk of the requirements are manufactured by a large number of small scale and cottage units spread over the country, with chief centres at Agra, Kanpur, Bombay and Calcutta. There are at present twelve large scale units manufacturing footwear.

At the present moment England is the main buyer of India's half tanned leather known as East Indian kips.

To investigate the various problems with which the Indian leather industry is now faced, the Central Leather Research Institute has been established in Madras.

11 RAYON INDUSTRY—This industry has been started in India after the War in 1940. From 1950 by systematic development, India today is able to produce about 20 million pound of rayon yarn per year in popular variety of 150 and 120 deniers. The first mill to be started in India was Trincomalee Rayons Ltd., in 1950. In the following year 1951 National Rayon Corporation in Kalyan in Bombay came into existence. Followed by Susilk Ltd., Hyderabad and the Gujarat Rayon Silk Manufacturing Co Ltd. in Madras. Now a fifth unit is gradually coming into being. It is the Century Rayon Ltd. located in Kalyan Bombay. By way of assisting Indian rayon manufacturer, the Government have restricted the import of 150 denier and 120 denier rayon yarn (Denier is the weight of 9,000 meters of rayon yarn expressed in grams). Government has also removed the 15 per cent import duty levied on certain varieties of imported rayon grade pulp.

12. PETROLEUM INDUSTRY—The Indian industry in oil is at present confined to a relatively small area in Assam. India raises not more than 8 per cent of total consumption and imports about Rs. 50 crores worth of crude oil and derivatives, and mineral oil is mainly obtained from Digboi oil fields owned by Assam Oil Company, subsidiary to the Burmah Oil Co. It has a refinery at Digboi and a tin factory at Tinsukia. A new oil field has, however, been found at Nahrapatia in the Brahmaputra valley 29 miles to the west of Digboi and first flow of oil was released on 22nd Nov., 1964. This oil well at Nahrapatia has a depth of 10,697 ft.

The birth of oil refining industry in India goes back to 1899, when the Assam Oil Company built India's first oil refinery to refine crude oil from Assam oil field. The industry has been given great impetus by the starting of three new refineries. Oil refineries by Burmah Shell, Stanvac and Calcuta have been started in India. A new oil city has now been built up at Trombay Island Bombay for the two refineries by Stanvac and Burmah Shell. Second refinery for Stanvac was completed in 1964. The fourth will be built at Visakhapatnam by Calcuta. When all these refineries are in full production at the end of 1967, they will have a refinery yield of approximately 35 million tons of petroleum products a year. The refined products are of wide range—motor spirit, kerosine, diesel oils,
furnace oil, bitumen and wax. The new refineries will not produce aviation gasoline at all. The three refineries will when they are under full production, turn out over 90 per cent of India's petroleum requirements.

Recently in 1958 an agreement has been signed with the Rumanian People's Republic for setting up a refinery in Assam. Rumania has agreed to offer a loan on long-term credit of Rs. 52,380,900. The plan of the refinery has two stages—(1) a refinery in Assam to process approximately 0.75 million tons per annum and a refinery in Bihar to process approximately two million tons per annum. The offers of collaboration for Bihar refinery is at present under consideration.

13. **SILK INDUSTRY**—The silk industry in India, which dates from ancient times, was at one time of very great importance but it was a decaying industry afterwards. The second World War proved grand incentive to revival. Sericulture industry occupies a prominent place among the village and small-scale industries in India and has an important place in the economy of the States of Madras, Mysore, West Bengal, Assam and Jammu and Kashmir. The other States which produce mulberry raw silk are East Punjab, Himachal Pradesh, Bombay, Uttar Pradesh, Madhya Bharat and Bihar.

The Indian silk industry is, for a large part, a cottage industry and only to a limited extent factory-centred.

Regarding raw silk production, India produces approximately 21 million lb. of mulberry raw silk valued between Rs. 65 and about Rs. 80 million a year and about one million lb. of non-mulberry silk i.e., Tassar, Eri and Muga valued at Rs. 20 million. The five States which produce mulberry silk extensively are Bengal, Assam, Jammu & Kashmir, Mysore and Kollegal area of Madras. The States which produce fairly large quantities of non-mulberry silk are Assam, Bihar, Madhya Pradesh, Orissa and to some extent West Bengal. Bihar produces the largest quantity of Tassar silk in India.

Raw silk, whether mulberry or non-mulberry, is in itself a raw material. This raw material has to be thrown and twisted and silk yarn thus produced from raw silk is used for weaving silk textiles and other silk goods. Non-mulberry raw silk is used almost wholly for civilian fabrication purposes, whereas mulberry raw silk has vital importance for Defence Services of the country as dropping silk parachutes. A modern silk reeling factory is being established at Malda in West Bengal for producing high-grade raw silk.

The Government of India has been giving tariff protection to sericulture industry since 1930. For the improvement of sericulture and silk industry in India under Central control, a Central Silk Board has been established in 1949 under the Central Silk Board Act LX of 1948. The functions of the Board are—(a) undertaking, assisting or encouraging scientific, technological and economic research, (b) devising means for improved methods of mulberry cultivation, rearing, developing and distributing healthy silkworm seeds, reeling cocoons, improving the quality and production of raw silk, if necessary, by making it compulsory for all silk to be marketed only after the same
has been tested and graded in properly equipped raw silk conditioning houses.

For effecting improvements in the industrial section proper, a Development Council has been set up in 1954 under the Industries and Regulation Act. The work of this Council lies in the sphere of introducing modern techniques of production.

14. WOOL AND WOOLEN TEXTILES—Wool is one of India's principal sources of earning foreign exchange. On an average 25 million lb. of raw wool worth about Rs. 6.8 crores are exported annually. The indigenous consumption of raw wool is nearly 24 million lb. per year. Due to the variations of climate, the production of wool varies in different parts of India. The main areas of wool production are Jodhpur, Balaner, Uttar Pradesh, Madras, Punjab, Hyderabad, Jaipur and Bihar. Indian wool is roughly classified under—(a) Hill Wools used in the manufacture of blankets, tweeds, (b) Coarse Wools, both of coarse-type and fine-type; coarse-type is used for low grade blankets and rugs and fine types for better quality blankets, woolen broad cloths, tweeds and good grade carpets.

The main centre of woolen textile industry is in Bombay, after which there are large concentrations at Kanpur, Dhariwal, Amritsar, Jamnagar and Bangalore.

Seventy-five per cent of the industry is concentrated in the country. Seventy-five per cent of the industry is concentrated in the colder parts of India, viz., U. P., Punjab, Rajasthan and Kashmir. This industry produces a wide range of products, namely, blankets, durries, carpets, tweeds, shawls, lohais, coatings, pattus, scarfs, etc. There is also some production on a lesser scale of knitted goods, e.g., socks, pullovers and jerseys. Certain of the goods manufactured on a cottage industry basis are of special quality and these have a considerable appeal abroad as well as in the home markets. Among these rank Kashmir shawls, carpets and namdas, carpets from Mirzapur and Amritsar and druggets from Mysore and Bellary. The Government of India have established a Development Council for Woollen Textiles for fostering wool industry in the country.

15. CARPETS—The main centres of production are Amritsar, Agra, Gwalior, and Jaipur for better quality of carpets; Kashmir for good quality carpets and namdas; Mirzapur, and Bhadohi for the cheaper qualities; and Mysore, Bellary, Bangalore and other places in the South for druggets. The industry's raw material requirements are met from local sources of supply. These goods find their outlet predominantly in the overseas market.

16. CEMENT—The South India Industrialists Ltd., which was established in 1879 was the first to start cement production in India. The first production of this factory was in 1904. But it was closed down shortly after its inception and there was again a vacuum until the Indian Cement Co. Ltd., Porbandar started manufacturing cement just before the beginning of World War I. The war gave a fillip to the industry and by 1924, there were in India
some 10 cement factories with a total installed capacity of nearly 600,000 tons. In 1924 Tariff Board imposed a duty of Rs. 9 per ton on imports. The next stage in the development of the industry was the formation in 1930 of the Cement Marketing Company of India Ltd., which pooled the output of different cement concerns and initiated a quota system for sales. In 1936 four different controlling interests merged into one in the shape of the Associated Cement Companies Ltd. In 1937 the Dalmia Group came into existence with five cement companies. In 1941 the ACC and the Dalmia group combined to market their produce jointly through Cement Marketing Co. of India. The alliance lasted for seven years but in 1948, the groups broke away. The production of cement today is of the order of 6 million tons. Besides the 29 units already in operation in the country, 54 schemes comprising of 25 new units and 29 projects for the expansion of existing units have so far been approved by the Government.

17. POTTERY—is said to be the oldest of industries, and is also an ancient art in India. The industry in the modern sense, however, is of comparatively recent origin, although a pottery and stoneware works were established by Burn & Co., at Raniganj in 1860. There are now some 53 ceramic factories in India including those producing insulators, with a total capacity of over 70,000 tons per annum. They are located over a fairly wide area but capacity is mainly centred in Madhya Pradesh, West Bengal, Bombay, Madras and Mysore. Except for ball clay all other raw materials required are to be found in India.

18. RUBBER—The raw rubber producing industry in South India meets approximately 75 p.c. of the manufacturing demand. Having started with the establishment of a general rubber goods factory at Calcutta in 1920, the rubber manufacturing industry has developed in a remarkable way. The total number of rubber estates registered up to the end of 1957 was 37,293. They covered an area of 238,115,12 acres; during 1957 the production of raw rubber in India amounted to about 24,000 tons. The rubber manufacturing industry today represents a capital investment exceeding Rs. 13 crores and the producing industry over Rs. 20 crores. The production per acre in India is very low. It is only 300 lb. per acre today compared to Malaya’s 500 lb. The tyre industry of India is the principal consumer of raw rubber, consuming almost 80 p.c. of India’s production. The rubber which used to be an important export commodity, is now largely consumed within the country.

Indian Rubber Board has been constituted under the Rubber (Production and Marketing) Act, 1947 for the development of the rubber industry in regard to production and marketing of rubber. It encourages research on rubber, supplies technical advice to rubber growers, improves marketing and collection of statistics and advises Government on all matters relating to development of rubber including imports and exports of rubber. The price of rubber produced in the country is fixed statutorily. The Board is financed by a cess levied on all rubbers produced in the country and fees levied for licences issued to dealers and manufacturers.
Rubber articles manufactured in India may be broadly classified under the following categories—(1) tyres and tubes, (2) rubber footwear, (3) rubber-covered cables, (4) proofed fabrics, (5) mechanical rubber goods, (6) medical rubber goods, (7) miscellaneous such as extrudeal and moulded articles and (8) latex and sponge rubber goods.

19. MATCH—Match manufacturing hardly existed in this country before World War I although the first factory, and with Indian management, was started at Ahmedabad as early as 1895. A considerable expansion of the industry was, however, made after the imposition in 1922 of a revenue duty on imports, which was converted in 1928 into a protective duty. The effect was so conspicuous that the foreign exporters ceased to export and a big Swedish match combine came to India and established many factories at Bareilly, Ambernath, Calcutta and Madras, under the name and style of the Western India Match Co. Ltd.

The organised sector consists of two units, the Western India Match Co. and the Assam Match Co. owning and operating a chain of eight factories spread throughout India including one in Andamans—all of which came under A class factories with a capacity of over 500 gross boxes per day. The working capital invested in the industry is about Rs. 6 crores of which foreign p.c. is about 30. There are about 234 smaller and cottage units which are classed B, C and D class factories. All India Khadi and Village Industries Board has been made responsible for the organisation and development of the cottage match industry.

20. GLASS AND GLASSWARE—The Indian glass industry may be divided into two categories—(1) Cottage industry making mainly glass bangles in small furnaces from glass blocks produced in factories, the main centre of which is Firozabad, U.P. (2) Modern factory industry.

With the exception of soda ash, sulphur and certain colouring materials, the raw materials of the industry, i.e., dolomite, limestone, and salt peter are all supplied from indigenous sources. The industry is widely dispersed and their distribution territorially is as follows—

There are at present 225 glass factories in India, including 93 bangle factories. The largest number of factories are in West Bengal (34), Bombay (32), and Uttar Pradesh (24), Madras (10). According to authoritative estimates, the total capital invested in this industry is nearly Rs. 4 crores. It provides employment to more than 20,000 workers. The total annual output of the industry is estimated to be Rs. 10 crores. It is equipped to produce tableware, lampware, bottles, sheet glass, scientific glass ware, neutral glass, ampules and bangles. The manufacture of thermos flasks, machine-made glass tubing, etc., has also begun.

21. PLYWOOD INDUSTRY—The plywood industry in India came into existence during the second World War, mainly to cater for the needs of the tea industry. There are nearly 70 factories—big and small—on the approved Govt. list. The majority of them are engaged in manufacturing teachests and the big units are
engaged in manufacturing various types of plywood. The total annual production of tea-chests is about 38 million sq. ft. in South India; 30 million sq. ft. in Calcutta and 34 million sq. ft. in Assam.

22. SOAP—Industry had made remarkable progress even before the war and had built an export trade of its own. India is largely self-sufficient in raw materials except for caustic soda, soap colours, some perfumes. The consumption of soap in India is estimated at about 3 lb. per head per annum, about 120,000 tons yearly which compares with 2½ lb. of Indonesia and nearly 3 lb. in Ceylon. The demands are met by local production. Imports are now negligible. The industry is divided into an organised section which produces about two-thirds of soap manufactured in India—and a very large number of cottage units producing the remaining one-third, which is mainly cold-process soap.

23. TEA—The tea industry is the foremost plantation industry in India. Tea ranks after jute as the second largest item in India’s export trade. The industry part of it lies in cutting, drying and blending of the leaf and in that India specialises unlike China, to whom she is second in the world in production of black tea. It means that unlike the green tea, the black tea is processed in factory through courses of withering, fermentation and drying. It is well-known that the Northern India accounts for about 80 p.c. of the total Indian tea production averaging about 550 million lb. Assam producing over 70 p.c. of it. The tea plantations in the South India are distributed among four States—Madras, Travancore-Cochin, Mysore and Coorg. More than 75 per cent of the production is exported chiefly to the United Kingdom, United States, Canada, Australia and the Middle East countries.

There is a Tea Board under the Ministry of Commerce and Industry which administers the Tea Act, 1953, and is primarily concerned with measures for the development of tea industry in India, including the control of the cultivation and export of tea from this country and propaganda, both inside and outside India for increased consumption of tea. The Board is also responsible for the regulation and control of the sale of tea by auctions or otherwise, the registration and licensing of brokers and blenders and the quality control. It is financed by a cess collected on the export of tea. The important points about Indian tea are—(a) There are more than 6,500 tea gardens in India covering nearly 7,90,000 acres. Their total yearly production is over 630 million pound of tea. (b) Capital invested in Indian tea industry is estimated to be 118.06 crores in 1954 (excluding small holdings below 100 acres) of which Rs. 40.5 crores are Indian and Rs. 72.55 crores non-Indians. (c) People of India consume about 176 million pound of tea yearly, or at the rate of ½ lb. per head per annum. (d) Tea gardens of India alone employ well over one million workers—thus tea industry is the largest single employer of labour in India. (e) The Indian tea industry assists other industries like plywood, ceramics, coal, cement, fertilisers, tea machinery and transport. (f) India meets over 50 p.c. of the world demand for tea which is estimated to be over 1,200 million pound a year excluding China, Japan and the U.S.S.R.
24. COFFEE—is one of the major plantation industries of India. Practically, all coffee is grown in South India in the states of Kerala, Mysore, Madras and only a very small quantity being grown in Bihar and Assam. It is the most suitable crop for the hills in South India. Mysore is by far the largest producer of coffee amounting to about 47 per cent of the total area under coffee in the country. The State of Madras comes next with about 28 per cent of the area, while Coorg contributes nearly 22 per cent. India's coffee is claimed to be of the finest and the best quality. The industry has an acreage of about 250,000 and employs about 1,25,000 workers. Today the internal consumption of coffee stands at over 25,000 tons compared to 8,000 tons in 1941. The industry contributes to the central exchequer about Rs. 90 lakhs by way of excise duties and Rs. 11 lakhs in income tax. India's position in the world of coffee is, however, not important. The production of coffee in India is only 1.1 per cent of the total world production.

The main species of coffee that are grown in India are Coffee Arabica which is noted for its quality and Coffee Robusta, which has better resistance to pests and diseases, yields more and is cheaper to produce. The cultivation of Liberica coffee is negligible. The major part of the acreage under coffee, 73 p.c. approximately, is claimed by Arabica variety. The cultivation of Robusta variety is now on the increase.

Under the Indian Coffee Market Expansion Act, Indian Coffee Board has been constituted which is responsible, under the guidance and support of the Central Government, for evolving a system of regulated and co-operative marketing of coffee. The marketing of coffee is in the hands of the Indian Coffee Board. All coffee grown in India, excepting limited quantities required for domestic consumption of growers and seedling purposes, has to be made over to the Board.

25. AUTOMOBILE INDUSTRY—India's automobile industry is still in its infancy. It was only in 1947 that the Government of India took up the question of manufacture of automobiles in right earnest. Previously India was importing fully assembled cars and other vehicles.

The year 1954 was an important landmark in the development of motor industry in India. The Government of India took the bold decision of restricting the manufacture and assembling of automobiles to only a few recognised concerns who proved their bona fide by agreeing to a definite phased programme of development of their factors with the ultimate objective of reaching the stage of complete manufacture of all the important components. This resulted in the closing down of certain assembling plants.

The Government restricted import licences to those firms which submitted satisfactory programmes for the manufacture of vehicles. As a result, there are at present six approved manufacturers for automobiles in the country. They are, namely, Hindustan Motor, Calcutta; Premier Automobiles, Bombay; Mopindra and Mohindra. Bombay; Asok Leyland, Madras; Standard Motor Products, Madras; and Tata Locomotive and Engineering Co., Bombay. Two automobile diesel engine manufacturers, Simpson & Co. and Automobile Pro-
ducts of India, were approved of in 1955. On the recommendation of the Tariff Board, the Government has given protection for a period of 10 years.

The total annual assembling capacity on a single shift basis of six manufacturers is about 50,000 vehicles, although the production was below the capacity, i.e., 22,153 vehicles in 1955.

26. TOBACCO—is one of the leading Indian cash crops like cotton, jute, sugarcane, etc. The tobacco industry occupies a significant place among the major industries of the country. It earns valuable foreign currency worth about Rs. 15 crores yearly, in addition to an income of Rs. 34 crores to the Indian Exchequer by way of excise duty.

The introduction of central excise on tobacco in 1943, the rapid rise in the production of high quality of cigarette tobacco in the country, the setting up of an Inspectorate at Guntur for the compulsory grading of certain varieties of tobacco in 1945, and the constitution of the Indian Central Tobacco Committee for promoting research and developmental work in 1945 have resulted in marked changes in the production and marketing of tobacco during the past decade.

India stands third in the world in the matter of tobacco production after United States and China.

Andhra and Bombay are the two most important tobacco-growing States, each having about 3 lakh acres under the crop. Other States which cultivate this crop are Madras, Bihar, West Bengal and U. P.

There are at present 17 cigarette factories working in the country with an annual turnover of about 26,000,000,000 cigarettes. The cigarette factories are located in Bombay (6), Andhra Pradesh (5), West Bengal (3), Mysore (1), Bihar (1) and U. P. (1). Bidi industry is mostly concentrated in Bombay, Madhya Pradesh, West Bengal and Bihar. Cigar and cheroot industries are confined mainly in the States of Andhra Pradesh, Madras and to a lesser extent in West Bengal, U. P., West Bengal and Punjab are the main centres of the hookah industry. The snuff industry is confined in Bombay, Andhra Pradesh and Madras.

Though Indian tobacco is exported to about 50 countries all over the world, exports represent only about 15 p.c. of the country's total tobacco production. The bulk of the Indian produce consists of such types as bidi, hookah, chewing tobacco, etc, which are consumed within the country itself. The quantity of Indian tobacco exported annually is in the neighbourhood of 100 million lb. The U. K. and China are the most important outlets for Indian tobacco.

27. LEMON GRASS INDUSTRY—India annually produces about 1200 tons of lemon grass oil, contributing nearly 80 p.c. to the world production. It earns Rs. 1.5 crores annually in foreign exchange. Lemon grass oil is obtained from certain species of grass of the genus *Cymbopogon flexuosus*. Lemon grass, so called because of the strong lemon colour its oil gives, is indigenous to India. Its cultivation is concentrated in Kerala where the warm tropical climate, intermittent
though not excessive rain, plenty of sunshine and the loose laterite soil are ideally suited to its growth. It is used as a basic raw material in the manufacture of aromatic chemicals. It is also used as a raw material for the synthesis of vitamin 'A' and in the preparation of insect repellent creams and pain balms. The total area under lemon grass in India is estimated to be 50,000 acres. There is a Lemon grass Research Station at Odakkali in Kerala.

28. COIR INDUSTRY—Coir means fibre obtained from the husk of the coconut fruit. India is the world's chief producer of coir and coir products, her yearly output being around 130,000 tons. More than the half of this output is exported, earning about 10 crores of rupees in foreign exchange. The coir industry which is exclusively South Indian, is concentrated in Kerala area and employs over six lakhs of workers. There are two principal types of coir fibre—the mat fibre and curried fibre. The bulk of the output consists of mat fibre. The coir industry is organised partly on cottage industry basis and partly in factories. The Government of India have sanctioned a scheme for the establishment of a Coir Research Institute near Allepey and a branch at Calcutta at a total cost of Rs. 20.28 lakhs.

A Coir Board has been established under the Coir Industry Act, 1953 which levy's a customs duty not exceeding Re. 1 per cwt. on all coir fibre, coir yarn and coir products exported from India.

29. SPORTS GOODS—Sialkot (West Pakistan) was the main centre for the manufacture of sports goods in undivided India. With the partition of the country, the industrialists of Sialkot who came to India succeeded in re-establishing manufacturing centres in the northern region of the country. At present sports goods industry is predominately concentrated in the northern region of the country, specially at Jullundur and Meerut. Other centres of the industry in the northern region are Delhi, Batala and Patiala (Punjab), Agra, Lucknow and Allahabad (U. P.), and Jammu & Kashmir. The raw materials for these goods are willow and mulberry wood which are produced in Kashmir and other parts of the country. The only other centres of the industry are: Calcutta, Bombay, Madras and Bhopal and these account for hardly 10 p.c. of the output. There are 258 manufacturing units in the northern region and 17 in other regions. The manufacture of sports goods is essentially a cottage industry. The capital investment required is not large. Following goods are being produced in different centres in India—(a) Footballs, volley balls, basketballs. (b) Cricket balls and hockey balls. (c) Badminton rackets. (d) Shuttle-cocks. (e) Nets. (f) Gut for badminton and tennis rackets. (g) Cricket bats, hockey-sticks. (h) Soft leather sports goods. (i) Sports and athletic wear. (j) Other miscellaneous articles, such as billiard cues, fishing rods, etc. The Sports Goods Export Promotion Council has been formed in 1958 for a concerted drive to boost India's exports of sports goods.

30. LAC INDUSTRY—It is the secretion of an insect which feeds on the sap of certain trees known as lac hosts. The main
lac-hosts in Bengal are palas, ber and kusum. The leading lac producing States in India are Bihar, Madhya Pradesh and west Bengal, portion of Bombay, Orissa and Assam. In West Bengal it is mainly grown in Murshidabad, Malda, Bankura and Purulia. The lac which is secreted from the glands of the lac insects is converted into sticklac which is crushed and mashed to from seedlac. This seedlac is processed into shellac, either by indigenous method or hydraulic pressure method or Soviet process method. For the latter two processes, there are only two mechanised factories in Calcutta, while the processing of seedlac and shellac by the indigenous method is carried out in about 300 factories located at Purulia, Chotoanagar, Madhya Pradesh and Bombay. The distribution of production in recent years has been of the following order—Bihar 45%, Madhya Pradesh 27%, West Bengal 18.4%, Bombay 4%, Uttar Pradesh, Assam, Orissa and other States, about 1 to 2% each. The principal uses of the processed products of Seedlac and Shellac are in the following industries: gramophone record, varnishes, and polishes, electrical industries, hats, printing and paper, sealing wax, cement and adhesives, etc. The research on the entomological and chemical problems of lac production is being carried out by the Indian Lac Research Institute, Namkum (Ranchi). India consumes only about eight percent of the lac she produces. Ninety-two per cent of the lac produced is exported to the U.S.A., U.K., Germany, Russia, France, Japan and several other countries. Lac, therefore, helps to earn valuable foreign exchange. Calcutta is the main market for lac and practically all the sticklac, shellac, seedlac, biri lac and molamama, etc., produced in the country come to Calcutta for sale.

31. VANASPATHI INDUSTRY—was first introduced into India after World War I by imports from Europe. The first vanaspati factory was established in India in 1930. The Government helped the industry by giving it protection. Vanaspati is mainly made from groundnut oil and also from cotton seed oil. In 1944 the Government of India introduced legislation to control the industry by establishing an office of the Vegetable Oil Products Controller and also promulgated the Vegetable Oil Products Control Order. Under this regulation, the quality of production was standardised and new factories had to obtain permits before starting production. The prosperity of this industry can be ascertained from the fact that production capacity in 1956 was about 412,000 tons and the actual production was 300,000 tons.

The vanaspati industry is the second largest food-processing industry, next only to sugar industry. It is the largest of its kind in Asia.

INDEX OF INDUSTRIAL PRODUCTION

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<tr>
<th></th>
<th>1956</th>
<th>1955</th>
<th>1959</th>
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<td>General Ind</td>
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<td>Mining and Quarrying</td>
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<td>Manufacturing</td>
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Base: 1951 = 100
**INDIAN INDUSTRY**

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<tr>
<td>Food Excluding beverages</td>
<td>134.1</td>
<td>121.9</td>
<td>101.7</td>
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<tr>
<td>Textiles</td>
<td>119.9</td>
<td>113.6</td>
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<td>Chemicals &amp; Chemical products</td>
<td>171.1</td>
<td>159.0</td>
<td>141.1</td>
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<td>Non-metallic mineral products</td>
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<td>Basic metal industries</td>
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<td>114.4</td>
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<td>General &amp; Elec. Engineering</td>
<td>218.1</td>
<td>183.3</td>
<td>151.9</td>
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<tr>
<td>Electricity generated</td>
<td>164.1</td>
<td>131.2</td>
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**PRODUCTION OF SELECTED INDUSTRIES**

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<tr>
<td>Coal (tons 000)</td>
<td>36,771</td>
<td>38,213</td>
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<td>Coffee (tons 000)</td>
<td>29,358</td>
<td>24,951</td>
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<td>Tea (lakh lb.)</td>
<td>6,414</td>
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<td>Salt (mds. 000)</td>
<td>73,910</td>
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<td>Textiles (cloth, yds. mln)</td>
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<td>Jute manufactures (tons 000)</td>
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<td>Footwear (western, pairs 000)</td>
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<td>Cycle (Nos. 000)</td>
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<td>Sulphuric acid (tons)</td>
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<td>Finished steel (tons 000)</td>
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<td>Aluminium (tons)</td>
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<td>Dry cells (lakhs)</td>
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<td>314</td>
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<td>Electric Motors (H. P. 000)</td>
<td>188</td>
<td>252</td>
<td>359</td>
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COTTAGE & SMALL-SCALE INDUSTRIES

Pattern of Cottage Industries—The small scale and cottage industries in our country are in many cases functioning as independent and isolated units without the aid of any mechanical or electrical appliances. Most of them do not yet possess any adequate assistance either in production methods or in sales organisation. The inherited skill of the artisans appears to be the main factor that is now largely responsible in many cases to sustain these industries at the present moment.

Development of industries, more particularly cottage and small-scale industries, is the primary responsibility of the State Governments. According to item 52 of the Seventh Schedule of the Constitution, however, industries, the control of which by the Union is declared by Parliament by law to be expedient in public interest, are in the Union List. According to the Industrial Policy Resolution of the Government of India, dated April 1, 1948, the development of some large-scale industries are co-ordinated and small-scale industries have been assigned to be Central Government’s responsibility. Planning is not only endorsed and the above recognises but has handed down the phase of responsibility the Central Government in respect of cottage industries, stressed the importance of such industries in the agricultural economy of the country and recommended the setting up of an organisation by the Central Government for the implementation of the various programmes.

The Government of India, having recognised the need for the development of various small-scale industries and cottage industries from the point of view of employment potential, have been some active step for rehabilitating them on a sound basis. The Government are assisting the handloom weaving industry by subsidising it from out of the cess levied on the production of mill cloth. The production of khadi is encouraged by subsidising it at double the rates applicable to handloom goods. The Government are also giving preference to the products of small-scale units in the matter of purchases required for various departments. They are also granting loans repayable in easy and convenient instalments to those engaged in cottage industries.

The cottage industries broadly include occupations, mainly allied to agriculture, handicrafts pursued by specialised artisans, processing industries carried on with human or animal power chiefly in cottages, industries operated in domestic units principally without the aid of power, and small-sized enterprises making some use of power, but lying outside the purview of the Factories Act. The work of any organised small-scale industries is primarily the responsibility of State governments. To supplement their efforts for the improve-
ment of cottage and small-scale industries, the Government have set up six organisations, namely, All India Khadi and Village Industries Commission, All India Handicrafts Board, All India Handloom Board, Small-Scale Industries Board, the Coir Board and the Silk Board.

The Organisation and Functions—The cottage and small scale industries are under the Ministry of Commerce and Industries which looks after their development and helps them in many ways. The following are some of the bodies which help to foster the growth of these industries—

Office of the Development Commissioner for Small-Scale Industries.—This office is responsible for development and fostering of small-scale industries; it also supervises, co-ordinates and controls the activities of the National Small Industries Corporation and the Regional Small Industries Services Institutes, Major Institutes, Branch Institutes and Extension Centres.

All-India Handloom Board was constituted by the Government in 1952. Its main functions are: The Board advises Government generally on the problems of the handloom industry, examines schemes for improvement and development of the industry and makes recommendations for financial assistance for such schemes. A cess of three pies per yard has been levied on all mill-made cloth consumed within the country, for development schemes of khadi and handlooms to be financed out of this source. The Board provides for various forms of aid being extended to handloom weavers.

The Khadi and Village Industries Commission was constituted under an Act passed in 1958. The Commission is responsible for preparing and organising programmes for the production and development of khadi and village industries, including training of personnel, manufacture and supply of equipment, supply of raw materials, marketing and research and study of the economic problems of different village industries. The Board also functions as a clearing house of information and experience relating to these industries.

The Commission has the following industries under its purview.—(i) khadi (including Ambar khadi) (ii) Bee-keeping (iii) curing and tanning of hides and skins (iv) Cottage soap industry (vii) Ghani oil industry (viii) Manufacture of hand-made paper (ix) manufacture of cane gur and khandisari (x) Manufacture of palm-gur (xi) Processing of cereals and pulses (xii) Fibre (other than coir) (xiii) Blacksmithy and (xiv) Carpentry.

All-India Handicrafts Board: The All-India Handicrafts Board was set up in 1952 and reconstituted in 1957. The functions of the All-India Board are to advise Government generally on the problems of the handicrafts industry and in particular, to improve and develop production and promote sales in India and abroad. The Board also advises the Government of India as to the quantum of financial assistance (grant and loan) to be given to the various State Governments and recognised private institutions on the basis of specific schemes of improved technique, equipment, supply of raw material, enforcement of quality standard, train-
ing and research, publicity, promotion of sales, conducting of economic service. The Board has also directly undertaken the various activities, such as, setting up of pilot centres, establishment of design centres, organisation and participation in exhibition in India and abroad, research in handicraft industries, etc., etc. Some of the activities of the Handicrafts Board are—(1) There are at present 28 pilot centres under the Board. (2) There are four regional design centres at Delhi, Bombay, Calcutta and Bangalore. These centres are meant not only for the revival of traditional designs, but also for creation of new designs to satisfy aesthetic sense. (3) Marketing of handicrafts by means of inter-state trade in handicrafts, sales-cum-procurement depots in important towns. (4) Organisation of handicrafts week and handicraft exhibitions. (5) Export promotion. (6) Publicity. (7) Board is maintaining a museum at Delhi where articles of rare quality and craftsmanship are exhibited. 

National Small Industries Corporation (Private) Ltd., was established in 1955. The main functions of the Corporation are (1) procurement of Government contracts for execution by small-scale units (2) supply of machinery on hire-purchase basis to small industrial units (3) marketing assistance for small-scale industries products and (4) construction and management of the Industrial Estates at Okhla (New Delhi) and Allahabad. In order to decentralise the work relating to hire-purchase of machinery, marketing, etc., four subsidiary Corporations have been established, one each at Delhi, Calcutta, Bombay and Madras. Five separate Divisions of the Corporation are executing five specific tasks, such as,—(1) Government Purchase Division (2) Hire Purchase Division (3) Marketing Division (4) Industrial Estates Division (5) Project Division.

In order to decentralise the work relating to hire-purchase of machinery, marketing, etc., which was being done by the Corporation at Delhi, Subsidiary Small Industries Corporations have been started in February 1957 in Delhi, Bombay, Calcutta and Madras with an authorised capital of Rs. 10 lakhs each.

Small-Scale Industries Board was constituted on the 2nd November, 1954 in accordance with the recommendations of the Ford Foundation Industrial Planning Team, to frame and recommend programmes generally for the development of small-scale industries in India.

Central Silk Board was constituted in 1949 for the promotion and development of sericulture and the silk industry Central Sericultural Research Station has been established at Berhampore (West Bengal) in 1943. It conducts experiments and research in the various branches of the sericulture industry and has a sub-station at Kalimpong.

Coir Board—Under the Coir Industry Act of 1953 a Coir Board has been established with its headquarters at Ernakulam in Kerala State.

Industrial Estates—Second Five-Year Plan emphasises the need of industrial estates in different parts of the country. It is planned to construct 103 industrial estates. Nearly 200 small-scale industries
have been provided with factory accommodation in these industrial estates.

The Government of India have set up an organisation known as Indian Handicrafts Development Corporation (Private) Ltd. It will organise production of handicrafts on a commercial basis to ensure prompt supply against orders, particularly in regard to exports. The Corporation will also establish sales depots and selling agencies.

SPECIAL COTTAGE INDUSTRY PRODUCTS OF INDIA

Bidri work—'Bidri' is so called after the ancient of Bidar, the place of origin. The basic material employed in the manufacture is an alloy consisting mostly of zinc and copper. Pure gold or silver in sheets or wires is hammered and inlaid into carved design. The alloy which is of leaden colour turns into jet black and forms a contrasting background to the silver or gold design. Articles of modern use, such as cigar and cigarette boxes and cases, ash trays, vases, powder boxes, trinket boxes, fruit bowls, etc., are being manufactured.

Phulkari—is the general name given to the famous Punjabi shawls known as Bagh and Phulkari. Phulkari means flower-craft and Bagh a garden. The embroidery is done with soft un-twisted silk called pat, on plain coarse khaddar. The motifs and designs are both rich, colourful and attractive with ends or Pallas of exquisite workmanship. The whole sheet of khaddar gets covered like a garden in full bloom and presents a gay and floral appearance.

Filigree work is an indigenous art of Orissa State. It is now prevalent in Orissa, Hyderabad, Kashmir and West Bengal. Pure silver wire of different shapes and gauges are used for filigree work. Charcoal and silver solder are utilised for soldering the filigree work. The types of products are—ash trays, bangles, betel boxes, buttons, caskets, cigarette boxes, flower vases, necklaces, ear tops, powder boxes, etc.

Horn articles—The horn industry, like the filigree industry, has been an indigenous cottage industry of Orissa. It is now largely found in Kerala, Orissa, Bombay, Andhra Pradesh and West Bengal. The main raw material is buffalo horn, and horns of deer and bisons are also used for some special types.

Ivory work—Ivory carving is an outstanding handicraft in many states of India, chief of them being Kerala, Hyderabad, Mysore, Madras, West Bengal, Delhi and Rajasthan.

Nirmal work—The toy industry of Nirmal is peculiar to the Andhra Pradesh (Hyderabad). These toys are made of 'burgu' and 'runki' wood which are very light in weight and easily workable. The products consist of vegetable and fruit trays, bangles, lamp stands, cigar and cigarette boxes, ladies shoe hills, etc. The industry is carried on in the small village of Nirmal in Adilabad district, Hyderabad.

Silk Products—Murshidabad produces several varieties of silk of the softest texture. Mysore silk saris are in vivid colours, the beauty of which is enhanced by their small edging of gold and silver;
the thicker Kashmir silk sari has edges worked in coloured silk. The 
tasur from Sambalpur, mogra silks from Ahmedabad, the silks of 
Surat and silk satinnette from Kathiawar, the patola silk of Baroda, 
all vie with other in texture and colour and durability.

Metal Art Wares—The polished brass with engraving or enamelling of Jaipur, Kashmir, Moradabad and Banaras; the brass, copper 
and bronze cast images and wrought pieces of Madura and Tanjore 
with edged or encrusted mythological motif are only some of the 
numerous instances of the distinguished art of the country in this 
field. The other articles manufactured are—flower vases, candle 
sticks, decanters, finger bowls, tumblers, fruit dishes, powder pots, 
etc., etc.

Handloom Industry—There are over 28 lakhs of looms in India. 
Each loom provides employment to about three persons at various 
stages. About 75 lakhs of people are thus employed in this 
industry. Handlooms yearly produce more than 2,500 million 
yards—roughly one-third of the total mill production. Certain 
varieties of cloth have been reserved exclusively for the handloom 
sector, such as coloured sarees, dhoties, towels, bed sheets, etc.; over 
5,000 co-operative societies have so far been formed with a total of 
10 lakh looms. Handloom exports earn about Rs. 8 crores in foreign 
currency every year. A Handloom Fabrics Marketing Society has 
been established to promote inter-State and export marketing for 
handloom fabrics. The handloom textile industry is wide-spread 
in India. It consists of cotton wools, wool and silk spinning 
and weaving and dyeing and printing, such as famous cotton sarees 
and dhoties of Madras, Madhya Bharat and West Bengal; famous 
furnishing fabrics made at Orissa and Bihar, gorgeous brocades 
of Banaras and Hyderabad, scarves of Banaras, famous prints of 
Mursehidadab, Furrukhabad, Jaipur and Bombay, Batik of Santineke-
tan; Kalmakari (pen work) of Masulipatam, tie & dye of Jaipur, 
Mysore, West Bengal and Kashmir silk sarees and dress material; 
woollen fabrics of Kashmir, and carpets, rugs and druggets of Mir-
sapur, Bhadohi, Ellore, Kashmir, Bangalore and Jaipur.

STATE COTTAGE INDUSTRIES

Ajmer—The most important cottage industry of this place is 
handloom weaving. Other industries are leather goods, toys, soaps, 
furniture, buttons and moodhas.

Assam—Sericulture and handloom weaving industries are the 
most important industries in this State. These industries are mostly 
pursued by women. Assam is noted for her non-mulberry silk, viz., 
Eri and Muga from time immemorial. Muga is a light-brown silk, 
used in summer and winter. The total production of Muga raw silk 
in Assam is estimated to be nearly 180,000 lb. The bulk of this pro-
duction of muga raw silk is done in a village named Sualkuchi, situated 
on the northern bank of the Brahmaputra. Muga silk is produced by 
a kind of caterpillar which feeds on the leaves of som and sulus trees. 
Eri or Endi is a rough cream coloured silk used in winter, as it is 
warm. The worms feed on eri (castor) seeds. Among the other
cottage industries are rice pounding, ivory, bamboo and canework, bell-metal work and bee-keeping.

Bihar—The cottage industries in this State in their order of importance are handloom weaving, steel goods and cutlery, tanning and leather manufacture, pottery, jewellery, non-ferrous metal wares. This is the only State which produces shell buttons from the mother-of-pearl.

Bombay—Handloom weaving industry is the most important cottage industry of Bombay. There are about two lakh handlooms maintained in the 27 districts of the State. The other industries in the order of their importance are tanning and leather, village oil, hand-made paper, ivory horn and wood-carving, non-ferrous metal wares and cane work. The important industry of Kutch is handloom weaving. The other industries are cutlery, jewellery, non-ferrous metal ware, tanning and match.

Saurashtra is famous for tanning and leather goods industry, brass utensils, iron and steel articles. In addition to these, weaving of cotton and wool is an important industry.

Courgy—There is only one cottage industry in this State, namely, bee-keeping.

Delhi—Among the important cottage industries of Delhi are leather industries, paal and zardozi, ivory carving, cane and bamboo basket making, calico printing, plastic goods, paper products, brass wares, wood work, artificial limb making, sola hats, imitation jewellery, gold and silver jewellery, lock making and tin containers, button making, soap making, tazi-dermy, thread ball, gas mantle, wooden scales, surgical goods, sports goods and metal works.

Himachal Pradesh—The only cottage industries reported from this State are cotton hand-spinning and handloom weaving and woollen hand-spinning and hand-weaving. Sericulture industry exists in all districts.

Andhra Pradesh—The important cottage industries of Andhra Pradesh are as follows—(1) Toys are made in different places in Andhra Pradesh, such as Kondapalli, Nirmal, Nokkapalli, and Tirupathi. (2) Carpets of Warangal and Eluru are really the pride of Andhra Pradesh. They are woven from silk, cotton or woollen yard. (3) The art of fabric printing in Andhra Pradesh is unique in character. (4) The artistic mat weaving industry is carried on in Mahabubnagar district where Thunga grass is grown abundantly. (5) Bedware of Hyderabad is an important cottage industry of Andhra Pradesh. The basic material is an alloy of zinc with small proportions of other non-ferrous metals. (6) Silver filigree work flourishes in Karimnagar district, which shows exceeding delicate workmanship of local goldsmiths. (7) Himroo fabrics are an extra wett figuring fabric having a solid coloured ground of satin or twill decorated with figurative motifs. Himroo cloth makes very attractive ladies' coats, tunics, blouses, shawls, etc. (8) Lace industry is carried on extensively in Narsapur and Palakole. (9) Glass bangles and beads industry is very flourishing in Andhra Pradesh. This is
Ivory carving is another important handicraft.

Jammu & Kashmir—The cottage textile industry covering mainly wool and silk is an important industry. In the textile industry, the products worth mentioning are tweeds, gabba, pattu, pile carpet, namdas and shawls (pashmina & toosh). The other industries in the State are furniture made of walnut, cane and willow works, wood carving, papier-mache work, jewellery and stone polishing.

Madhya Bharat—The most important cottage industry in the State is the handloom weaving industry. The products well-known even outside the State are the chanderi and makeswari sarees. The village of Chanderi, 24 miles from Mungaoli in Madhya Pradesh, is for long been the reputed production centre of superfine saries whose borders, paloos and traditional butties have won the admiration of fashionable women all over the world. The other industries are hosiery, wool weaving, dyeing and printing, sports goods, steel safes, leather goods and food processing.

Madhya Pradesh—Handloom is the most important industry in the State. The other industries of some importance are tanning and leather work, confectionery, fruit canning, brass and copper utensils and oil and soap. The hand-weaving industry is the only important cottage industry of Bhopal.

Madras—This is the most important handloom weaving State in the country with 841,140 handlooms and 1,395 powerlooms. The most noted of its handloom cotton products are sarees, dhobies, towels, sheetings and coatings and shirtings. The other industries in order of merit are hosiery, carpets and druggets, blankets and cumblies, printing, tanning and leather goods, food processing, non-ferrous metal ware, steel goods, matches, toys, etc.

Manipur—Handloom weaving industry is the most important cottage industry.

Mysore—One of the leading States in the field of cottage industries. Handloom industry is the leading industry with 35,000 handlooms and 1,042 powerlooms. The most famous of its textile products are silk sarees, blankets, carpets, and druggets and silk in running length. The other industries in the order of their importance are sericulture, art products including carving and inlay in ivory, sandal wood, rose wood and metal, glass bangles, incense and perfumery, leather goods, steel goods, soap, wooden, clay and lacquered toys and food processing.

Orissa—Handloom industry is a noted industry of Orissa. The other noted industries are silver filigree, ivory, horn and soap stone, tanning and leather goods and wooden utensils.

Punjab—The important industry of the state is handloom industry. The most noted textile products are furnishing fabrics, blankets and hosiery. The other important industries are furniture, wood carving, jewellery, food processing, sports goods, non-ferrous metal ware and a variety of steel and engineering goods, leather goods, bangles and hosiery industry. Carpet making is also a flourishing industry of Punjab.
Rajasthan—The handloom industry is of course the most important of all. Its noted textile products are printed sarees and scarves, tie and dye carpets and niwar. Rajasthan is the biggest wool-producing state of India; Jodhpur and Jaipur are famous for the manufacture of embroidered shoes. Jaipur produces the best type of brass work in the whole of India. The other industries are art products, papier-mâché, marble stone and ivory work, leather goods and toys.

Kerala—Great stride has been made with regard to some cotton industries, such as, handloom textiles, coir and coir mattings, grass and screw pine mats, ivory, wool products, etc.

Tripura—Besides handloom textiles, the other industries are cane and bamboo work, coir matting, oil pressing, carpentry, smithy, pottery, bidi making.

Uttar Pradesh—Silk industry is engaged in the production of gold and silver thread brocades, silk sarees and scarves. Mirzapur carpets are produced in wide and varied designs. Dyeing and cloth-printing is a flourishing industry in Lucknow and Furrukhabad. Moradabad is famous for ornamental brassware. The manufacture of glass bangles, which is one of the important cottage industries in this State, is made at Ferozabad. Khurja glazed pottery is now known all over India. Other important industry is fibre industry, such as making of baskets, chocks and cane furniture. Gur making is the biggest cottage industry in U. P. Other cottage industries of U. P. are zari and embroidery of Agra, Pakki Kelai of Moradabad, blankets of Nazimdarbad and Almorah, sports goods of Meerut and gold threads of Varanasi.

West Bengal—There are 97,151 handlooms and 1,198 power-looms in the State. The most famous textile products are silk and cotton sarees and dhoties. The other industries are jute and wool weaving, sericulture, tanning and leather goods, brass and bell metal utensils, steel and engineering goods, sports goods, ceramics, cutlery, furniture, art products including horn, ivory and wood. Besides these, there has been considerable development in hand-made paper, palm gur, mat, bee-keeping, etc.
BHOOODAN MOVEMENT

The Bhoomi movement, started in 1951, is a unique movement of
great social significance in India. It seeks to bring about what we
call a peaceful agrarian revolution in the country. The move-
ment consists in the collection of land from land-owners as ‘gifts’,
and distribution to the landless. India’s efforts to solve her gigantic
land problems through a peaceful revolution are now engaging world-
wide attention.

The idea of this voluntary donation of land to landless peasants
was initiated by Acharya Vinoba Bhave, a sincere disciple of
Mahatma Gandhi, during one of his visits to the Hyderabad State on
18th April, 1951, where he had gone to attend a conference of
Gandhian workers. On April 18, 1951 at Telangana, a district of
Hyderabad which was a centre of a strong communist-sponsored
movement for the redistribution of land, some landless workers came
to him and complained that though they were willing to work, but
they had no land to work on. An idea suddenly flashed in the mind
of Vinoba Bhave who at once asked the assembled people whether any
one among them would be willing to donate land to the poor landless
people. A man sitting silently among the assembled people at once
stood up and said that he had been looking for an opportunity to
give away one-half of his 200 acres of land all these years. So,
this little incident gave start to this agrarian revolution in India.

Describing the aims of his movements Vinoba Bhave says, “In
a just and equitable order of society, land must belong to all. That
is why we do not beg for gifts but demand a share to which the poor
are rightly entitled. The main objective is to ‘propagate right
thought,’ by which social and economic maladjustments can be
corrected without serious conflicts.” Vinoba Bhave has also said,
“this Bhoomi Yajna is an application of non-violence, an experiment
in transformation of life itself. I am only a tool in His hands who
is the Lord of all ages, like even those who give and those who
will receive the gifts. It is a phenomenon inspired by God.”

From now on Vinoba Bhave started his nation-wide campaign
with the aim of distributing 50,000,000 acres, i.e., one sixth of India’s
cultivable land among country’s 10,000,000 landless families. He
undertook a propaganda tour on foot for this purpose, holding prayer
meetings where he appealed for gifts of land.

Under the scheme which was intended to apply the Gandhian
principle of non-violence to social and economic problems—a target
was fixed for a district and when this had been reached, the land was distributed among the landless families (the minimum amount given being five acres of dry or one acre of wet land) on condition that the recipients had no other means of livelihood and were prepared to cultivate it with their own hands. Distribution took place at village meetings at which villagers decided whose need was the greatest: if disagreement arose or insufficient land had been allocated, lots were drawn. The land was given in trusteeship, on the understanding that it would not be sold, mortgaged, rented or left fallows, and that, if misused, it should return to the 'pool’ for redistribution. According to the plan, ‘Harijans’ will be given one-third of the entire land collected. In the redistribution of land, above conditions should be fulfilled. The distribution takes place at public meetings in the villages.

An appeal was also launched for money to provide agricultural implements for beneficiaries of the scheme. A gift of Rs. 1,200,000 from the Gandhi Memorial Fund for this purpose was announced on July 9, 1955. Several States have rendered active assistance to their movement in order to facilitate the donation of lands to Bhoo' dan and the redistribution of such lands, necessary legislation has been enacted in Bombay, Bihar, Madhya Pradesh, Orissa, Punjab, Rajasthan, Uttar Pradesh, Delhi and Himachal Pradesh. Upto December 1957, 43.82 lakh acres were donated to the Bhoo' dan movement and the area distributed was about 6.54 lakhs.

Along with this land gift movement, Vinoba Bhave has started other movements to enlarge the concept of Bhoo' dan movement. These movements are Sampattidun (wealth gift), Shramdan (labour gift), Buddhidan (intelligence-gift), Jivandan (gift of one's whole life to the cause) and Gramdan (gift of entire land of the village).

Gramdan - or the gift of a whole village in the latest phase of Vinoba Bhave’s Bhoo' dan movement. The gramdan movement opens up new possibilities of social reconstruction and economic uplift of building up a new social order based on equality and co-operation. In a gramdan village individual ownership of land ceases and the whole village becomes a unit. The Five-Year Plan also recognises that the practical success which is achieved in the development of gramdan villages will have great significance to co-operative village development.

The first village to come under gramdan is Mangrooth in Uttar Pradesh which is an example of the success of the movement. In Bihar gramdan villages have established their own grain centres, have even pooled their debts and shared expenses in social ceremonies like marriage. More than than 3,000 villages in twelve States had been offered to the gramdan movement by the end of August 1957, Orissa headed the list with 1,847 villages, Kerala, Bombay and Madras followed with 301,237 and 223 villages respectively. The essential features of the movement is the non-violent technique adopted and its voluntary character. The Central Government were to provide a sum of Rs. 11.92 lakhs during 1956-57 and Rs. 10 lakh during 1957-58 towards meeting the cost of this gramdan movement.
HINDUSTAN YEAR-BOOK

LAND GIFTS FROM STATES

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GRAMDHAM

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Total: 43,81,871

6,53,868
INDIA'S COMMERCE

PATTERN OF INDIAN TRADE—Throughout the British period, India normally had a favourable balance of trade. The preponderance of manufactured articles in the country's imports and that of agricultural commodities and raw materials in its exports were a feature of India's foreign trade. Till 1939, before the outbreak of World War II, India was mostly an importer of manufactured goods and exporter of agricultural commodities and raw materials. The value of our exports exceeded the volume of our imports, so that we had a favourable balance of trade.

Notable changes have taken place in respect of all these characteristics of our foreign trade as a result of the industrial development of the country during and after war. Before World War II, we were mostly an exporter of minerals and agricultural commodities, we are now an important importer of foodgrains and industrial raw materials. Before 1939, 75 p.c. of our imports comprised manufactured articles in the form of consumer goods, at present the bulk of our imports consists of machinery, metals, chemicals, oilman's stores and industrial raw materials.

Before and during World War II, our foreign trade generally showed a favourable balance of trade; in recent years, our exports have lagged far behind our imports, thus causing a heavy drain on foreign exchange reserves built up during the war.

THE GOVERNMENT FUNCTIONS AND ORGANISATION—The Ministry of Commerce and Industry is concerned with the work connected with foreign trade, control over imports and exports and export promotion, negotiation of trade treaties, determination of tariffs, commercial representation in overseas countries and participation in international trade fairs and exhibitions and it is also concerned with inter-trade organisations. While the Ministry frames the overall commercial and industrial policies, the executive work connected with their implementation, is the responsibility of the several attached organisations under the Ministry, which are as under—

(1) Office of the Chief Controller of Imports and Exports—It is responsible for the execution of the Government's policies relating to import and export control. Branch offices of this organisation are functioning in Amritsar, Bombay, Calcutta, Cochin, Madras, New Delhi, Pondicherry, Rajkot, Shillong and Visakhapatnam.

(2) Office of the Economic Adviser to the Government of India—The Economic Adviser renders technical advice to the Ministry on all economic matters. He collects, studies and interprets various economic information having bearing on India's foreign trade and commerce.

(3) Export Advisory Council—is composed of 20 non-official members, representing Chambers of Commerce, Trade Associations, industrial interests and exporters, to discuss the difficulties
in regard to goods, to recommend methods of expanding exports of products of Indian manufacturing industry, and to recommend the best means of expanding the aggregate exports of staple commodities.

(4) Import Advisory Council—is primarily responsible for advising the Government of India in all matters of general policy relating to import control.

(5) Port Committees at Bombay, Calcutta and Madras—These are advisory committees which advise the local Export Trade Controllers on all major problems connected with the export trade. They are considered as branches of the Export Advisory Council.

EFFORTS TO INCREASE INDIA'S FOREIGN TRADE—In view of the critical unfavourable balance of trade and gradual deterioration of foreign exchange position, the Government of India are making all-out efforts to increase India's export trade. The methods adopted for export promotion are as follows—

1. Directorate of Export Promotion—This Directorate assists exporters in moving their export consignments in full wagon loads from places in the interior to the ports of shipment.

2. Export Promotion Advisory Committees have been set up at port towns. These Committees consist of experienced businessmen. The Committees undertake the study of commodities exported from the ports within the jurisdiction of their respective zones and endeavour to explore the export potentialities of commodities produced in the hinterland, which are not yet making an adequate contribution to the country's foreign exchange earnings.

3. Exports Risks Insurance Corporation was established in September 1957, with headquarters at Bombay. The Corporation offers facilities to the exporters to insure risks arising in the course of export trade, which are not normally covered by commercial insurance companies.

4. Exhibitions and Fairs—The Directorate of Exhibitions gives visual publicity to Indian products in an effort to evoke consumer interest in them. India participates on a substantial scale in a number of exhibitions and fairs held abroad.

5. Show Rooms and Trade Centres—have been established in different places in foreign countries to provide facilities to Indian traders to bring their wares to the notice of importers in foreign countries.

(6) Trade Agreements—Bilateral trade agreements are being concluded with many foreign countries. The main objective of these agreements is to reduce the strain on country's limited supplies of foreign exchange by securing essential goods from non-dollar areas in return for India's staple exports. These trade agreements are of two types, namely, trade agreements with quantitative commitments for export and import of goods and general trade arrangements through exchange of letters of commercial goodwill. So far Trade Agreements have been concluded with 24 countries—Afghanistan, Austria, Bulgaria, Burma, Ceylon, Chile, China, Czechoslovakia, Egypt, Finland, East and West Germany, Hungary, Indonesia, Iraq, Italy, Norway, Pakistan, Poland, Rumana, Sweden, Soviet Union, North Vietnam and Yugoslavia.
(7) Trade Delegations—are sent to different countries for exploring the possibilities of the expansion of India’s trade with those countries and for the establishment of closer economic and commercial ties.

(8) Commercial Services—India has Indian commercial representation at twenty-two centres. In the countries where trade representatives have not so far been appointed, Indian trade interests are being looked after by the Indian Ambassadors, Consul-Generals, etc. India’s trade representatives answer trade enquiries, actively encourage the establishment of trade relations between genuine firms on either side, publicise Indian products by various methods.

(9) General Agreement on Tariffs and Trade (GATT)—India is one of the contracting parties of the GATT. This has helped in various ways to facilitate the expansion of foreign trade in different countries.

(10) State Trading Corporation—The Government of India have set up on May 18, 1956, the State Trading Corporation as a private limited company. It has an authorised capital of Rs. one crore, divided into 100,000, shares of Rs. 100 each. The subscribed capital will be Rs. 5 lakhs. All shares are owned by Government of India. The objects of the Corporation are to organise and effect exports from and imports into India of all such goods and commodities as the company may from time to time determine. The principal endeavour of the Corporation has been to diversify and supplement the country’s foreign trade. New markets have been developed for export and fresh sources for importing the country’s essential requirements have been tapped.

Besides the organisation at Headquarters, it has regional offices at Calcutta, Madras, Bombay and Visakhapatnam.

(11) Export Promotion Councils—have been set up for different industries. There are now altogether eleven Export Promotion Councils, such as, for shellac, sports goods, chemicals, etc. Apart from the routine items of work, the following activities of an important character bear special mention—(a) Cotton Textiles Export Promotion Council (b) Silk and Rayon Textiles Promotion Council (c) Engineering Export Promotion Council (d) Plastics Export Promotion Council.

IMPORT AND EXPORT CONTROLS—Import and Export controls were first introduced in May 1940 as a war measure under the Defence of India Rules. Although the latter expired in September 1946, controls were continued for one year under an emergency act. In 1947, Import and Export (Control) Act was passed, providing new legal basis for Import and Export Controls. The legislation though conceived as a temporary measure, is being renewed from time to time and unless further extended will be in force till March 31, 1960.

Import Control Policy—The basic objective of Indian import controls is to allocate India’s limited supply of foreign exchange among its most essential import needs. In general, capital goods, capital repairs, and raw materials required by industry are given the highest priority in granting of import licenses. Licenses are granted for only a few types of consumer goods and then only for limited
quantities. The Government, nevertheless, has indicated that it intends to continue to permit the import of a small amount of luxury goods, where these items are a profitable source of Government revenue or where their import is provided for by a bilateral agreement. Import licenses may be issued more freely for particular goods if they are in such short supply in India that their prices are likely to rise rapidly. Import licenses is issued less freely for goods which compete with products of an Indian industry that the Government is seeking to protect. Import control also involves directional controls, in that imports from soft-currency areas are more freely licensed than from dollar and other hard currency areas. Licenses to import from dollar areas are generally issued only when the product is not obtainable on comparable terms from soft-currency areas.

For the present, in order to conserve foreign exchange, import quotas of many items are being drastically reduced. Having regard to the deterioration in the foreign exchange position, the restrictive trends in import policy have been intensified. The Government's firm resolve to prune heavily the import from abroad was announced in June 1957. On 29th June, 1957, the Government of India announced severe import restrictions to meet the country's foreign exchange difficulties. The main features of the policy were the complete suspension of granting of licences to established importers and abolition of the systems of O. G. L. except for a few items of border trade between East Pakistan and India. This policy is being rigorously followed.

India's import policy is revised twice a year to establish new quotas for the various licenses to be issued during the following 6 months.

Licenses are of two types: (1) open general licenses and (2) individual licenses. The open general license takes the form of an announcement by the India Government granting general permission to import particular commodities into India from specified countries. Individual licenses specify the importer, the value and/or quantity of the designated commodity and the country or currency area of source. They are ordinarily not transferable.

Export Control Policy—India began to liberalise her controls over exports after the end of World War II in 1944. The principal purpose since that time has been primarily to allocate India's limited exports in such a way as to restore the position of Indian exports in foreign markets, particularly in the hard-currency areas, to the maximum extent possible without creating serious shortages in India. The main objectives of the export control are the following—(1) to encourage exports consistent with internal requirements, in such a manner as to further the economic development of the country, (2) to canalise exports to yield sufficient dollar and other hard currencies, (3) to encourage exports of processed goods, (4) to conserve supplies for internal consumption of those commodities which are in serious shortage, (5) to control the rate of exploitation of India’s mineral resources.

The present export policy may be described in the following way—reduction of export duty and other tax reliefs on
certain goods like tea, curtailment of domestic consumption of certain commodities like groundnut oil, exploration of the possibility of negotiating trade agreements on the line of Indo-Egyptian Trade Agreement, etc.

INDIAN EXCHANGE CONTROL—Foreign exchange has been under control in India since 1939. This exchange control gives the Government wide powers to control transactions in foreign exchange and securities and in the import or export of bullion or currency. Transactions between India and all foreign countries are subject to exchange regulations, although regulations vary somewhat as applied to different countries. The object of the Indian Exchange Control is to secure a balance in international payments account. There are restrictions on imports but remittances are freely allowed against permitted imports. In fact, a specific or a general license to import any goods carries with it the right to remit funds so that merchants in foreign countries exporting the Indian goods within the licensed category are sure of getting prompt payment. The regulations also allow remittance of profits, interest, dividends, savings of foreign companies and foreign nationals carrying on business in the country. There is a generous quota of exchange for travel within the soft currency countries, though travel to Dollar areas has to be specially authorised. Investment of Indian capital in foreign countries is not permitted except in the case of opening of branches of trading, banking and insurance companies.

Reserve Bank of India is in charge of the overall administration of exchange control. However, it has delegated considerable authority over day-to-day operations to those banks and their branches which have been authorised to deal in foreign exchange. All exchanges must be bought and sold at prices prescribed by the Reserve Bank of India.

INTERNAL TRADE—India's Coastal Trade has been divided into the following maritime blocks—(1) West Bengal (2) Orissa (3) Madras and Andhra (4) Kerala (5) Cochin Port (6) Bombay (7) Saurashtra, Okha and Kutch. The trade between ports in the same maritime block is classed 'internal trade' and that between one maritime block and another as 'external trade'. In 1956-57 the total coast-wise trade was valued at Rs. 343 crores, consisting of Rs. 180 crores imports and Rs. 163 crore exports.

DIRECTION OF FOREIGN TRADE—About one-half of the total foreign trade of India is confined to three countries, viz., the U.K., the U.S.A., and West Germany, whose shares come to 27 per cent, 14 per cent, and 9 per cent respectively. In pre-war period, the British Commonwealth occupied the foremost position in our foreign trade; in recent years her relative importance has declined and our trade with the U.S.A., West Germany, Japan, Italy, the U.S.S.R. and countries of West Asia and East Asia is on the increase.

TARIFF COMMISSION—The origin of the Tariff Commission is to be found in the recommendations of the Fiscal Committee established by the Govt. of India by a resolution on 20th April, 1949. The
Fiscal Commission came to the conclusion that India needs a permanent authority to examine claims for protection to supersede the old temporarily appointed Tariff Boards and that the terms of reference of the new body and its powers should be wider than those of the old Tariff Boards. The Fiscal Commission laid down as its first principle for the application of protection that it should be related to an overall plan of development.

Its Constitution—The membership of the Tariff Commission comprises not less than three and not more than five members, one of whom is to act as Chairman. Not more than two additional members may be appointed for special purposes. Assessors with special knowledge may also be appointed by the Central Government to assist the Commission in specific enquiries. Sittings of the Commission are to be open to the public unless the Commission decides otherwise in any particular case.

The Commission is a quasi-judicial body and can, as such, summon and enforce attendance, examine on oath and compel the production of documents.

The functions of the Commission—The Commission may—
(a) consider claims of protection from industries which have not yet started production;
(b) consider the question of protection for agricultural as well as other industries;
(c) consider requests for protection by means other than an increase in tariff rates, e.g., by concessional duties in respect of raw materials and by subsidies;
(d) enquire and report generally on the efforts of protection on prices and cost of living and on anomalies arising from the operation of protective or revenue duties;
(e) act in respect of certain classes of enquiries, sou motu;
(f) decide on the duration of protection;
(g) enquire price of particular commodities whether protected or not;
(h) investigate into and report on the following matters—increase or decrease in customs or other duties for protective purposes, dumping, undue advantage being taken of tariff protection by protected industries;
(i) consider the effect of protection on the general price level, the cost of living or the country's economy generally;
(j) consider anomalies resulting from the working of protective duties;
(k) enquire, at prescribed intervals of the effects of protection on a given industry with reference to cost of production, scale of output, quality, prospects of future expansion and the competitive position of the industry.

Principles guiding the Enquiries—When investigating a case for protection, the Commission is required to have due regard to the following points—
(a) Comparative costs of production in India and competing countries;
(b) Cost of import of competing commodities;
(c) Representative fair selling price;
(d) Level of demand, local production, and import;
(e) Effect of protection (if granted) on other industries including cottage and small scale industries.

INDIA'S FOREIGN EXCHANGE RESERVES
(Lakhs of Rupees)

<table>
<thead>
<tr>
<th>Assets</th>
<th>Movements</th>
<th>Assets</th>
<th>Movements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>increase+</td>
<td></td>
<td>increase+</td>
</tr>
<tr>
<td></td>
<td>decrease-</td>
<td></td>
<td>decrease-</td>
</tr>
<tr>
<td>1952-53</td>
<td>803.40</td>
<td>+16.71</td>
<td>1355-56</td>
</tr>
<tr>
<td>1953-54</td>
<td>832.27</td>
<td>+28.87</td>
<td>1956-57</td>
</tr>
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</table>


INDIA'S STERLING BALANCES
(In Crores of Rupees)

<table>
<thead>
<tr>
<th>Average of Fridays</th>
<th>Foreign Securities</th>
<th>Balance held abroad</th>
<th>Sterling Balances</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948-49</td>
<td>907.47</td>
<td>307.78</td>
<td>1215.25</td>
</tr>
<tr>
<td>1949-50</td>
<td>647.04</td>
<td>180.91</td>
<td>827.95</td>
</tr>
<tr>
<td>1950-51</td>
<td>624.70</td>
<td>207.70</td>
<td>832.40</td>
</tr>
<tr>
<td>1951-52</td>
<td>625.27</td>
<td>187.14</td>
<td>812.41</td>
</tr>
<tr>
<td>1952-53</td>
<td>564.40</td>
<td>185.56</td>
<td>749.96</td>
</tr>
<tr>
<td>1953-54</td>
<td>504.02</td>
<td>123.31</td>
<td>717.33</td>
</tr>
<tr>
<td>1954-55</td>
<td>648.81</td>
<td>87.59</td>
<td>736.34</td>
</tr>
<tr>
<td>1955-56</td>
<td>656.62</td>
<td>66.96</td>
<td>723.48</td>
</tr>
<tr>
<td>1956-57</td>
<td>545.61</td>
<td>61.77</td>
<td>601.38</td>
</tr>
<tr>
<td>1957-58</td>
<td>329.65</td>
<td>40.47</td>
<td>320.12</td>
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</tbody>
</table>


INDIA'S BALANCE OF PAYMENTS
(All areas—current account)

<table>
<thead>
<tr>
<th>Crores of Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imports c.i.f.</td>
</tr>
<tr>
<td>Exports f.o.b.</td>
</tr>
<tr>
<td>Trade balance</td>
</tr>
<tr>
<td>Official Donations (net)</td>
</tr>
<tr>
<td>Other invisibles (net)</td>
</tr>
<tr>
<td>Current account (net)</td>
</tr>
</tbody>
</table>


VALUE OF IMPORTS, EXPORTS, RE-EXPORTS AND BALANCE OF FOREIGN TRADE OF INDIA IN MERCHANDISE
BY SEA, AIR AND LAND
(In Lakhs of Rupees)

<table>
<thead>
<tr>
<th>Imports</th>
<th>Exports</th>
<th>Re-Exports</th>
<th>Balance of trade in merchandise*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951-52</td>
<td>970.84</td>
<td>728.89</td>
<td>13.89</td>
</tr>
<tr>
<td>1952-53</td>
<td>671.23</td>
<td>572.31</td>
<td>6.74</td>
</tr>
<tr>
<td>1953-54</td>
<td>576.74</td>
<td>526.16</td>
<td>4.55</td>
</tr>
<tr>
<td>1954-55</td>
<td>666.44</td>
<td>588.47</td>
<td>6.60</td>
</tr>
<tr>
<td>1955-56</td>
<td>704.99</td>
<td>603.85</td>
<td>5.67</td>
</tr>
</tbody>
</table>

* Excluding Transit Trade.
INDIA'S INTERNAL (COAST-WISE) TRADE
(In Lakhs of Rupees)

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1953-54</td>
<td>...</td>
<td>15,516</td>
</tr>
<tr>
<td>1954-55</td>
<td>...</td>
<td>16,645</td>
</tr>
<tr>
<td>1955-56</td>
<td>...</td>
<td>17,828</td>
</tr>
<tr>
<td>1956-57</td>
<td>...</td>
<td>17,963</td>
</tr>
</tbody>
</table>

INDIA'S BALANCE OF TRADE IN MERCHANDISE
(Sea, Air and Land—Private and Government)
(Lakhs of Rupees)

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
<th>Balance of Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952-53</td>
<td>669,88</td>
<td>577,37</td>
<td>-92,51</td>
</tr>
<tr>
<td>1953-54</td>
<td>571,03</td>
<td>530,62</td>
<td>-41,31</td>
</tr>
<tr>
<td>1954-55</td>
<td>656,26</td>
<td>593,54</td>
<td>-62,72</td>
</tr>
<tr>
<td>1955-56</td>
<td>704,81</td>
<td>609,41</td>
<td>-95,40</td>
</tr>
<tr>
<td>1956-57</td>
<td>582,45</td>
<td>612,62</td>
<td>-201,93</td>
</tr>
<tr>
<td>1957-58</td>
<td>927,19</td>
<td>637,43</td>
<td>-289,76</td>
</tr>
</tbody>
</table>

(Report on Currency and Finance 1957-58)

COMPOSITION OF INDIA'S FOREIGN TRADE, 1957
(In Crores of Rupees)

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Exports</th>
<th>Imports</th>
<th>Balance of Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>...</td>
<td>179.34</td>
<td>95.87</td>
</tr>
<tr>
<td>Beverages &amp; Tobacco</td>
<td>...</td>
<td>12.88</td>
<td>2.28</td>
</tr>
<tr>
<td>Crude materials, inedible except fuels</td>
<td>...</td>
<td>124.64</td>
<td>112.16</td>
</tr>
<tr>
<td>Minerals, fuels, lubricants, etc.</td>
<td>...</td>
<td>12.93</td>
<td>107.58</td>
</tr>
<tr>
<td>Animal &amp; vegetable oils &amp; fats</td>
<td>...</td>
<td>12.69</td>
<td>5.92</td>
</tr>
<tr>
<td>Chemicals</td>
<td>...</td>
<td>5.60</td>
<td>76.97</td>
</tr>
<tr>
<td>Manufactured goods</td>
<td>...</td>
<td>272.43</td>
<td>238.54</td>
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<tr>
<td>Machinery &amp; Transport Equipment</td>
<td>...</td>
<td>3.71</td>
<td>306.78</td>
</tr>
<tr>
<td>Miscellaneous manufactured articles</td>
<td>...</td>
<td>2.95</td>
<td>22.55</td>
</tr>
<tr>
<td>Transactions &amp; Commodities not elsewhere specified</td>
<td>...</td>
<td>9.58</td>
<td>7.36</td>
</tr>
<tr>
<td>Grand Total</td>
<td>...</td>
<td>642.85</td>
<td>1025.82</td>
</tr>
</tbody>
</table>

(Report on Currency and Finance 1957-58, Department of Commercial Intelligence & Statistics).