Report of the Committee on Import-Export Policies & Procedures

MINISTRY OF COMMERCE
GOVERNMENT OF INDIA

JANUARY 1978

Hon'ble Shri Mohan Dharia,
Union Minister of Commerce, Civil Supplies and Cooperation,
NEW DELHI

Sir,

We have great pleasure in submitting herewith the final Report of the Committee on Import-Export Policies & Procedures appointed by Government of India.

Yours faithfully,

31-1-1978

Sd./-
(P. C. ALEXANDER)
Chairman
Committee on Import-Export Policies & Procedures

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(R.N. Malhotra)

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(M.R. Shroff)

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Sd./-
(V.R. Panchamukhi)
Member-Secretary

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PREFACE

The Import and Export Control Act of 1947 was intended as an instrument to "prohibit, restrict or otherwise control imports and exports", and the country's Import-Erport Policies have always kept this basic objective of 'controls' in view. During the last few years and especially during the current year, there has been some degree of liberalisation in the policies relating to imports, but the policy framework and the institutional structure have more or less remained unchanged ever since 1947. Further, the procedures and formalities in the exercise of such controls have over the years become more complicated and cumbersome.

2. Government have recognised the need and urgency for appropriate changes in import-export policies and procedures so that they reflect adequately the important structural changes which have taken place in the economy, and, more particularly, the new directions and priorities of planning and development. Accordingly, a Committee of senior officials was appointed on 1st November, 1977, under my chairmanship to review the existing import-export policies and procedures and propose suitable changes in them. The following were the terms of reference for the Committee

(i) To review the present structure of import and export policies and their formulation with special reference to the role of policy instruments such as licensing, quotas, tariffs, taxes, duty drawbacks and cash assistance.

(ii) To suggest improvements in the structure and use of the instruments of policy and rationalisation and simplification of procedures.

(iii) To suggest appropriate changes in the Organisation of Chief Controller of Imports and Exports and other export-related agencies.

The Committee had the following members :

1. Dr. P. C. Alexander — *Chairman*
   Commerce Secretary.

2. Shri R. N. Malhotra
   Additional Secretary
   Department of Economic Affairs.

3. Shri M. R. Shroff
   Additional Secretary (Banking)
   Department of Economic Affairs.

4. Shri K. V. Seshadri
   Chief Controller of Imports and Exports.

5. Dr. Bimal Jalan
   Economic Adviser
   Ministry of Industry.

At its first meeting, the Committee co-opted the following members :

1. Shri P. K. Kaul
   Additional Secretary
   Ministry of Commerce.

2. Shri G. S. Sawhney
   Member—Customs
   Ministry of Finance.

3. Dr. Vijay Kelkar
   Economic Adviser
   Ministry of Commerce.

Member-Secretary

4. Dr. V. R. Panchamukhi
   Chief, Research & Analysis Division
   Trade Development Authority.

3. After identifying the main issues and problems relating to its terms of reference, the Committee prepared a comprehensive questionnaire on them and circulated it widely by direct mailings and publicity through specialised Journals and Newspapers. More than 3,000 questionaires were mailed in this manner, and replies have been received from a very large number of individuals and institutions.

4. The Committee held discussions with the representatives of trade and industry, export promotion organisations, economists and State Government officials at Delhi, Bombay, Calcutta. Madras, Ahmedabad, Kanpur, Cochin and Bangalore. These meetings were open to all those who wanted to make their representations and care was taken to ensure that all interested sections—users, producers, traders, consumers—were represented in these meetings. The Committee also had the privilege of

meeting the Union Finance Minister, Deputy Chairman, Planning Commission and his colleagues, Governor, Reserve Bank and his colleagues and the Secretaries and senior officials of the economic Ministries of the Government of India. A number of quantitative studies on various aspects of import-export policies were also undertaken to provide analytical basis for taking a view on the different issues before the Committee.

5. The recommendations contained in this Report aim at providing a new policy framework with a shift in emphasis from 'controls' to 'development'. The Committee was keen to submit its recommendations by the end of January 1978 so that Government will have adequate time to take decisions on them and have such decisions incorporated in the new Import-Export Policy which is to be announced on 1st April, 1978. We have succeeded in meeting this date-line, though this involved having meetings of the Committee for long hours almost everyday during the last several weeks.

6. Although the liberalisation of India's external trade has been recommended mainly on the basis of the plan priorities and development needs of the economy, the Committee has also taken into account its beneficial effects on the process of expansion of world trade. The Committee believes that its report will provide the Government with guide-lines along which contributions consistent with India's development, financial and trade needs could be made in the context of the Multilateral Trade Negotiations now in their final phase in Geneva.

7. The Committee is grateful to the large number of businessmen and industrialists, representatives of export promotion organisations, Government officials at State and Central levels, economists, financial journalists, bankers and numerous other who had taken the trouble of replying to its questionnaire or participating in various discussions. The Committee also wishes to acknowledge with thanks the valuable help received by it from the Directorate General of Technical Development, the CCI&E's Organisation and the Trade Development Authority.

8. As Chairman of the Committee, I wish to place on record my grateful appreciation for the generous cooperation I have received from my colleagues on the Committee. In particular, I wish to acknowledge with deep appreciation and gratitude the very valuable services rendered by Dr. V. R. Panchamukhi as Member-Secretary of the Committee. The main responsibilities

for analysing the massive data received by the Committee and preparing the basic papers for discussions fell on Dr. Panchamukhi and I wish to record my great appreciation and thanks for the devotion and competence with which he discharged his responsibilities.

P. C. ALEXANDER

31-1-1978 Chairman

New Delhi Committee on Import-Export Policies and Procedures

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CHAPTER I

INTRODUCTION

1.1 Indian economy has undergone many significant structural changes in the past two-three decades. The process of industrialisation achieved through the system of planned development has brought to the economy a wide industrial base which is at present poised for further development thrust. The share of manufacturing sector in the total GNP has increased from 19.2% in 1960-61 to 22.9% in 1975-76. Production activity in the economy has moved from primary stages to higher stages of technological sophistication. The stock of India's technical and scientific manpower has been significantly growing in the last few years. Significant structural changes have also been observed in the field of trade in terms of changes in volume, geographical pattern and commodity composition of exports and imports. Shares of exports in GNP have risen to the level of 5-7 percent in recent years (Table No. 1) as against 4-5 percent in the sixties. The share of manufactures in the total exports has increased from 43.3 per cent in 1960-61 to 59.64 percent in 1975-76. Further the share of non-traditional manufactures in the total exports has increased from 11.4 per cent in 1960-61 to around 36.1 per cent in 1975-76. Import substitution of wide range of products has implied significant changes in the commodity composition of imports as well. The share of machinery and capital goods in the total imports basket has fallen from 44.05% in 1960-61 to 17.3% in 1975-76. Added to the structural transformation of the last two decades is the recent experience of comfortable balance of payments position of the country.

1.2 In recent years exports have grown at an average rate of 26.8 per cent in value terms and 14.4 percent in quantity terms. Bulk of the incremental exports is in non-traditional products and significant entries into new markets are also achieved. Export of services and products are growing fast as important earners of foreign exchange. Remittances of Indian nationals serving abroad has contributed significantly to the foreign exchange reserve position of the country. In view of the product diversification and the natural competitiveness achieved in the major part of the Indian industry it is expected that prospects of exports of goods and services would continue to be bright in the coming years. It is hoped that foreign exchange resource position of the country in the next 5-6 years may not act as a constraint in the process of realising the potential of development thrust inherent in the present economic situation of the country.

1.3 It is worth noting that the new development strategy of the Government in terms of emphasising small and cottage industries, agricultural sector and agro-based industries and maximum employment creation implies that the country is poised for a fundamentally new framework of planning and policies. Directions of development consistent with this new strategy, of course, have to be identified by taking account of the advantages of the level and structure of production capacities already built in the economy as also the opportunities available through the import and export trade. Foreign trade is an effective machanism for improving the overall welfare of the people and thus trade policies deserve to be an integral and important part of the overall framework of planning and policies.

1.4 In the background of these factors discussed above, a new look at the economic policy framework of the country becomes imperative. In particular, the Import-Export Policy framework which was evolved in the late fifties and early sixties, largely as a corollary to the economic conditions then prevailing in the country such as inadequate industrial base, and scarce foreign exchange position, demands a new look for possible fundamental changes in response to the present economic conditions of the country. The Import Control System, for instance, along with the wide network of the institutions built into it was obviously a policy instrument relevant in the context of scarce foreign exchange resources and the imperatives of protection to the domestic industry. A time has now come to take a critical review of the policy system with a view to identifying those portions of the system which have become redundant in the context of the new situation and replacing them by a new set of relevant policies.

1.5 As against the compulsions for changes in import-export policies arising on account of the new domestic economic conditions one should also take into account the present international economic scenes to identify the direcitons of these changes. In recent years the world economy has experienced many unusual trauma in the form of oil price crisis, international monetary and exchange rate problems, protectionist tendencies in the developed market economies, urge for new international economic order, etc. While these structural changes in the world economic system have implied an environment of uncertainty and conflicts of interest, India is poised for greater opportunities in international trade due to various factors such as advances in industrialisation, lower rate of inflation as against that prevalent in the world economy, vast technical manpower with relatively cheaper wage cost. While one view could be that the present international economic scene compells a status quo for our own import-export policy framework there is also another view that we should bring about suitable changes with a view to inducting greater pragmatism in our policy system to take maximum advantage of the new situation. The situation of recession in the developed countries, economic compulsions in them to vacate some production activities in view of rising wage costs, pollution and other problems, effort of the UNCTAD and other international bodies to induct new international economic order, are some of the factors which necessitate a suitable restructuring of our own policy framework

1.6 As per its terms of reference, the Committee undertook its task in three phases : First phase was the Review of the existing policy framework with a view to clearly identifying the areas of rationalisation and revision. The Committee confined itself to only those instruments of policy which have direct bearing on imports and exports. A clear distinction was made between policy instruments, procedures and institutional framework, and it was recognised that procedures and institutional framework follow from the chosen set of policy instruments. In the second phase of work, various alternatives of policy instruments were discussed with a view to identifying the most suitable option to be recommended as policies. In the third phase of the work the changes necessary in the procedural and institutional aspects of the new policies were identified, after discussing the various options open in this regard.

1.7 In an exercise of this kind where changes in a complex policy system have to be identified, various types of interest conflicts normally come forth to blur the process of identifying the areas of rationalisation. The conflicts could be between various types of interest such as producers of a products and its users, public sector and private sector, social benefit and private profits, employment creation, income distribution, growth with efficiency, etc. These types of interest conflicts generate various alternatives of choice such as protection versus liberalisation, licensing versus tariffs, export assistance versus open competition, canalisation versus open trade. In the debate on these alternatives of choice, the Committee has tried to maintain an objectivity of approach with pragmatism.

1.8 The Committee has also recognised the need for the process of transition and has suggested that in order to keep down the costs of adjustment to the new policy framework, a phased programme of changes is necessary. The Committee would like to make it clear that the implications of the changes in the policy recommended in the Report should be viewed in the long-term perspective rather than in the immediate short period perspective.

1.9 This Report is divided into 10 Chapters. The second and third Chapters deal with the import policy system and tariff mechanism. Chapter four deals with the various aspects of export policies. A separate Chapter No. 5 is devoted to the policy of canalising both for imports and exports. In view of special importance of the small scale sector both for industrial development and also trade, the problems connected with this sector are dealt in a separate Chapter No. 6. The Seventh Chapter is concerned with the problems of evolving a simplified forms and procedures for imports and exports. Since the changes in the various instruments and procedures suggested in the previous chapters imply significant restructuring of CCI&E's network of offices this issue is taken up in the eighth chapter. The ninth chapter is concerned with the entire institutional framework consisting of EPCs, export service organisations and commercial representatives. A summary of findings and recommendations of the Committee are presented in the last chapter.

CHAPTER II

IMPORT POLICY

2.1 The present import licensing system has its origin in the Imports and Exports (Control) Act of 1947. This Act had replaced the Import Trade Control Notification, which was first issued during the Second World War under the Defence of India Rules with a view to regulating imports of selected commodities, mainly consumer goods. The 1947 Act, *inter alia,* empowered the Government to control imports of goods into India, as well as exports of goods from India, in specified class of cases, and a number of notifications were issued from time to time bringing further commodities under the purview of this Act. In 1955, a comprehensive Import Trade Control Order was issued which brought almost all imports under the purview of licensing. While there have been a number of procedural and other changes since then, particularly with the easing of the foreign exchange situation in the last two years, the basic framework of the import trade control system has remained more or less the same as in 1955. The main objectives of the import licensing system have been by and large to provide protection to the indigenous industry, to effect the right kind of import structure so as to conserve scarce foreign exchange resources and to ensure adequate supplies of inputs to industry. Any review of the existing system should be made in the light of these objectives.

Complexity of the present Import licensing system

2.2 The most striking characteristic of the present import licensing system is diversity of policy and procedures for different imports, depending on the category of importers and the nature of the commodity. Thus, to begin with, distinction is made between the import policy for registered exporters and that for all other categories of importers, such as Actual users and Established Importers. Among Actual Users, different categories, such as DGTD units, small scale units, the non-DGTD-non-SSI units, hospitals, other institutions, etc. are all governed by a different set of procedures and policies. In addition, there are Established Importers, and there are 'others' who are not covered by any of the existing categories of importers. In the Registered Exporters' Policy, for import purposes, a distinction is made among manufacturer exporters, export houses, nominee exporters and merchant exporters.

2.3 To cater to the specific requirements of the above mentioned categories of importers/exporters, there are 16 main types of licences with their various sub-categories. Each type of licence is governed by its own procedures and it carries its own list of commodities. Further, different commodities are subject to different degrees of restrictions and different forms of licensing. Thus, there are items which are on the Open General Licence (with or without an 'Actual User' condition); there are items which can be freely imported, but yet are subject to licensing (i.e. free licensing); there are restricted items, banned items; items subject to export-import link; and items which are subject to quota for 'Established Importers'. The item-wise policy is spelt out in some 44 Appendices covering about 240 pages.

2.4 The form and the degree of restriction also vary from time to time. Thus there are items, where imports are linked to specific user industry and subject to percentage restriction on the licence value. There are items, imports of which are linked with a specific user industry but without percentage restriction on the total licence value for any particular items. And, there are items which can be imported by any Actual User, but only to the extent of a specific percentage of the licence value.

2.5 In the absence of an effective monitoring system, it is not clear whether the highly differentiated system of import licensing has served the basic objective of permitting imports of any particular product only to the desired degree. The present system of restrictions cannot ensure that the supplies of the restricted items through imports are adequate enough to meet the gap between production and total demand in the economy, while at the same time, ensuring protection to the indigenous industry by restructing total imports upto the specified amount. In view of the fact that the existing manner of imposing restrictions was not particularly satisfactory, the Committee examined whether the item-wise restrictions could be made less onerous.

2.6 The review of the existing licensing system revealed that there was no correlation between the number of licences issued to different categories of importers, and the relative importance of these category of importers in the country's total import bill. Thus, Actual User licences of value of less than Rs. 1 lakh each constituted about 88 per cent of the number of licences issued to small scale industries and accounted for 35.4 per cent in terms of value (Table No. 3). In case of medium and large (non-DGTD-non-SSI) industries, the corresponding figures were 58.1 per cent and 2.3 per cent respectively. Similarly, licences issued to Established Importers constituted about 15.3 per cent of the total licences issued in numbers, but only about 1.4 per cent of the total in terms of value of licences (Table No. 3). Even though this inverse relationship is what one should expect in a controlled system, the pertinent question to be asked is whether the magnitude of the effort involved in the process of licensing and related functions, is worth the time in relation to the objectives of the whole system. A rough estimate showed that 40 per cent of the time spent on the actual user licences was for revalidation/amendment of past licences. It is clear that, if some of the infructuous work could be reduced by reform of the present system the Government agencies could devote more attention to promotional and other activities.

Licensing and Tariff System

2.7 The Committee was of the view that the incidence of protection to the domestic industry should be examined in totality by considering both the licensing system and the tariff mechanism. For this purpose, it examined the incidence of protection by the two types of policy instruments. Assuming that the different degrees of restrictions could be quantitatively identified, the Table No. 4 brings out the two-way classification of selected restricted items by the degree of restriction in the licensing system and the protection through nominal tariff rates. Total ban on imports is obviously the restriction of the highest order. Leaving such cases aside next in order is the category of restriction of linking an item to *one* specific user industry without percentage restriction. Other degrees of restriction are identified according to the percentages of licence value as prescribed in the AU policy statements. In the absence of detailed data on the effective rates of protection, the nominal rates of tariff are used to measure the degree of tariff protection. This analysis reveals that out of 626 restricted items, 252 items receive protection both through the licensing system and tariff system assuming that the tariff rates above 100 per cent imply high degree of tariff protection; 230 items are subject to less rigorous import controls (categories L2 and L3 in table) and tariff levels (below 100 per cent). 39 items have either rigorous import controls (L4 and L5 categories in the table) or "high" tariff levels (above 100 per cent). The Committee felt that though this simple analysis cannot obviously prove conclusively the redundancy or excessive serverity of one of the instruments of protection, it is only indicative of the possibility of the existence of redundancy of one of the policy instruments and suggestive of "grey" areas where further search for rationalisation and streamlining of the policy instruments becomes necessary.

2.8 Analysis of the imports of the items subjected to restrictions of one type or the other (Table No. 6) as discussed above, reveals many interesting points. Total imports of all restricted items constitute about 8.3 to 8.6 per cent of toal imports in 1974-75 and 1975-76. Growth rates of imports vary from (—) 14.3 per cent to 116.8 per cent for different product groups; that for all restricted items being 9.4 per cent, as compared to the growth rate of 14.1 per cent for the total imports into the economy. It is interesting to note from the commoditywise analysis that there is no significant relationship between the degree of restriction and tariff rates on the one hand and volume of imports on the other, indicating thereby that some policies of restriction and protection are essentially redundant. The structure of imports of restricted items does not seem to have undergone any significant changes as between 1974-75 and 1975-76.

Protection and Production Efficiency

2.9 The Committee discussed the relationship between protection through import-export policies and growth of domestic industries so protected and their production efficiencies. It was noted that protection through import-export policies could only act as a catalyst for establishment of indigenous industries in the early stages of development while such a protection system cannot be a guarantee for fast growth or improved efficiency of production. In this context, one should note the significant role of the industrial policies and other monetary and fiscal policies. But the effects of import-export policies on the pattern of domestic production growth rates in specific protected industries and efficiency of production cannot also be totally ignored. There are instances where "excessive" protection has led to creation of domestic monopolies and/or inefficiencies of production while there are also cases where protection has implied growth of indigenous technology and better utilisation of domestic skills and enterpreneurial abilities. It is also important to note that absence of protection or more openness of the economy would not automatically imply faster growth of industrial production and more efficient methods of production. The Committee was therefore not inclined to take any conclusive position on the issues of openness of the economy and efficiency of production. However, it was of the opinion that wherever production efficiency and growth aspects are hampered on account of excessive protection, there is urgent need for suitable review of the protection system.

2.10 Further, it is necessary to recognise that the objective of better production efficiency should be considered alongwith many other objectives such as employment creation, survival of the existing capacities of production, further industrialisation, technology inflow etc. For these reasons, it is felt that any effort at reducing the degree of protection should be examined on case by case basis.

Optimum Protection

2.11 The concepts of "Optimum" protection and "Excessive" protection were also discussed and it was observed that these cannot be categorically defined for all industries and for all stages of the development process. Excessiveness of protection depends upon the stages of indigenous industry, its infancy or otherwise in the domestic production activity, and its significance in the overall development process of the country. However, there was one consensus both within the Committee and with the trade and industry circles that protection—either through licensing system or tariff policy—should not continue indefinitely. There is merit in exposing the industry to an environment of effective and fair international competition so that it would learn the skills of efficiency of production and management, for cost reductions and quality productions. At least from this viewpoint, it was felt that a critical review of the magnitude of protection and the period for its validity in the case of each industry was called for.

Areas of Rationalisation Identified

2.12 The Committee noted that the basic theme of the import policy in the past, has been, by and large, one of controls and restrictions with a view to conserving scarce foreign exchange and also providing protection to the indigenous industry. It is, however, important to recognise that import policy could play significant developmental role in various ways such as providing supplies of inputs to the industry, controlling domestic prices, through proper supply management with imports, reduction in production costs by generating competitive environment.

2.13 In the light of the critical review of the present licensing system as discussed above, the Committee addressed itself to the following topics :

(a) Streamlining the licensing system by suitable reclassification of the commodities.

(b) Determining the principles for AU licensing system.

(c) Examining the utility of Established Importer category in the licensing system.

(d) Developing consistent scheme of protection through licensing system and the tariff mechanism.

2.14 In this context, the Committee has considered that the import policy should be spelt out separately for (a) consumer goods, (b) raw materials, components, consumable stores and spares, and (c) capital goods and equipment. The problem of identification of the suitable import policy instruments—licensing, tariffs, canalisation etc.—in these different cases, would be discussed in the following pages.

Import Policy for Consumer Goods

2.15 In the category of consumer goods, it is necessary to make a distinction between essential consumer goods required for the basic needs of the general mass of the population—often termed as wage goods such as foodgrains, edible oils, fabrics, etc. and non-essential consumer goods including luxury goods and others. The Committee has felt that all non-essential consumer goods should be banned for imports. In view of the fact that demand for wage goods is bound to expand rapidly as a result of the expected increase in the employment opportunities and growth in national income in the coming years, import policy for wage goods should be quite pragmatic and responsive to the compulsions of demand. General principle in this regard, should be one of ease of supplies at reasonable prices to the general population in different parts of the country. This single principle, however, has implicit in it, various important guidelines for an appropriate wage goods policy. These include that imports of wage goods should be managed at proper times when international prices are low, properly stocked, released in appropriate quantums for market management and distributed in the different parts of the country according to the location of demands. Approach towards wage goods should be in terms of such an integrated strategy and import policy should be regarded as one element in it.

2.16 In this task, the Committee felt that the public sector agencies have a vital role to play but they will need to be equipped with a competent system of monitoring world commodity markets for appropriate buying decisions, storage facilities and distribution network. These agencies should be given the power of making all commercial decisions, long-term contracting, forward contracting and futures market. Profit-cost analysis for such Agencies should not be in terms of each contracting and on annual basis, but in the overall framework over a longer period than a year. The Committee recommends delegation of suitable authority and responsibility to the public sector trading organisations in this regard.

2.17 The improvement in the foreign exchange situation has enabled the Government to import sizeable quantities of certain essential consumer goods such as edible oils, and also permit limited imports of certain other consumer goods such as watches, cloves and dry fruits etc. So far as major import items such as foodgrains and edible oils are concerned, the Committee would recommend that a somewhat longer term view in regard to the quantity and phasing of these imports would have to be taken by the concerned Ministries. As regards other consumer goods of relatively lesser importance, the Committee would recommend that the Government should announce a list of items which can be imported freely, and, therefore, can be put on O.G.L. In respect of these consumer goods, it would be desirable if imports are not subjected to too many restrictive conditions, as these tend to either perpetuate vested trading interests or lead to high prices. The Committee has not taken a view on the particular consumer goods which should be imported, as it is felt that these would have to be determined by the Government from time to time. However, it would recommend that as far as possible, in line with its other recommendations, the Import Policy for consumer goods should also be kept stable. Other consumer goods, which are not specifically permitted for import, should continue to be banned.

Import Policy for Raw Materials, Components, Consumable Stores and Spares

2.18 In designing its recommendations for a new import policy in respect of these items, the Committee tried to maintain a balance between the developmental objective and protectionist implications of the policy. Three broad principles have underlined the discussions and recommendations of the Committee. Firstly, the Indian industry should get a good impetus and development thrust through an environment of fair competition and ease in the supply of all necessary raw materials, components and spares. Secondly, all controls which are "redundant" in the new economic climate of the country should be summarily eliminated. Thirdly, domestic industry should receive adequate protection wherever necessary while at the same time continued protection for a prolonged period is avoided with a view to inducting into the economy a new culture of cost consciousness and management efficiency. Underlying these broad principles, an awareness of the implications of the new developmental strategy of the Government with emphasis on small industry and employment creation is kept pervading at all relevant places and policies towards small scale industries are spelt out in a separate chapter.

2.19 The Committee examined the possibility of classifying the commodities into three broad categories viz. (a) banned items, (b) restricted items and (c) items on OGL instead of the multiplicity of categories as at present. It was observed that items to be put on the banned list have to be in general characterised by one or more of the following features :

(a) Their imports endanger domestic industry's very existence, or

(b) The domestic production is of "strategic" importance thus dictating a policy of self-reliance.

2.20 Next comes the identification of restricted items, banned items and OGL items. The Committee considered the pros and cons of the following two alternative approaches—

(i) Preparing the lists of all items which should be put under OGL and those which should fall in the restricted and banned lists.

(ii) Preparing the lists of restricted and banned items and declaring that all the items not falling in the restricted and banned lists, constitute the OGL category.

2.21 The first alternative raises the difficulty of listing the various items on OGL, restricted & banned lists with sufficiently detailed specifications so as to avoid problems of identification at the customs and licensing stages. Further, such a listing presupposes the ability of the policy maker in envisaging all possible items in a comprehensive manner. If some items needed for domestic production are left unnoticed in this listing, it is possible that the process of putting them on one or the other lists could be time consuming thereby hindering in the meanwhile the production programme. On the other hand the second alternative presupposes that all those items for which imports are to be restricted for one reason or the other could be neatly identified so that there are no "grey" areas requiring an almost continuous process of classification and review as cases come to notice.

2.22 Apart from the administrative considerations, one should examine the economic rationale of these alternatives. The rationale for the second alternative is that protection through licensing system should be a conscious effort confined only to a few selected and well identified items while the basic philosophy is that production activities generally should have their existence and growth in an environment of open challenges from foreign producers, of course with unhindered supplies of domestic and imported inputs needed by them. If in the case of some items to be put on OGL System protection is considered necessary, then the tariff policy could be suitably adjusted for this purpose. From these considerations, the second alternative seems to be preferable.

2.23 This would also mean a reversal of the so called "nil policy" being followed. So far, the cardinal principle was that, for any item for which no policy was indicated in the Policy Book, the import of that item was not permitted. The change now being made is that for items a policy for which is not indicated, imports will be permitted under the OGL.

2.24 The most crucial issue in this context is the problem of devising suitable criteria on the basis of which items could be classified as restricted or banned or left to OGL category. One point to be noted here is that putting an item on the restricted list means that the item requires protection through licensing system and that tariff protection will not suffice, or that tariff protection is not desirable in view of its effects on domestic prices and costs. Thus, the relevant question is the following : which are the items where licensing system is "essential". Many economic and non-economic factors determine the essentiality of the licensing approach. Generally the following factors and criteria could be identified for putting an item on restricted or even banned list :

(i) Item has a significant and clear domestic small industry angle.

(ii) The item belongs to infant industry category requiring protection through licensing.

(iii) Tariff mechanism cannot be used to provide protection partly because equivalent tariff ensuring the desired degree of protection could be very high thereby pushing forward the costs in the user industry, and partly because licensing system is a surer method of protection.

(iv) Items where there is a clear danger of dumping by foreign sources of supply.

(v) Items where there are dangers of *misuse* if free imports are permitted.

(vi) Items of "Strategic" importance to the country.

2.25 In drawing up the list of restricted & banned items, the Committee took note of the views expressed by the trade and industry circles. Recognising the fact that the existing OGL and free licensing systems have been helpful to the indigenous industry's growth and development, the Committee felt that the present free licensing list could also be merged with the OGL category. Real search for the new restricted list was thus from the present unrestricted AU items and Restricted AU items of which the latter are 626 in number as identified from the vol. I of the ITC Policy Book.

2.26 The Committee has attempted to draw a new list of restricted items in consultation with DGTD and the Department of Steel. While a certain element of Judgement is unavoidable in drawing up such a list, that Committee tried to apply some consistent criteria. Thus to begin with, those items where domestic production angle is totally absent were removed from the present list of restricted items. Then, from the remaining list of restricted items, all those which have clear and significant domestic small industry angle are retained in the restricted list. In this context the recent industrial policy of reserving 504 production lines for small scale sector was taken into account. Next the items where domestic production activity has only *recently* started were also retained in the restricted list straightaway. Thus small industry and infant industry angles were given paramount importance in retaining an item in the restricted list.

2.27 For the remaining AU lists, the items were examined on the basis of the various characteristics such as the nominal tariff rate on the item, share of the import of the item in the total import bill of the restricted items, and its growth rate, divergence between the domestic price and c.i.f international price, domestic capacity and its utilisation rate, number of domestic production units and the share in production of the top three units.

2.28 The basic issue was one of examining in each case whether protection was needed at all and if needed whether licensing system of protection was essential. If the existing nominal tariff rate on an item was above 100 per cent, it was deemed to be receiving a very high double protection both through import licensing system and tariff system. A view then had to be taken as to whether this item could be left only to the tariff system for protection, or should be retained in the restricted list as at present. In most of the cases, the former view was taken and the item was taken out of the new restricted list. Further, if an item had large implicit tariff in the sense of large price divergence for domestic price (exclusive of excise duties) in relation to international price—may be due to low production efficiency, or low capacity utilisation or monopoly position of a few domestic producers—it was felt that there was a case for allowing imports of such an item through a free system so that domestic prices could be reduced. Such items were thus taken out of the restricted list. The problem of suitable tariff rate on such items for protection for a limited period is taken up separately in the chapter on tariff system.

2.29 One important issue that received considerable attention of the Committee was that of import policy for components, consumable stores and spares as against that for finished products. While it is true that finished product of one industry could be components of the other, industries in higher and higher stages of processing have a significant role to play in the process of industrialisation, through their backward and forward linkage effects. Further it was felt that for the components and spares there should be ease of supplies through alternative sources of supply because the escalation of costs begins with the stage of components and spares either due to price factors or inadequacy of supplies, delays etc., all leading to problems of capacity under-utilisation and inventory management. High costs of large inventories and uncertainties of supplies have been the special features of the Indian industrial development process. The Committee was of the view that inducting cost consciousness in the production of components and spares, through the approach of competitive environment, and also providing greater ease in the supplies of spares and components for user industries are of great significance in the context of inducing a low-cost production economy in the country.

2.30 An elaborate exercise in applying these various criteria has been attempted with a view to deriving a list of banned and restricted items. The Annexures give the list of banned and restricted items on the basis of the exercises so far completed. The Committee would like to stress that the lists given in the Annexures are only illustrative; given more time, the Committee would have been able to complete this exercise. It is, therefore, necessary for the CCI&E, in consultation with the concerned Departments, to examine the lists closely and introduce such modifications as might be necessary keeping in mind the general criteria which the Committee has described above.

Nature Of Restriction And Licensing System For Restricted Items

2.31 After identifying the items to be placed on the restricted list, the next important question was that of stream-lining the licensing system and modality of restriction. The Committee considered the following three alternatives of administering the restrictions on the import licences :

(a) For each restricted item, a national budgeting is done in the beginning of the year to estimate the total demand and total production for the coming year and the gap is identified to be met through imports. A constant monitoring of the import flows of every restricted item is undertaken and import licences are issued only up to the limit of this gap. If imports are to be permitted beyond this level they should be permitted at a tariff rate much above the rate prevailing on the imports up to that limit.

(b) Import-licences are linked to the production programmes of the units seeking import licences. Values of licences should be determined as a given proportion of the production level. A licence should be valid for all restricted items, and would not list the items to be imported.

(c) Licence values are determined on the basis of past consumption with 10 per cent allowance for increase to take care of the enhanced production programmes. This implies that only AUs apply for licences and past consumption level with growth factor determines the licence limits. In this case also, there are no itemwise restrictions.

2.32 The Committee examined these alternative schemes of licensing. Since the import monitoring system is not yet fully developed, it was observed that the first alternative though ideally desirable cannot be practicable until a well-organised monitoring and evaluation system is established. The report would dwell upon this topic in a later chapter again. The second alternative was also deemed as impracticable for various reasons. In the absence of scientific production programming for the future by the individual units, there could be a danger of over-importing of certain products in the economy as a whole thereby adversely affecting the protection objectives of the licensing system. The last alternative, however, combines the objective of meeting the full requirements of the industry and also maintaining a certain degree of protection to the indigenous industry. However, restricting the growth factor to the 10 per cent of past consumption, seems to imply that the output of the entire industrial sector is also limited to expand only by ten per cent. This is obviously not the intention of the restriction of the ten per cent growth factor. The Committee has prescribed this growth factor on the basis of some rough estimates of feasible growth rates in the different sectors of the economy, and its own past experience in regard to licensing of the restricted items. However, recognising the potentiality of faster growth in some sectors, the Committee recommends that the system of supplementary licensing could be retained in special cases which will have to be considered on the recommendations and technical scrutiny of some sponsoring agency.

2.33 On balance, the Committee took the view that the third alternative of using past consumption with the ten per cent growth factor as the most feasible form of restriction. In the new system, there is no sponsoring needed for the licences whose values fall within the overall limit of past consumption plus ten per cent growth factor. There will not be any limits on individual items which may or may not be listed in the licence. In general, a licence is applicable to all restricted items within the overall limit of the licence value. This bold step of freeing the licensing system from the approaches of sponsoring and item-wise restrictions, is being prescribed with a spirit of full faith in the Indian industry that it would use this new facility only for effective production management. It is hoped that the industry would make proper use of the facility so as to reduce its inventory costs and other overheads earlier involved in the sponsoring based licensing system.

Import Policy For Capital Goods

2.34 High investment cost is one of the distressing characteristics of the Indian industrial structure. Excessive capital costs imply not only high investment expenditure in the initial stages of the production activity but also continued distribution of the high cost element in the subsequent periods during the life time of the capital. All this significantly contributes to the generation of a high cost economy in many spheres, through the intersectoral linkage effects. Excessiveness of capital cost might arise due to various factors such as high production costs of the indigenous capital goods industry under the umbrella of protection, low capacity-utilisation or in other words excessive installation of capacity, or heavy tariff duties on the imported capital, project aid with tied sources of supply without competitive global tenders for alternative sources of supply. High indigenous production costs could in turn be the effects of high costs of inputs such as steel, machinery etc., cumulative effects of indirect taxes, on inputs, or pure inefficiency in production due to the absence of competitive environment. Thanks to the import-substitution with emphasis on heavy engineering industries, achieved in the past few decades, the country has a wide industrial base for capital goods. However, one significant feature of the indigenous capital goods sector is that it is not exposed to international competition. The committee broadly reviewed the import policy for capital goods and recognised that there is lot of scope for rationalising the policies of import licensing and tariffs in regard to the imports of capital goods and also the imports of the inputs required in the indigenous capital goods sector.

2.35 It was noted that in 1976, the Government had appointed a Committee on Liberalisation of Import of Capital Goods under the Chairmanship of Shri Mantosh Sondhi, the then Secretary, Department of Heavy Industry. The recommendations of the Sondhi Committee are still under consideration of the Government. Pending the Government decisions on the Report of the Sondhi Committee, this Committee did not go into the rationalisation and simplification of the policy in regard to import of capital goods. The Committee was, however, of the view that immediate decision on Sondhi Committee Report would contribute to removal of some uncertanty which is prevailing in this area. After the decisions of the Government on the Report of the Sondhi Committee are taken, it would be for consideration whether the approach in regard to import of raw materials outlined in the present Report can also be advantageously applied to evolve a rational import policy for other capital goods.

Policy For Import of Technology

2.36 The Committee recognises the crucial role of technology in improving production efficiency and competitiveness of industry. While there is need for intensifying the research and development effort within the country, it is also necessary to adopt a more pragmatic and liberal approach to the import of technology in order, amongst other things, to avoid undue costs of rediscovering what has already been discovered abroad and the time lag that this involves. Further, if as a result of the liberalised import policy for goods the Indian industries are progressively exposed to international competition, they would be able to hold their own only by constantly updating their production techniques. While some technology is embodied in the capital goods themselves and import for such goods involves import of technology as well, there is still a vast area of disembodied technology in the form of knowhow to which the Committee attaches great importance. While in cases which involve only the import of drawings and designs, their outright purchase may be preferable. It is necessary to encourage arrangements under which foreign collaborators agree to transfer to their Indian counterparts process and production technology, as updated from time to time, during the pendency of collaboration agreements. Such arrangements may initially involve somewhat higher costs by way of royalties or dividents on equity, but could pay rich dividents in the medium term due to avoidance of technological obsolescence and enhanced competitiveness of Indian industry.

DGL and Actual User Condition

2.37 The Committee has carefully considered the question whether goods falling outside the Lists of Banned and Restricted Items should be placed on the OGL without restriction or carry a condition that only actual users can import the same. The following reasons can be urged in support of the view that goods placed on OGL should be importable without AU condition.

(a) Unconditional OGL will be in consonance with the liberalisation which the Committee's recommendations seek to bring about and should result in flexibility in the importation and distribution of the goods in question. This would be of special help to small scale industries which do not always find it easy to import either directly or through nominated agents and would, therefore, benefit from stock and sale facilities that may be provided by merchant importers.

(b) Unconditional OGL implies open competition and would, therefore, tend to reduce the cost of OGL items to actual users. On the other hand, OGL with AU condition may give rise to premia for actual users who may illegally transfer goods to others. This could mean higher costs to industry.

(c) Provision of stock and sale services by merchant importers would reduce inventory levels of industrial units and release part of their working capital funds.

(d) Where merchant importers act as agents of foreign suppliers, they could provide better after sale services and help actual users enforce warranties more effectively.

(e) While AU condition attached to OGL implies certain procedures for clearance of goods from customs, its enforcement is not feasible. Besides, AU condition would not be appropriate for many AU items.

(f) There could be an apprehension that OGL without AU condition would result in larger imports than may be needed by the economy. However, most of these items would be industrial raw materials, components and spares which have ultimately to be consumed by industry. These imports would find their optimal level over a relatively short period of time. The country's balance of payments and foreign exchange reserves can easily withstand the effects of a temporary increase of such imports. Further, goods which are not included in the banned or restricted lists would not have a significant indigenous angle and their unrestricted import should not cause serious problems.

2.38 On the other hand, there is a view that the proposal for the introduction of OGL in respect of unlisted items, is a major departure from existing policy, represents a somewhat uncharted area of import policy and therefore dictates a more cautious and gradualist approach. OGL without AU condition may increase the risks involved in the proposed system and could lead to undesirable speculative activities on the part of traders. There could also be an apprehension that imports of substitutes and some other items not intended to be allowed under the recommended policy may be made by traders thereby damaging some of its objectives.

2.39 The Committee discussed the pros and cons of the two alternatives and was of the view that ideally OGL without AU condition is in keeping with the broad spirit of the OGL system and is also to be preferred to the other alternative from the point of view of economic rationale. However, it was felt that the process of reaching such a system should be gradual. An OGL with AU condition should be the first step in the process of transition towards an OGL without AU Condition. It therefore recommends that the OGL system for raw materials, spares and components should be for industrial users with AU condition in the first year. This policy should be reviewed after a year for possible relaxations.

2.40 The above applies to the bulk of raw materials, components and spares. For some categories of products in this group, however, it might be advantageous to permit import for stock and sale in order to facilitate supplies to actual users—e.g. spare parts for earthmoving machinery and automotive spares. While the Open General Licence will apply to all the items which are not restricted or banned, it would still be necessary to have a list of items under OGL where stock and sale will be permitted.

Policy for Research Institutions, R&D Hospitals etc.

2.41 The present policy in regard to imports by research institutions, hospitals etc. is subject to restrictions in regard to value of imports, and some of the procedures are cumbersome. The Committee is of the view that R&D laboratories, scientific and research institutions, institutions of higher education and hospitals which are recognised by appropriate authorities should be free to import their full requirements, without any value limit, of raw materials equipment and components without any itemwise restrictions. Given the limited rupee resources of these institutions, it can be assumed that any imports undertaken by them would be essential and would serve a useful social purpose. The quantum of imports by these institutions is unlikely to be sizeable enough to constitute a threat to domestic producers. It is also recommended that the procedures for effecting imports by these recognised institutions should also be made as simple as possible.

Imports Against Credits and Grants

2.42 With the introduction of OGL in respect of a large segment of imports and a licensing system limited to restricted items in value terms, it will no longer be feasible to earmark imports from the rupee payment area or against foreign credits and grants. Since an overwhelming part of imports from the rupee payment area is by public sector enterprises and state trading agencies, no special difficulties are envisaged in giving up the practice of earmarking licenced imports from rupee payment area. As regards foreign credits and grants which are tied to purchases from donor countries, it will be necessary to evolve new procedures for the absorption of aid, in particular, commodity assistance. In this connection, the Committee would like to emphasise that the liberalisation in imports and import procedures recommended in this Report is likely to lead to larger imports from aid giving countries. It is therefore necessary that procedures for transfer of aid should adjust to the new Import Policy suggested by the Committee.

System of Established Importers

2.43 The category of established importers is an interesting but peculiar creation of the import licensing system in India. This is an effort of recognising the importance of trading activity for Stock and sales purposes, in a system which otherwise believes in a perfect one to one correspondence between importation of an item and its actual user. This system has often received its justification on the ground that trading is a skillful activity and it should be permitted to continue this profession with the same skillful art. Another less assailable rationale is however, that through this system, total import flow of the selected products could be effectively controlled. Established importers have been recognised in about 43 product groups of which 10 belong to the category of consumer goods and 33 to intermediate goods spares, components and parts of machine tools. The number of Established Importers in the different product groups is more or less stable over the years. Even though 15.4 per cent of the total licences issued belong to the Established importers, their share in value terms in the total licensing is only around 1.4 per cent. Thus disproportionately large amount of time and work is imposed on the licensing machinery.

2.44 A critical review of this system brings out that from economic logic, it is the most ill-conceived system of the past. The few EIs in the different product groups are essentially rentiers enjoying the rents generated by the privileged allotments.

They survive and prosper more or less in the same manner as the class of absentee landlords. This hereditary privilege of select few traders does not seem to be in keeping with the new spirit of transformation in the country. Further as discussed earlier, trading in a competitive environment would elemenate unhealthy premia and trade practices and freer trading system deserves effective concuragement. Considering all these points, the Committee felt that the system of EIs should be abolished and the items of EIs should be suitably distributed among the different lists based on the principles and criteria discussed earlier.

Stability of Import Policy

2.45 Instability is one of the significant features of the complex Import Policy framework in India. The Policy Book and subsequent notifications frequently issued from CCI&E's office together make the system very complex and uncertain. The trade industry circles have generally reacted unfavourably to the uncertainties inherent in the present system. In order that Import Policy may play its developmental role effectively it is necessary that it should be stable for a reasonably long poriod. While recognising the importance of stability the Committee debated the period for which such a stability can be ensured. In so far as gestation lag in production activities and also in import and export activities is generally two-three years, it is important that the import and export policy framework should be stable in such a way that entrepreneurs would be able to plan their production and trading activities appropriately. Sudden changes in such policies would imply not only disturbance to production planes but also increase in production costs by including higher levels of inventory and capacity under-utilisation due to sudden shortages of raw materials and components. Uncertainty in policies also implies failure to honour international commitments. Further, as noted earlier, more than 40 per cent of the time spent in CCI&E's office is on amendments and revalidation of licences, part of which is caused by frequent notification and changes in the policies. Thus by taking account of various aspects of the stability issue, the Committee recommends that the framework of import and export policy should be stable for a period of at least three years.

2.46 The proposed stability of the import policy for a period of three years would not, however, preclude the need for making shifts of particular items among the banned/restricted/OGL lists in order to reflect changes in the industrial production pattern. Such review should however be only annual without affecting the structure of the policy suggested in this report.

CHAPTER III

TARIFF SYSTEM

3.1 Customs tariff as an instrument of the trade policy system is well recognised all over the world. In the context of Indian trade policy system, tariff policy serves the purpose of revenues as well as protecting the domestic industries. Even though in the present policy system, there is little distinction between revenue tariffs and protective tariffs, the size and the structure of the tariff rates clearly indicate the dual role of the tariff system. However, in the context of protection through import licensing system as also the tariff system, the role of tariff policy as protective device has become secondary in view the significant protective effect of the import licensing mechanism. It is in fact on account of this redundancy of the tariff system as a protective device that the role of Tariff Commission receded to the background a few years ago. In spite of the relatively small role of the tariff system as a protective device, one should recognise that the whole of the Indian customs tariff along with its tariff rates and procedures of customs clearance, documentation, etc., is an important element in the trade policy system to be reckoned with in any discussion on simplification and rationalisation. It is in this light that the Committee undertook a very broad review of the tariff system to make a few suggestions on its simplifications.

Structure of Tariffs, 1977

3.2 Indian Customs Tariff classifies the commodities into 100 broad groups of categories with various sub-specifications of items within each group. The classification of commodities for customs has been following different system than trade classification; however, recently efforts are being made to unify the two systems of classification. The tariff rates range upto a maximum of 450 per cent. Bulk of the items fall in the category of tariff rates of 75 per cent and 100 per cent, while the tariff groups of 40 per cent to 75 per cent and also 120 per cent and more are also significant (Table No. 9). There is generally tariff escalation, with the items in the lower scale of processing receiving lower level of tariffs than those which are in the higher scale of processing. Thus goods with higher degree of processing receive greater nominal protection than the intermediate goods. In the scale of tariff rates for different commodity groups, it is also recognised that the capital goods by and large are subjected to lower level of tariffs than consumer and other categories of goods. The tariff dispersion in terms of the range—difference between lowest and highest tariff rates—is generally very large, in most of the product groups (Table No. 8). It is also interesting to note average tariff rates on primary agro based type of intermediate goods is 62.5 per cent with dispersion of 35 per cent to 120 per cent, while that on primary non-agro based type of intermediate goods is at a lower level with 53.5 per cent as average and range of 0 to 75 per cent. Among semi-finished and finished intermediate goods, the agro-based items receive higher nominal tariff rate (83.13 per cent) than those of non-agro based type (77.73 per cent). However, tariff dispersion is larger in the latter group than in the former group.

Implicit Tariffs

3.3 Tariff rates have the effect of directly influencing the domestic prices of the traded goods. Normally, the domestic prices are pushed forward to the extent of tariffs and there is no sharing of tariff costs between importers and exporters as is sometimes observed in the case of export subsidy. Thus, the tariffs have got the effect of influencing the relative price structure and hence the demand structure in the economy. Input-costs and capital-costs are directly affected by the level and structure of tariffs. High Capital costs distribute the burden of high tariffs over a long period.

3.4 The difference between the domestic price (free from excise) of substitute and the c.i.f. international price of an importable is often much more than what the nominal tariff imposed by the customs would imply. Such price divergence as a percentage of the international price would indicate the implicit tariff on the product. Thus, there could be many other non-tariff components contributing to the price divergence and hence to the nominal protection of the domestic industry. The size and structure of implicit tariffs would indicate the price competitiveness of the domestic product as against the imported one. An empirical analysis on implicit tariffs for some items in the present restricted list reveals that in majority of them, Indian substitute is quite competitive price-wise and hence licensing system as a device of protection is perhaps redundant in such cases.

Effective Protection

3.5 It is important to clearly set out as to how the tariff system—nominal or implicit—could provide protection to the indigenous industry and what should be the criteria for setting out tariff rates so as to ensure a desired level and structure of protection to the Indian industry. Production activity consists of transforming the raw materials and intermediate goods into outputs with the primary factors of production, labour, capital and entrepreneur-receiving their rewards for having contributed to this process of transformation. Protection to the domestic production activity should therefore be understood not in terms of the prices of the final product or prices of the inputs which are subjected to a protection policy but in terms of how the rewards to the primary factors of production get changed as a result of the protection policies. The approach of Effective Rate of Protection precisely tries to measure the incidence of the protection policy on the rewards to the primary factors of production. In other words, tariffs on the outputs as also those on the inputs could have mutually cancelling effect on the level of net protection accorded to the domestic industry, and as such the objective of the tariff system should be to ensure that the level and pattern of net or effective protection, are as desired.

3.6 In the present tariff policy system, there is insufficient awareness of these implications of the tariff policy for the demostic industry. Some studies have demonstrated as to how the effective protection structures have been quite inconsistent with the desired patterns of protection. The Committee noted that the appraoch towards determination of tariff rates should take into account these aspects of net or effective protection, to the domestic industry.

EQUIVALENT TARIFFS AND TARIFF MECHANISM FOR PROTECTION

3.7 The Committee debated the question of transition from licensing system to tariff mechanism for purposes of protection to the Indian industry. Obviously, such a transition has to be gradual and the approach and time phasing will have to differ from commodity to commodity. The Committee was of the opinion that in view of the various factors such as the multiplicity of indigenous industries, their stage of development, multiple plan objectives, backwardness of technologies, it may not be possible to visualise for the near future a situation, where tariff mechanism could completely replace the licensing system. However, it should be recognised that tariff mechanism could be administratively more simple and economically more explicit instrument of protection and it is worth attempting to realise the transition to the tariff system wherever feasible. The crucial question in this context is; what should be the levels of tariff rates that could replace the licensing system but still provide the desired degree of protection to the indigenous industry. This question becomes relevant when one recognises as discussed in the previous chapter, that hitherto Indian industry has been enjoying dual protection though licensing system and tariff mechanism. In shifting from the licensing system to tariff mechanism one should also recognise the effects of such a transition on the structures of domestic production, trade and income distribution. The firs step in this process of transition should consist of identification of the equivalent tariffs which ensure the same pattern of effects realised in the combined system. The second step consists of bringing into play other considerations such as new industrial strategy objective of realising competitive environment etc. Thus, a view could be taken that some industries have enjoyed excessive or dual protection for a fairly long period and hence equivalent tariff which maintains the same degree of protection may not be relevant. Further in some other cases, equivalent tariff may imply raising the domestic costs of imports whereas one of the objectives of the exercise on new policies is to move towards a low cost economy. In many other cases, existing tariff rate could be deemed to be quite high rendering the licensing system redundant as an instrument of protection. Thus, the Committee, therefore, felt that the identification of the nature of the tariff rates to replace licensing system should be reviewed for each commodity separately. In the third step, the implications of the new tariff structure, for the pattern of effective protection to the different industries should be identified and tariff rates should be again adjusted so as to eliminate any undesired biases—such as bias against export production—that may be discovered in the effective protection structure. If one desires that all industries should be more or less equally exposed to international competition, then the effective rates for them should be more or less equal. Nominal tariff rates may have to be designed with the end objective of realising a desired pattern of net or effective protection to the Indian industries. The Committee feels that these exercises, however, elaborate might be necessary for identifying the substitute tariff system to replace the existing system.

SIMPLIFICATION OF TARIFF STRUCTURE AND PROCEDURES

3.8 The Committee discussed the incidence of tariffs on the production costs in the case of a number of industries. It was observed that the tariff content in the production in large number of industries was significant and widely varying.

3.9. In the light of the analysis of the tariff structure, the Committee feels that the tariff structure should be suitably revised so that the incidence on production costs is reduced. In particular, in so far as capital costs imply large initial burden on the entrepreneurs, it is necessary to keep them at a reasonable level so as to induce greater entry into the production activity by small and medium range of entrepreneurs. The Committee felt that a ceiling of 40 per cent of tariff rate should be considered for all capital goods. It was also of the view that for other goods there should be a maximum of 100 per cent for a tariff rate except in the case of very few items. The implication of this recommendation is that no domestic industry will receive nominal protection of greater degree than 100 per cent.

3.10 In the light of liberalisation of imports to a large extent tariffs would constitute important instruments for domestic protection. The Committee feels that in fixing the tariff rates both the revenue angle and the protection angle as discussed above should be given due consideration and these rates should be fixed after a quick review of domestic costs of production, difference between the domestic price and international price, the optimum degree of effective protection to be given to an industry, etc. It is necessary that a review of various determinants of tariff rates should be undertaken at regular intervals of time. For this purpose, the Bureau of Costs and Prices or any other similar organisation should be entrusted with the responsibility of such review.

3.11 The Committee was of the firm opinion that the procedural aspects of customs need to be thoroughly revised so as to reduce the problems of clearance from the customs. The reactions of the trade and industry have brought out the complexities of the existing system and the need for their rationalisation. There are specific problems such as tariff duty on imports of samples, labels and price tags, prototypes received back with modifications for domestic product adaptation, etc. There is also a need for a manual of tariff descriptions which is consistent with the trade nomenclature so that the problems of interpretations could be avoided. The Committee feels that tariff policy should be suitably modified so as to ensure a smoother process of domestic production activity which is free from delays and costs involved in them.

CHAPTER IV

EXPORT POLICY

4.1 Export policy as conscious effort in influencing the volume and commodity composition of export trade was explicitely recognised in the trade policy system from the year 1962. Along with the recognition of export promotion as one of the important objectives in the Five Year Plans various supporting measures were introduced with a view to promoting exports. Export entitlement scheme, duty drawback, cash compensatory support are some of the export incentive measures introduced in this period. The measure of devaluation in 1966 was also to a large extent aimed at correcting the overvaluation of domestic currency thereby providing differential encouragement to exports as against imports. The importance of the export sector in the framework of national planning and policy was further ratified by the Export Policy Resolution of 1970. The role of export services in the export promotion efforts was also recognised by instituting a number of export service organisations like EPCs, Commodity Boards, TDA etc. Thus the package of various policy instruments that have emerged during the period from 1962 onwards has brought to the economy an orientation for exports as against that for import substitution.

Need for an Integrated Export Strategy

4.2 An export oriented strategy has built into it various important questions concerned with the industrial development and also the monetary and fiscal system in the economy. If an export strategy is to be successful it has to be identified in an integrated framework covering all these various facets of planning and development. It is important that the export sector should be well integrated in the overall system of planned allocation of resources. A conscious investment planning for export should be a significant element in the total investment plan of the economy. Further, monetary and fiscal policies relevant to the export sector should receive special treatment as against those for the rest of the economy. If the export sector is treated as a residual and has to adjust itself to the compulsions of the rest of the economy and other objectives of planning then it might be difficult to ensure the success of an export strategy.

4.3 It is important to distinguish at this stage between the concept of export led growth and the need for an integrated export strategy. As stated earlier, exports in India are widely diversified and they constitute about 5-6 per cent of the GNP. In many other countries where export constitutes more than 15-20 per cent of the GNP and exports are not diversified, the concept of export led growth has some relevance. Export led growth also implies that the few strategic export-oriented sectors determine the linkages in the economy and the structure of industrial growth and that the overall growth of the ecoonmy is very much dependent upon the pattern of growth of the export-oriented sectors. This is also not exactly the situation in the context of the Indian economy.

4.4 If export strategy is to be successful, it should be envisaged in an integrated manner so that all policies relevant to the export sector become mutually consistent. The Committee suggests that in order to work out an integrated strategy for exports various aspects of the export economy should be explicity worked out. These aspects include investment, choice of industries, fiscal and monetary policies, import policy for exports, tax policy, infrastructural facilities such as shipping, power, communication, transport, information system, advice on technology, product adaptation, choice of techniques, publicity and marketing.

Basic issues of Export Policy

4.5 The Committee was of the view that in the light of the need for an integrated strategy, as stated above, complexities of the existing policy framework should be identified and eliminated from the system. The basic issues in an export policy refer to the problems of choice of products for export control and promotion, instruments of export control and their stability, measures of export promotion and their benefit-cost implications, principles of export-assistance, approach towards the institutional framework for exports such as the role of export houses and export service organisations.

4.6 Export policy should be designed with a long-term perspective in regard to the various aspects of the export activity. Choice of products for promotion or control should be based on the principles of long-term comparative advantage rather than short-period potentialities or problems. Export products should be such that they can sustain themselves in the export market on their own after an initial period of assistance in the form of cash support and concessions. Encouragement of wrong types of export products—those with short-period potentials—may imply high assistance costs in the long-period. Policies towards market development should also recognise the need for sustenance of contacts in the long term. The Committee suggested that this attitude in export management should be inducted in the economy through proper training and services.

Export Control Policy

4.7 The Policy of export control needs special mention in this context. While the imperatives of internal demand for a commodity of mass consumption seem to imply that exports should be considered strictly as a residual after fully meeting the domestic demand, it is necessary to recognise that sustenance of the export market is important and changes in the decisions on the admissibility of exporting a product would hamper the long run marketing strategies of the exporters and also the trade relations between the countries concerned. The Committee discussed the strategy for export controls in regard to commodities which are often subject to fluctuations in domestic production conditions. It was of the view that in situations of sudden scarcity in the domestic market, one could consider putting up quota restrictions on exports for a limited period of time rather than totally banning them, with a clear indication to both the exporter and the importer in the other country regarding the period of such quota restrictions. The Committee also recognised that uncertainties introduced by supply fluctuations have often encouraged substitutes and also loss of the markets to the competitors and as such there is a need for taking the exporter and the importer into confidence regarding the period of stability or restriction of an export control strategy. The items which are likely to be under export control strategy should be separately listed and the nature of export control should be suitably identified in each case. Export ban should not, generally, come into force at a time when the world market is booming nor removed when world market prices are falling. In order to avoid such eventualities it is necessary that decisions for export control should be taken by considering not only the domestic scarcity angle but also the world market situations. It is necessary to recognise that export control can be effected through various measures such as total ban, quota restrictions, export duties, canalisation of exports with quotas etc. The appropriate instrument could depend upon the nature of the item as also the supply and demand conditions for the item. It is important that the list of products for export control should be identified on the basis of the long-term export plan of the country.

Export Promotion Policies : Rationale and Scope

4.8 Export Promotion effort of the country can be considered in two parts. Firstly, export incentives with a view to assisting the exporter in overcoming his "disadvantages" as against his competitors in the world market. Secondly, export services which enable him to reduce the degree and dimension of the disadvantages themselves. The Committee considered both these aspects of export promotion separately. In regard to the export incentives, one should recognise that some of the disadvantages of the exporter arising on account of various factors could be internal to the exporter himself and others referring to the economy as a whole. Exports are the final effect of the interactions of product characteristics, firm characteristics, national factors and the international features. The product and firm characteristics includes the technology of production, management, conversion costs of production, packaging and marketing. A firm which has identified the right export product with all its specifications for the external market, has adopted the right kind of technology comparable with the producer in the competing country and has identified the effective packaging and marketing techniques would be subjected to the lowest level of disadvantages arising out of its own making. The disadvantages arising out of the economy-wide factors include the effect of domestic policies of indirect taxation, import and industrial licensing, price control, as also other national endowment factors such as availability of skilled labour, capital, natural resources, power supply, infrastructural facilities such as transport and communications and smooth labour management relations. For example, if the export producer is subjected to huge indirect taxes on inputs which have cumulative effect of cost escalation on the production activity, thereby making the exporter uncompetitive, this is the disadvantage of the exporter arising out of the economy-wide policy factors. Similarly, insistence on the purchases of indigenous products by the exporters at high domestic prices is also indicative of the nature of disadvantage arising out of the policy factors. Further, scarcity in supply of power and poor communication facilities which add to the costs of marketing should also be treated as disadvantages arising out of economy-wide factors. The last category of disadvantages arising out of international factors includes the tariff and non-tariff barriers in the importing countries, trade groups and common markets in the importing countries, international monetary policies and fluctuations etc. The Committee addressed itself to a detailed discussion of export promotion policies referring to the first two categories of disadvantages. It was of the view that the disadvantages arising out of economy wide and policy factors should be fully neutralised so that the competitiveness of the product does not suffer because of the total framework of the economic environment. For example, if indirect taxes on the inputs, and poor image of the country as a capable source of supply, hinder the competitiveness of a product, there is a case for neutralising these sources of disadvantage by appropriate services and assistance. As against this ideal solution of neutralising all the disadvantages arising on account of economy wide factors, one has to consider the practical aspects of policies in the immediate future. The disadvantages arising on account of internal factors of firm and product characteristics should be neutralised only for a limited period during which the producer himself should learn the art of eliminating these disadvantages. Better management, inventory control, quality control, efficient production methods, right marketing techniques could all contribute to the task of eliminating these internal disadvantages. Provision of suitable services such as facilities for training in management, quality control etc., common facility centers for testing and quality control, and efficient information system could contribute to the reduction of these internal disadvantages.

Costs and Benefits of Export Promotion

4.9 Before setting out the principles for the new export incentive policies, the committee analysed the costs and benefits of the existing framework. In the analysis of the costs one should distinguish between the costs to the Government in terms of expenditure from the exchequer and costs to the society in terms of the total expenditure of resources. In each of these cost calculations and should also include the opportunity costs i.e. the benefits of the alternatives which are foregone by the chosen scheme of actions. Costs to the Government consist of expenses on cash compensatory support, duty drawback, interest foregone on account of differential export credit schemes, cost of freight assistance etc. In expanding the scope of the cost concept one could include the expenditure on export service organisations like EPC, Commodity Boards, TDA, IIFT, and such export related agencies. That portion of the Market Development Fund which is spent for promoting exports through sponsoring trade fairs, delegations, study tour etc., could also be relevant in the cost estimation.

4.10 The cost to the society should include not only the expenses incurred by the Government but also those borne by the private sector in terms of their marketing costs and other promotional expenses. In a strict economic sense of social costs of export-production and marketing one should consider the cost of all the domestic resources valued at their shadow prices, that have gone into the activity of export production and marketing directly or indirectly. However, quantitative estimation of this concept of social costs might be difficult without adequate data base. Further, it is also difficult to get an idea about the total costs of export promotion incurred by the private sector. Since the Committee is discussing the options open to the Government the costs incurred by the Government in the export promotion effort, need be considered.

4.11 It is necessary to point out here that some of the costs should be considered as "investments" in the sense that the "returns" on them continue to accrue for a long period in the future. For example, costs of promotion incurred in introducing a new product in an existing market or a new product to a new market imply long-term creation of trade.

4.12 On the benefits side of the export promotion system one would obviously recognise export realisation as the direct benefit. The quantum and value of exports over the different periods could be a good index of the benefits. However, there are various other benefits of export promotion in terms of other objectives of planning such as employment creation, efficiency in industrialisation, technological progress, self-reliance etc. which also need to be recognised in any benefit cost analysis of the export promotion system. In addition to these quantifiable benefits there are other benefits which are in a sense intangible. For example, development of long-term trade contacts, cost consciousness and promotion of efficiency, competitive environment, exposure to new products and technologies are some of the intangible benefits of the export promotion system.

4.13 The Committee addressed itself to the limited objective of studying the relationship between export promotion expenditure by the Government and exports. Table No. 12 summarises some of the findings in this regard. For the period 1974-75 to 1976-77, the simple average of the ratio of incremental exports to incremental expenses covering duty drawback and MDA which includes cash compensatory support works out on an average at 13.1. Conversely, for every additional 100 Rupee of exports, an additional amount of Rs. 7.6 is spent on export assistance (Table No. 12). The ratios do not seem to be unfavourable. The objective of the export promotion effort is to maximise the net foreign exchange earning and the benefit cost ratio should ideally consider the net foreign exchange earning on the benefit side by deducting from the gross earnings the quantum of their direct and indirect import contents. Similarly, on the cost side also there is the concept of net costs since the expansion of exports would contribute to the revenues through increase in direct taxes and also indirect taxes on the inputs induced on account of the additional export production. In fact, part of cash assistance 'returns' to the exchequer in the form of tax on income including this cash assistance and taxes on inputs. Such an analysis of net costs and net benefits could not be undertaken due to want of time. However, an analysis of the export performance of products eligible for cash compensatory support was undertaken. This reveals that exports under cash assistance support have grown faster than those which are not subject to this support. (Table No. 11) for every additional Rupee spent on cash assistance, exports eligible for cash assistance increase on an average by Rs. 5.6 during the period 1975-76 to 1976-77 (Table No. 13). Conversely, on an average, during this period, for every additional 100 Rupees of exports eligible for CA, an additional amount of Rs. 18.00 is spent on CA.

4.14 It is interesting to note that the average rate of cash support ranges from 4.5 per cent to 17.6 per cent when compared across the products (Table No. 14). However, for the period 1970-71 to 1976-77 the range of variation over the years, in the cash support rates of each product group is not very significant for a number of product groups except the iron and steel scraps, prime iron and steel, machine twisted coir fibre and carpet. This stability of cash support rates for a long period of 6 to 7 years is worthy of attention. Part of the impressive export performance of the items under cash compensatory support scheme could be attributed to this stability of incentives. The detailed analysis for 1976-77 (Table No. 16) shows that in the group of engineering products about 85 per cent of the items fall below the category of 20 per cent rates, and majority of the items fall in the category of 10 to 20 per cent rates. In the aggregate also it is found that more that 87 per cent of the items fall in the category of 10 to 20 per cent rates.

4.15 The items falling in the category of 15 to 20 per cent were subjected to detailed analysis with a view to examining the redundancy or otherwise of the cash support rates in this range. For the items in this category various parameters were identified: comparison of domestic prices with f.o.b. unit value realisation, rate of capacity utilisation, export performance in recent years with decomposition into price effect and quantity effect etc. The analysis revealed that in majority of the items in the range of 15 to 20 per cent cash assistance group, capacity utilisation is rather low, price competitiveness rather poor and the price effect predominant in the recent export performance. These inferences seem to indicate that items in this group still require continuance of cash support system with the hope that such a support might help them in improving their rates of capacity utilisation, competitiveness and export performance. However, this analysis being still limited and also not comprehensive enough to take account of other factors such as marginal and average production costs in relation to export price the conclusions cannot be final. Nevertheless, it is indicative of the need for more detailed analysis of the different items subject to the cash assistance rates.

Elements of Rationalisation

4.16 In the light of the above analysis of the export promotion effort, the Committee tried to identify the areas of rationalisation. In this context, the Committee discussed the principles of cash compensatory support, scope for simplification of export incentive schemes, policy for export houses, import policy for registered exporters, institutional support for review of export policies, and stability of export policy.

Principles of Cash Assistance for Exports

4.17 As discussed earlier, cash assistance should essentially aim at neutralising the disadvantages arising out of policy factors and also the characteristics of the firm and the product. It is also important to recognise that cash assistance (CA) should be available only for a limited period during which the relevant disadvantages, to the extent possible, could be eliminated by conscious efforts. In any case, cash assistance should not be continued for indefinite period. The Committee felt that the magnitude and pattern of cash assistance should be identified on the basis of well-defined principles. After discussing various alternatives of approaches in this regard the Committee has identified the following three basic principles for cash assistance scheme :

(a) The level of cash assistance should *fully* compensate for the various types of indirect taxes, sales taxes etc. which the exporter has to pay on his inputs imported or domestically purchased and which are not refunded. This will enable him to be on par with foreign competitors.

(b) Cash assistance should be such as to encourage him in adopting adequate marketing strategies and to neutralise the disadvantages of freight etc. so as to be competitive in the export market; and

(c) In the case of new products in new markets the magnitude of cash assistance should be adequate to take care of the initial promotional costs.

4.18 These principles highlight the importance of the fact that export industry should make its production activity competitive on its own, after these three categories of disadvantages are taken care of. These principles also imply that even if the export industry is supplied all its inputs at competitive international prices, its disadvantages in regard to marketing and promotional efforts need to be compensated until the export of the particular product becomes a stable feature in the trade flows. The Committee has suggested two stages in its approach towards recommendations on cash assistance. Firstly, it has suggested some rationalisation and simplifications of the existing network of assistance. Secondly, it has suggested that above stated principles should be applied to the different products, to identify the level and structure of assistance in the various export oriented industries which become eligible for the cash assistance. It is recommended that a detailed review of the existing cash assistance scheme should be undertaken and completed during the next twelve months with a view to estimating the new levels and structure of cash assistance based on the above principles. This new system of cash assistance should be introduced with effect from 1 April, 1979 and pending this the present cash assistance system should continue.

Simplification of Export Incentives

4.19 The existing framewrok of export promotion consists of multiplicity of incentives and policies. Cash compensatory support, duty drawback, import replenishment licences, cheaper export credit etc. are some of the main policy instruments at present. Such diversity of incentives and complexity of procedures have often reduced the value of these incentives in inducing the exporter to improve his export performance.

4.20 In regard to simplification, it was felt that the multiplicity of the incentives could be unified to the extent, it is possible. A detailed analysis was made to examine the nature and structure of duty drawback rates as against the rates of cash compensatory support. After working out the duty drawback rates as percentage of FOB value of exports, it was found that more than 65 percent of the items subject to duty drawback facility fall below the category of 10% rates. These items cover more than 85 percent of the FOB value of exports and 62 percent of the total duty drawback amount. By combining the duty drawback rates with the existing rates of cash compensatory support, one finds that in general more than 65 percent of the product groups fall below the category of 25 percent unified rate and this group covers more than 83 percent of exports and 67 percent of total amount of cash assistance. In view of the simplicity of handling the cash support scheme, it was felt that items falling in the category of 25 percent unified rate and below could be brought under the scheme of unified rate. This should cover even those cases where either DD or CA is zero in the present system. This merging of duty drawback with cash assistance for the items which are subject to a unified rate below 25 percent has various implications. Firstly, this implies that duty drawback and cash assistance are, held constant at the existing levels. DD rates depend upon (a) the import structure of inputs, (b) the tariff rates on imports and the excise rates on the domestic inputs, (c) c.i.f. prices of the imported inputs and the domestic prices of the domestic inputs and (d) f.o.b. prices of the exported products. The Committee took note of the fact that if any or all of these undergo changes than there could be change in the duty content of the f.o.b. value of product. There could be situations in which an exporter may like to import some new inputs which he had not imported earlier, and produce export products of better quality. Duty Drawback in this case could be larger than before. To examine the senstivity of the combined rate of subsidy to the various elements which constitute it, several case studies were conducted and senstivity analysis performed. Given a constant input-coefficients structure, there is always a trade off between using imported inputs and domestic duties and import tariffs, a bias towards more of imported inputs would reduce the domestic duty content though not in the same magnitude as the increase in the import tariff content. Even if this offsetting effect is not present, the merger of the two rates has clearly the implication of trade off between DD component and CA component in the unified rate. A bias towards more of imported component could in any case imply need for lesser CA component. Further, the unification of the two rates has a built-in incentive for more import-substitution at the input-using stage. In regard to items where the combined rate is above 25 per cent, the present system of separate DD and CA should continue.

Import Policy for Registered Exporters

4.21 Hitherto exporters have been receiving import replenishment licences at the rates linked to the f.o.b. realisation of exports. This REP system has facilitated the exporters in providing imported inputs and also in many cases it has acted as an implicit incentive through the premium on the import licences. In the new scheme of import policy with good deal of liberalisation and streamlining of the licensing system much of the import problems of the exporters would be resolved.

4.22 However, there is still a need for retaining the REP system on a limited scale to allow imports of items which are otherwise banned but which need to be imported for export production on the ground that the quality of the indigenous substitute is not adequate or its price is too high to maintain the competitive strength of the export product or the quantum of indigenous production is inadequate leading to long delivery periods. Besides, direct imports of canalised items and packing materials should also be provided for export production through the REP system.

4.23 The replacement rates for the new proposed REP scheme should be suitably worked out on this basis. There should be a close link between the items to be imported and the export products so that the REP permits imports of only those of banned or canalised items or packing materials which are required for use in the manufacture/packing of the products exported.

4.24 REP entitlements should be freely transferable. This will render a salutory effect on the objective of easing input supply position for export oriented industries. The existing restriction that REP entitlements could be transferred only to actual users or export houses should be done away with and transfers may be allowed in favour of any person including an actual user or an export house. The transferee should, however, be allowed to import only those items which the original exporter could have imported had he used the REP licence himself. Also, in the new Scheme the REP licences will cease to have "Actual User" condition.

Stability of Export Policy

4.25 The various elements of new export policy described in the various pages could be effective for promotion of exports only if they have stability for reasonably long period. Insofar as realisation of export thrust in the world markets is the result of sustained export efforts and since export production has special features as against the domestic production it is necessary that export producers are able to plan their marketing and production activities under an environment of stable policy system. The Committee, therefore, recommends that export policy to be adopted in the coming years should be kept stable for a minimum period of three years. This stability period, is suggested on the basis of the facts that the maximum gestation lags that are observed in different production activities vary from 1 to 2 years, and that minimum period of sustained effort that is needed to cultivate a market is for a period of 2-3 years. Stability should not, however, mean that suitable adjustments in the export policy cannot be made in response to the unexpected contingencies during this period.

Policy for Export Houses

4.26 In principle, the institution of export house as an instrument of export promotion is well conceived. Export-trading is a skillful art in itself and it requires wide infrastructural network of facilities such as information on market potential, managing production as per the specifications of demand, providing the necessary imported and domestic inputs to facilitate quality production, promotion and marketing and credit. Each individual manufacturer exporter cannot undertake the export trading in the same effective manner as the specialised trading entities could do. Further, developing of infrastructure by each exported might imply duplication of efforts whereas the effective services of an export house would provide for sharing of the common infrastructure facilities among various exporters. In an export house, there is also scope for adapting the experience of one product group for export activities of the others. Analysis of the institutional framework of successful exporting countries like Japan, Korea etc. reveals that export houses can play a very significant role in the export effort of a country.

4.27 Experience with the export houses in India during the last 6-7 years has been of a mixed type. There are some well-established export houses which have developed export services and infrastructural facilities in a fairly wide and comprehensive manner. There are, however, also some others which do not possess the right kind of export culture, do not give adequate emphasis on export services and are essentially profit-motivated without any long term perspective for export activity.

4.28 The Committee felt that while the institution of export houses is a useful one, it could be a self-defeating process if the export houses do not draw out a well-defined charter of functions with emphasis on export services including infrastructural facilities. The Committee, therefore, recommends that FIEO should develop a model charter of functions of export houses.

4.29 The Committee discussed the various alternatives of policy for export houses. It was of the view that while special incentives are required to encourage the right kind of export houses, there is also a case to argue that export houses should be able to attract "clients" towards them on their own, by providing that much needed services and facilities. However, until the institution of export houses becomes well-established to be able to stand on its own on purely commercial lines and also with a view to encouraging the export houses to provide the services to SSI sector, the provision of some special facilities to the export houses becomes necessary. The Committee recommends that Export Houses may be given the following facilities in addition to the normal REP benefits on their own exports :—

(i) Export Houses should be given additional licences relating to their export turnover of select products in the previous year. The value of the additional licence should be one-third of the fob value of exports of the selected products manufactured by small scale and cottage industry units and 5 per cent of the fob value of select exports manufactured by other units. The additional licences so granted should be available for import of items in the restricted list, with the condition that no single item exceeds Rs. 2 lakhs in value;

(ii) Export Houses will continue to have the facility of acquiring REP entitlements. However, having regard to the general structure of the new scheme, the acquisition of REP entitlements by Export Houses will be without any upper ceiling or an export obligation;

(iii) Export Houses have at present the facility to import machinery and equipment of certain types such as garment making machinery, machinery required by leather industry etc. This facility may be extended to all other types of machinery and equipment permissible for import under the general policy; It shall, however, be a condition that the imported machinery and equipments will be disposed of by Export Houses only to authorised actual users as at present.

(iv) The existing facility of releasing foreign exchange for export promotional purposes to the extent of 2.5 per cent of the export turn over should also be retained with a liberalisation that the maximum limit of Rs. 1 lakh which is not adjusted against REP entitlements should be raised to Rs. 5 lakhs.

(v) In addition to the items which the Exports Houses would be able to import as replenishment against the REP licences issued on their own exports, it should also be allowed to import items placed on OGL for actual users, for stock and sale purposes.

CHAPTER V

CANALISATION

5.1 State Trading or canalisation has hitherto been an important element in the trade policy system. Various factors have contributed to the introduction of this system in the new policy framework. The need for bulk purchasing, deriving optimum price for imports and exports, safeguarding the interest of the small producers, mopping up premium elements involved in trading operation the situation of the excess demand condition, provision of infrastructural facilities of generating imports and export trade at lower costs, etc. are some of the arguments for the introduction of canalisation. At one time in the history of canalisation, the objective of nationalisation of import and export trade had also figured as a factor towards the progressive expansion of scope of canalisation. There are, at present, about 24 canalising agencies for imports/exports, which together handle as many as 200 products (Table No. 18). The introduction of canalising agencies and the products to be handled by them have undergone changes from time to time. For example, during the period 1969-72 as many as 28 items were introduced into the canalisation network while during the period 1975-77, as many as 19 items were decanalised for imports. The coverage of canalised items as reflected by the imports/exports of the canalised items varies significantly from product to product.

5.2 The critical review of the canalisation system raises a number of important questions of fundamental nature. For example,

(1) Can the system of canalisation be an effective instrument of purchasing, marketing, handling of products, and distribution of any traded item ? In other words, what are the criteria that should be applied to a product so that it becomes eligible for realising the advantages of canalisation ? In the light of such criteria, would the products under the canalisation network today qualify for it ?

(2) Can monopoly canalisation by public sector agency undertake the responsibility of being responsive to

the market situation abroad, price factors and domestic demand and supply situation without an adequate system monitoring the market phenomena ?

(3) What has been the experience of existing canalisation system for the domestic trade and industry circle and particularly in relation to the services it provides to the small scale sector ?

(4) What has been the experience of the canalisation system in relation to the various objectives for which it has been introduced ?

(5) Can a manufacturer also be a canalising agency for the items produced by him ?

5.3 On discussing the pros and cons of the various issues raised above and also taking into account the views expressed by the trade and industry circles on canalisation, the Committee took the view that canalisation as an instrument of the trade policy has not been effective in the case of many of the canalised items in the past. The Committee also felt that in the past, decisions for canalising an item have not always been taken on due consideration of the product characteristics, the nature of the market and market structure, price support measures. The Committee noted with surprise that the small scale sector which was supposed to benefit by the canalisation system was the most vociferous in high-lighting the disadvantages of the system. The main contention of the small scale sector was that the canalising agencies had not always provided the advantage of bulk purchasing and low prices, but had collected the commissional charges without providing any services expected of them, often caused considerable delays in making the inputs available at right time, insisted on purchases of raw material at high price even though the current market price was lower. The general contention has also been that the canalisation system has upset the approach of optimum inventory management by the industry instead of helping it in reducing its costs in this regard. In this context, there are two possible options open for the new canalisation policy. The first one is to continue with the existing comprehensive canalisation system with built in imperatives for improving the services to be offered by the canalising agencies and also reducing the costs of such services. The other alternative was to do away with the canalisation as a system in those items where strict criteria of choice of items for reaping maximum advantage of canalisation are not satisfied. The main argument in favour of the first alternative was that the canalising agencies could be more responsive to market phenomenon by inducting commercially oriented personnel. However, more compelling arguments were in favour of the second alternative. In particular t was felt that n the framework of the new import export policies where a large number of items have been put on the OGL the scope for canalisation gets considerably reduced.

5.4 The Committee also discussed the role of canalisation in market interventions with a view to influencing the domestic prices through supply management whenever it is necessary. This implies that canalising agency will not necessarily be a monopolist in purchases and distribution but it will enter the market when its intervention is warranted for economic considerations. The canalising agency could undertake such trading in competition with other trading entities in the market.

5.5 The Committee considered the observations of the study team of the Indian Institute of Management, Ahmedabad, which was appointed by the Government to examine the functioning of the state trading organisations and recommended the following set of criteria for canalisation both on import and export side.

(i) Item chosen for canalisation for imports should be of mass consumption type with standardised features amenable for bulk handling and storage for purposes of distribution.

(ii) Other criteria for import canalisation could be the following :

(a) Possibility of realising imports at lower prices through canalisation.

(b) Ability of controlling the quantum of imports through quotas.

(c) Possibility of special benefits through canalisation such as identifying new products, new sources of supply, developing long-term contracts maintenance of buffer stocks, provision of imported goods to small scale sector at reasonable prices, and supervision over internal distribution.

(d) Possibility of the canalising agency to mop up the premia on the licences and preventing of the malpractices.

(e) Need for price pooling arrangements where considered desirable.

(iii) On the export side the criteria for canalising an item should be governed by the following factors :

(a) High unit value realisation.

(b) Reducing costs of export marketing and promotion.

(c) Need for price support through canalisation.

(d) Possibilities of developmental benefits through the canalising agencies.

(e) Prevention of malpractices.

5.6 On applying these criteria in a broad way, the Committee has come to the conclusion that a number of items may be decanalised. The Committee has not been able to do an exhaustive analysis, and the present list is based on discussions with concerned ministries and canalising agencies. This exercise of decanalising the items should be pursued further. The list of decanalised items for imports and also for exports, based upon the current exercise, is enclosed with this chapter.

5.7 On the export side the Committee has recommended that semi-finished leather, footwear, castor oil, dried fish, shellac, kuth roots and exposed feature films should be decanalised. Decision on decanalisation on items for export has been taken after due consideration of the past experience of canalisation and the criteria as enunciated above.

5.8 To improve and simplify the functioning of canalising agencies the Committee makes the following recommendations :

(a) Foreign exchange should be allocated to the canalising agencies on the basis of their planned requirements for a full year;

(b) Canalising agencies should be exempted from licensing procedures in-so-far as import of canalised items is concerned;

(c) Present requirements for securing release orders/recommendations of sponsoring authorities before approaching canalising agencies for the supply of certain items should be abolished;

(d) A major complaint of small scale industries is that they are in practice unable to get the advantage of sales on the high seas and have therefore to pay sales tax when they purchase imported goods from canalising agencies. To overcome this handicap of small scale industries, the canalising agencies should so manage their prices that such industries are relieved of the burden of sales tax.

5.9 The Committee was further of the view that a manufacturing concern should not be appointed as a canalising agency for items produced by it.

LIST OF ITEMS TO BE DECANALISED

Sl. No.	Item	Canalising agency presently nominated
1	2	3
1.	Rough Blanks	M/s Bharat Ohpthalmic Glass Ltd.
2.	Skimmed Milk Powder	I.D.C.
3.	Case in	I.D.C.
4.	Raw Petroleum Coke	I.O.C.
5.	Paraffin Wax	I.O.C.
6.	Asbestos raw	M.M.T.C.
7.	ABS moulding powder	C.P.C.
8.	Ammonium Nitrate (Technical grade)	C.P.C.
9.	Beta Napthol	C.P.C.
10.	Cresylic Acid (all types)	C.P.C.
11.	Carbaryl (technical grade)	C.P.C.
12.	Citric Acid	C.P.C.
13.	3·3 Dichloro Benzidine etc.	C.P.C.
14.	Ethyl Alcohol	C.P.C.
15.	Folic Acid	C.P.C.
16.	Glycerine	C.P.C.
17.	Iso-phathalic acid	C.P.C.
18.	Iso-amyl alcohol	C.P.C.
19.	Meta Aminophenol	C.P.C.
20.	Meta-Xylene	C.P.C.
21.	Melamine pure	C.P.C.
22.	Nylon Moulding Powder	C.P.C.
23.	Para- Xylene	C.P.C.

1	2	3
24.	Phenol/Carbolic Acid	C.P.C.
25.	Polyethylene moulding Powder (High & Low density)	C.P.C.
26.	P.V.C. Resin (all types)	C.P.C.
27.	Polypropylene	C.P.C.
28.	Sodium tri-poly-phosphate	C.P.C.
29.	Soda Ash	C.P.C.
30.	Tartaric Acid	C.P.C.
31.	Urea (chemical grade)	C.P.C.
32.	X-Ray Films (Industrial)	C.P.C.
33.	Brewery Hops	S.T.C.
34.	Graphite Electrodes	S.T.C.
35.	Gum Arabic	S.T.C.
36.	Photo chemicals & colour papers	S.T.C.
37.	Photographic colour films	S.T.C.
38.	Wire rods for valve spring wires	SAIL International
39.	Wire rods for engine valves	SAIL International
40.	Automobile Rim Bar, Flange Bar & Lock Ring Sections	SAIL International
41.	Chequered plates	SAIL International
42.	Crane Rails	SAIL International
43.	Ferro Vanadium	SAIL International
44.	Ferro Tungsten	SAIL International
45.	Ferro Columbium/Niobium	SAIL International
46.	Ferro Phosphorous	SAIL International
47.	Ferro molybdenum	SAIL International
48.	Pig Iron	SAIL International
49.	Ferrous Scrap for re-rolling (Except for ship-breaking)	SAIL International
50.	Carbon and special steels (a) Semis (b)rolled sections (c) High carbon steel strips (Hardened and tempered)	SAIL International
51.	Railway track sleepers	SAIL International
52.	Alloy, stainless and heat resisting steels semis	SAIL International
53.	Caffeine and its salts	C.P.C.
54.	Calcium Sodium Wentothenates	C.P.C.
55.	Malathion	C.P.C.
56.	Prednisolone	C.P.C.
57.	Panthenols	C.P.C.
58.	Prenylamide Lactate	C.P.C.
59.	Waraffin, naphthanic or aromatic rubber plasticisers	I.O.C.

ITEMS TO BE DECANALISED FOR EXPORT PURPOSES

1	2	3
1.	Semi-finished leather	STC. The export policy can be equally served by the existing system of quotas held by registered exporters.
2.	Footwear	STC. The decanalisation would be for items exceeding a specified floor value.
3.	Castor oil	STC. As in the case of coffee flexible export duty would serve the objectives.
4.	Dried fish	STC
5.	Shellac	STC
6.	Kuth roots	STC
7.	Exposed feature films	IMPEC

CHAPTER VI

POLICIES TOWARDS SMALL SCALE SECTOR

6.1 The important place which Small Scale Sector occupies in the context of the process of industrial development and foreign trade in the country needs no emphasis. The following paragraph in the recent Industrial Policy Statement amply brings out the relevance of encouraging the small scale sector to the various developmental objectives of the Government.

6.2 "The main thrust of the new Industrial Policy will be on effective promotion of cottage and small industries widely dispersed in rural areas and small towns. It is the policy of the Government that whatever can be produced by small and cottage industries must only be so produced. For this purpose, an exhaustive analysis of industrial products has been made to identify those items which are capable of being established or expande in the small scale sector. The list of industries which would be exclusively reserved for the small scale sector has been significantly expanded and will now include more than 500 items as compared to about 180 items earlier. This list is laid on the Table of the House. However, it must also be ensured that production in this sector is economic end of acceptable quality. The list of industries reserved for the small scale sector has to be continually reviewed so that capacity creation does not lag behind the requirements of the economy. An annual review of reserved industries will be undertaken in order to ensure that reservation accorded to the small scale sector is efficient and is also continually expanded as new products and new processes capable of being manufactured in the small scale are identified."

6.3 The small scale sector's activities range from plantation and forestry based activities such as cashew nut processing, lac etc. to the sophisticated production activities such as electronic components, auto ancillaries, scientific instruments etc. Some product of the small scale sector cater entirely to domestic market while most others either directly or indirectly by supplying inputs to other exporting industries contribute to the export effort of the country. In so far as almost all of the SSI products refer to tradeables, there is eiher an import substitution angle or export development angle. Further many SSI products do have demand for imported inputs. According to one estimate, share of imported inputs raw materials and components in (excluding the imported machinery services) the total material production cost is as high as 8-10 percent. The imported inputs in the production of small scale sector include animal oils & fats, chemicals, plastic materials, iron & steel, non-ferrous metals etc. The export products of SSI sector include cashewnut processed, marine products, chemicals and allied products, various non-traditional engineering products. The share of SSI exports in the total exports of India lies in the range of 15-16 percent in recent years. If the SSI exports of non-traditional products are alone considered, then this share becomes 35-40 percent of the total non-traditional exports of the country. It is interesting to note that according to the SSI Census of 1973 out of 2420 product categories manufactured in SSI only 750 products i.e. 31 percent of the total enter the export-basket, and that only 3035 units i.e. 2 percent of the total census units were connected with the export activity.

EXISTING IMPORT-EXPORT POLICIES FOR SSI SECTOR

6.4 In view of this special importance of the SSI sector in foreign trade activity, discussion of the import-export policies in its context becomes relevant.

6.5 In the existing import-export policy framework some special facilities are built into it for the benefit of SSI sector. These try to cover the problems of (a) case of supply of inputs to the SSIs and (b) the provision of marketing contacts and outlets for export purposes. In the former set of facilities, are included the decentralised system of licensing thro' JCCI&E and DCCI&E's offices, canalisation through central or state level public sector agencies, extending the facility of supplementary licensing to SSI also, building a growth factor of 20% on past consumption for imported inputs etc. The latter set of facilities include the special incentives for export houses to purchase from SSI (in the form of doubling of exports originating from SSI for the benefits of eligibility, initial licences, REP transfer eligibility etc.).

Export Culture & SSI Sector

6.6 On reviewing the existing import-export policy framework towards the small scale sector, the Committee felt that the existing framework does not fully recognise the various compelling problems of the SSI sector and that inadequacies of the existing framework in this regard should be corrected in a comprehensive manner. The Committee noted that the small scale sector has to face various handicaps which are peculiar to itself. SSI sector has to contend its existence not only against domestic competition from domestic large scale sectors but also from international competetion. The risk taking propensity of the small entrepreneur is in general smaller than that of a large entrepreneure and hence special incentives and services are required to sustain him in his business. Export-orientation as indicated in the export-production ratio is not significantly large in many SSI industries, and wherever it is large, the uncertainties of the export-market have a dampening effect on maintaining this and also growth process of the industry. Hence the small entrepreneur needs special catering to avoid slumps in his export-orientation. In other words, the "hit and run" type of short-period export orientation which is prevalent among many small exporters require to be radically changed to induct in them a long period sustained export-orientation and right type of "export-culture". Even though at the aggregate level, export production ratio has been sustained at around 11 to 11.5 percent during 1973-74 to 1975-76, individual product-wise, this ratio ranged from 2 percent to 86 percent, and there are wide fluctuations from year to year. Related with this problem of sustained exports is also the problem of maintenance of quality and production as per the specifications of foreign demand. In other words, SSI sector requires services in regard to information on the foreign specifications and facilities for maintenance of quality. Advice on product adaptation, choice of technology, project feasibility reports, market potential, export procedures etc. are some of the strategic services often needed by SSI sectors. Inadequacy of the existing facilities in this regard have to be duly noted here.

6.7 Product coverage and unit-wise coverage of export activity as discussed earlier, brings out the need for spread of export consciousness among the SSI sectors. The geographical coverage of export consciousness in the country is also inadequate in so far as the distribution of the SSI exporting units in the different states of the country in different product groups shows wide variations. While one need not expect uniformity in the distribution of export-coverage the smallness of the coverage in relation to the potential in the different states emphasises the need for providing export services in the different parts of the country.

Major Handicaps of SSI

6.8 In short the Committee noted that the major handicaps of the SSI sectors arise on account of inadequate information in regard to the choice of products, product adaptation, etc., and also inadequate incentives to fully compensate for the risk aversion attitude of the small entrepreneurs. On the import side, the handicaps arise on account of the inability of the small entrepreneurs to rise to the complex trading phenomena in the world markets. The small entrepreneur is also not always proficient in import management. In order to bring about a break-through in the field of the development of the SSI sector the Committee identified the following areas for special consideration :—

(i) ease of supplies of imported inputs for small entrepreneurs;

(ii) Special encouragement to the development of SSI consortia;

(iii) services to the SSI sector for the information gap and providing adequate marketing leads, advice on product adaptation, choice of technology etc.

Ease in Supplies of Imported Inputs

6.9 The Committee recommends that in respect of canalised items, the small scale unit should have the facility to bulk their orders through the State Small-Scale Corporations to avail of delivery on high-seas and thereby avoid payment of Sales tax. Similarly, in respect of non-canalised items, where small-scale units find it difficult to arrange for direct imports, they should have the facility to place indents on State Small Scale Corporations, to arrange the import of these inpute on their behalf, not withstanding the attachment of AU condition to the OGL items.

Development of SSI Consortia

6.10 The Committee recognises the importance of SSI consortia in the context of services to the SSI sector. At present, there are only very few SSI consortia and special incentives are needed to encourage more of them. The Committee therefore recommends that SSI groups and consortia should be given all the facilities which are available to recognised export houses.

Services to the SSI Sector

6.11 As discussed earlier,the basic bottleneck in the export of SSI sector arises on account of inadequate facilities and services of the present system. The Committee felt that the existing organisational frame work in terms of TDA, DCSSI, SIDO, State Directorate of Industries should be adequately strengthened to take care of increasing demand of services of the SSI sector in the different parts of the country. The Committee reviewed the package service plan of TDA under which all the required services from the stage of production to marketing including advice on choice of products, product adaptation etc. and observed that this is the most appropriate approach towards the requirements of the SSI sector in the export field. It therefore recommends that the approach of package service plan of TDA should be made more comprehensive in regard to product and market coverage.

6.12 It would be useful that the different Export Promotion Councils established separate panel of SSI with a view to providing services to the SSI sector. Since TDA has already taken the initiative in catering to the service requirements of the small sector in the field of export, these panels of EPCs should function in close coordination with TDA. Further, DCSSI being an organisation specialised in assisting SSI in its production problems, it is useful if TDA, DCSSI and SSI panels of the EPCs function in close coordination with each other.

Free Foreign Exchange for SSI Imports

In the present licensing system, small scale units get licences at 70 percent under free foreign exchange and 30 percent under U.K. credit as a fixed formula. They have to approach the licensing authority for conversion of U.K. Credit Licence in free foreign exchange wherever they find it difficult to utilise the credit licence. There have been representations from the small scale sector that they should be allowed their entire entitlement in the free foreign exchange as they are not in a position to operate credit licences for various reasons like non-availability of the material in U.K., higher cost of the raw-material, lack of knowledge of operating the credit licence, etc. The Committee, therefore, recommends that all small scale units should be granted licences under free foreign exchange.

CHAPTER VII

FORMS AND PROCEDURES FOR EXPORTS AND IMPORTS

7.1 In the existing policy system, various policy instruments of export promotion meant that an exporter has to follow rather complex procedures so as to be able to complete the act of exporting and also to make himself eligible for the incentives of the services meant for him. The export promotion system has built into it still more complex network of procedures. A rough estimate of procedural aspect of the export activity indicate that an exporter to finally complete his export transaction has to deal with 9—10 organisations, has to fill up 53—54 types of forms and applications and also to prepare a large number of copies of different types of applications. Although average time period involved in this process of procedures varies from product to product, it is rather long and it can be as much as 2—3 months. This maze of network of procedures has often a dampening effect on exporter and thereby affecting adversely country's export performance. It also deters away small exports from keeping themselves in the export activities. Statement in the annexure indicates the different types of forms and application and the agencies dealing with them. A critical review of the contents of the different forms indicates that there is lot of scope for simplification and rationalisation. The Committee recommends that this matter needs to be looked into and required simplification should be identified as early as possible.

7.2 Another lacuna of the existing systems of procedures is that an exporter has to move from one agency to the other in getting benefits under the various export incentive schemes. This in effect often works out as a disincentive for exporting. For instance, our discussions with exporting community showed that the delays and the procedural complexity of the duty drawback system has discouraging affect on the exporters. This is the reaction of the exporters even in the context of simplified duty drawback procedures that is operating today. The Committee, therefore, felt it worthwhile to recommend that a single agency may be designated to deal with all the incentives for exports.

7.3 A quick review of the different forms and applications revealed that some of them can be easily dispensed with. For instance, in the case of REP licence it is required that the exporter produces shipping bill along with the Bank certificate for claiming required REP licence. As far as the issuance of REP licence is concerned, one should be satisfied that the actual exports have taken place. For this, it is enough that one of these forms is available to the licensing authorities. Insisting that both the forms should be submitted is obviously unnecessary. In fact, it is possible to consider REP as an automatic licence to an exporter and a streamlined procedure for this purpose should be adopted. Many other such simplifications could be introduced. For exporters, there are procedural problems of customs, such as interpretations, duty on samples, labels and tags, documentation, etc. The Committee recommends that simplified procedures should be evolved in this important area.

7.4 Equaliy, on the import side, there are multiplicity of forms, duplication of information in the different forms and various avoidable procedures. The types of forms which an importer has to handle are indicated in the annexure. Paradoxically, enough, importer has to contend with smaller number of forms and simpler procedures than an exporter. It is expected that with significant simplifications of the import policy instruments and decentralisation of decision making, may redundant procedures could be eliminated.

7.5 In order that the procedural hurdles are reduced to the minimum, the Comittee recommends that import-export policies are kept stable for a minimum period of three years. In view of the multiplicity of the procedures, and their detailed nature, the Committee recommends that the identification of the redundant procedures and suggestions for new set of procedures consistent with the new policy framework, should be entrusted with a group of representatives of CCI&E, DGTD and Customs. This exercise of simplification of procedures should be completed before the announcement of the Import Export Policy for the year 1978-79. The Committee recommends that there should be a forum for constant review of the procedural aspects of the policy instruments and in such reviews, the representatives of the trade and industry associations should be actively associated.

CHAPTER VIII

RESTRUCTURING OF CCI&E's ORGANISATION

8.1 Institutional aspects of the import-export policies follow as corollaries to the chosen objectives and the structure of policy instruments. In view of the various fundamental changes in the objectives and structure of the import-export policies as spelt out in the previous pages, it is imperative that suitable changes in the institutional and organisational aspects of the policies are also introduced. One of the terms of reference of the Committee has also been to make suggestions for restructuring of the existing network of CCI&E's offices and its functions.

A Review of CCI&E's Organisation and its Functions

8.2 The Office of the Chief Controller of Imports and Exports is provided for in the Imports and Exports (Control) Act, 1947. This law spells out the powers vested in this authority. These are further enumerated in the respective Control Orders issued separately for imports and exports. Existing orders have grown over the last 30 years in a manner and the extent found necessary for coping with the evolving and developing nature of the Import Trade Control Policy of the country. In addition to the functions allocated to it under the Imports & Exports Control statute, this organisation has been entrusted with the task of monitoring the export obligations cast on parties in different contexts. Besides, the cash assistance payable to registered exporters in accordance with the policy enunciated by the Commerce Ministry from time to time is disbursed by the authorities working under the CCI&E at the different regional offices. For the purposes of duty exemption scheme under the Customs Act, 1962, the Chief Controller of Imports & Exports also presides over a Committee of officials which examines and decides on the quantum and coverage of the advance licences issued to registered exporters, either against specific orders or by way of imprest.

8.3 The Table No. 22 sets out the total strength of the staff as a Headquarters and in its regional offices, separately. A few years ago the post of Export Commissioner was created in the Ministry of Commerce. This officer has been allocated certain functions in the Office of the Chief Controller of Imports & Exports statute, including liaison with the Customs authorities. In addition, he is in-charge of the two Sections of the Ministry of Commerce relating to export assistance and the Market Development Fund, the object of which is to administer the cash assistance scheme, oversee the Export Houses scheme and also the Export and Credit Guarantee Corporation and the Export Credit and Risk Insurance functions among others.

8.4 The network of CCI&E's offices has grown as a natural consequence of the complex policy system which has evolved over the past several years. This network along with the multiplicity of functions has been, to say the least, equally complex. A good deal of time in these organisations is devoted to the various functions such as revalidation of licences, and monitoring and policing of complex restriction procedures. Very little developmental activities are undertaken with a view to assisting the importers and exporters in realising a smooth process of import and export activities. To describe in brief, the approach and attitude of the network of offices of CCI&E and its allied have not been service-oriented. This characteristic of the organisations is largely due to the complexity of the policy system and inadequate appreciation of the charters of mutual faith with the trade and industrial circles. Sponsoring agencies, licensing, clearances and procedures have most often contributed to the bureaucratic empire building without any objective rationale for serving the developmental objectives of the policy system. Overhead costs of industry have also increased to accommodate for the art of "getting things done" for going through the various stages of the licensing journey.

New Promotional Role

8.5 In keeping with the promotional role of import-export policies, as discussed earlier, the Committee suggests that the designation of CCI&E should also be changed to Director General of Foreign Trade (DGFT). In the remaining paragraphs of this Chapter, CCI&E will be referred to as DGFT.

8.6 In view of the extensive liberalisation of the import policy and simplification of procedures it is expected that good part of the staff of DGFT would be perhaps surplus which may be used for more effective developmental functions. As per the existing institutional framework closely working with the policy making machinery it appears that there are several gaps in servicing the process of policy formulation. These gaps could be classified as follows :

(i) Price analysis

(ii) Analysis of the implications of tariff and cash assistance

(iii) Import management

(iv) Coordination with Export Promotion Councils

(v) Coordination between the import licensing system and the customs procedures

(vi) Action in regard to complains of Indian exporters against importers abroad as also those of the foreign importers against the Indian exporters.

(vii) Providing a focal point for coordinated assistance to exporters where a number of public agencies are involved.

8.7 The daily trade returns compiled in the Statistical Section of the Customs Houses throughout the country for import-export transactions, from the information contained in the relevant shipping documents/bills of entry have not been used sufficiently uptil now for the purpose of price analysis. To the extent necessary this information is sent to the DGCI&S, Calcutta for further processing and tabulation as required in the various statistical compilations published by him or made available to Government.

8.8 However, in the context of emerging role of India as a principal partner in international trade, both in imports as well as exports, it is imperative to do a meaningful analysis of the daily trade returns, for the

(a) Past performance of export/import trade of India and that of her trading partners with the rest of the world.

(b) Advance data on export intentions/import requirements of India and indications in regard to factors likely to influence these in India and abroad.

(c) Statistical formulations required for economic analysis on issues having a bearing on export and import policies like trends in prices, supply and demand and impact of policy instruments on economic development etc.

8.9 This data source from the Customs could be supplemented with information that would become available from the various trade and industry associations and Chambers as well as Export Promotion Councils. There exists in the Government today no organisation for such planning and coordination of foreign trade research and analysis. This function of compilation of data and processing should be directly linked to the requirements of the policy formulation.

8.10 At present the rate of cash compensatory support, duty drawback and other related export incentives are identified on the basis of some general analysis of information for different commodities. There is an urgent need for providing a forum in which the export incentive measures are identified on the basis of critical analysis of the various aspects of the export products. In particular, the demand for changes in cash compensatory support rates and duty drawback rates or tariff rates need to be carefully reviewed by an expert group. A suitably oriented section of the DGFT's staff could be entrusted with this task and this wing could undertake review of the export incentives schemes with the expert assistance of competent bodies like the IIFT, TDA and other research centres.

8.11 Today very little attention is given to the problems of import management. In fact, just as the exporter requires the services in regard to information on market potentials, marketing techniques etc. an importer also needs similar assistance in the form of information on most favourable sources of supply, alternative prices in the different competing sources, new products and subsidies, buying methods in different countries etc. In order to develop the optimum method of import management some part of the staff of the DGFT's office could be used. The detailed outline of services of import management will have to be worked out to make this programme effective and useful.

8.12 The present organisational structure of CCI&E does not have enough decentralisation to cater to the requirements in the different parts of the country. The request urged by an actual users whom the Committee had met at different places is that the work of licensing should be decentralised from Headquarters of CCI&E at Delhi and placed as close to the location of the Actual Users as possible. This would mean that the bulk of the work done by CCI&E at Headquarters, largely for the DGTD units licensed under the Industries (Development and Regulation) Act, 1951, would be decentralised, leaving only those matters which require decisions at the national level to be dealt with at the Headquarters. The Committee is all in favour of such decentralisation and would suggest its implementation with the import trade policy to be brought into force during the next year.

8.13 The Committee was requested by more than one Chamber and Association to see, if possible, whether the expertise and knowledge with the main and regional offices of the different Export Promotion Councils could be made available to new parties at the offices of the Regional Licensing authorities of the CCI&E as a part of the normal responsibilities of this organisation. It was pointed out that the EPCs have become established historically in the large metropolises only, while the needs for such assistance should be more in the other areas and towns where industrial development is still nascent. While the Committee would favour retaining the existing pattern of functions of EPCs which has the merit of involving the export community itself in promoting individual exports, it recommends that in the new set-up, the DGFT should also render assistance to exporters. The DGFT's function would be to use its rgional offices to put the interested party in touch with the concerned EPC. This would be facilitated by the integration of the staff presently posted in the ports of Bombay, Calcutta, Madras and Cochin for Export Promotion work.

8.14 Up till now individual complaints in the Import-Export Trade have been dealt with in the Ministry of Commerce. In the case of exports, the procedure is that the Export Promotion Council concerned or investigation and remedial steps to be taken. However, it appears to the Committee that the image of a country could be better served and quicker results achieved in individual cases by using the authority of the DGFT to deal with such recalcitrant exporters. Similarly a nodal point for coordinating the complaints of the Indian parties against overseas buyers would also be desirable. The Committee suggests that the work of dealing with export complaints might be entrusted to the DGFT.

8.15 The need for a close coordination between the import licensing and the Customs authorities in order to avoid difficulties of implementation of the licensing policies, cannot be over emphasised. There has, for years, been an institution of joint weekly meetings between the Customs and the Import Control authorities at the respective ports. These meetings have, however, not been very successful in achieving the object for which they were conceived. There have been various reasons for this.

It is clear, however, that the precise authority of these meetings in the matter of giving interpretation to the Import Trade Control Policy has not been clearly defined and this has led to understandable delays and difficulties in taking prompt and on-the-spot decisions. The Committee has suggested an entirely new approach in the matter of import policy. This will, at least during the transitional period, bring forth new problems which would need to be tackled at appropriate levels, so as to ensure that there is no hold up of the imports or exports resulting also in avoidable congestion at the ports. Having regard to all these factors, the Committee recommends that the institution of the jointly weekly meeting should be given a formal status. It should be made incumbant that whatever cases are referred to these meetings are decided without reference to any higher authority, so far as the particular consignment which is the subject matter of reference is concerned. If, for any reason, the decision taken at these meetings happens not to be correct and should, therefore, not be a precedent for future cases, the CCI&E should by issue of a formal public notice make it clear, to the trade as well as to the governmental executive authorities, the correct position which would be applicable after the date of its issue. For giving a formal status to the decisions at this joint weekly meetings, the provisions of Clause 11(1)(i) of the Imports (Control) Order, 1955, could be invoked suitably. The participation at these meetings should not be at levels below that of a Joint Chief Controller of Imports and Exports and Additional Collector/Deputy Collector of Customs.

8.16 In order that the proposed role of the DGFT may be effectively discharged, it is necessary that the present staff is given suitable training. It will also be necessary to induct appropriate expertise in the organisation for purposes of policy oriented analysis.

CHAPTER IX

INSTITUTIONAL FRAMEWORK AND EXPORT SERVICE ORGANISATIONS

9.1 As discussed earlier two important aspects of export promotion efforts should be distinguished; one dealing with export incentives such as duty drawback, cash assistance, import replenishment, etc. and the other dealing with export services such as advice on choice of products, product adaptation, information on market potential, export procedures, facilities for participation in trade fairs, image building, publicity etc. Growth pattern of exports of a country depends both on its natural comparative advantage and on export promotion efforts in the form of incentives and services provided in the country. Export orientation or export consciousness is also an important determinant of the export performance of the country. The production enterprises in a developing country require an orientation to consider experts as an avenue for trade activities. An important question regarding the export behaviour of firms is also relevant here. It is often observed that in a given industrial sector, only few firms choose to export and even fewer among them become successful exporters while many others possibly producing equally good quality product do not care to export. This interfirm divergence in export behaviour brings out the important role played by management decision which in turn, is influenced amongst other things, by the nature of export services available. Hence the role of export services in promotion efforts, becomes quite important. It is possible to argue that responsiveness of the exporting community to the export incentives could be much larger if adequate export services are available in the country. In other words, in the absence of adequate export services, export incentives alone cannot generate export performance on sustained or long term basis. A review of the various export promotion efforts of the different countries such as Korea and Japan show the critical role of export services in their achieving rapid growth in exports. The Committee, therefore, is of the view that in future, the export promotion efforts in the country should give greater emphasis to providing better and more effective services required by the exporting community. The Committee has made critical evaluation of the existing institutional framework in this regard and has identified the areas of rationalisation and recommendations for improving institutional framework.

9.2 At present, the institutional framework providing export services insists of the Export Promotion Councils, Export Credit and Guarantee Corporation, FIED organisations like TDA, IIFT, Commodity Boards etc.

Export Promotion Councils

9.3 The Committee studied the functioning of the various Export Promotion Councils and this showed that excepting a few, majority of the Councils have been more concerned with the appeals of the individual exporters in regard to incentives rather than providing the much needed export services to the exporting community. Though the need for service orientation of the EPCs has been emphasised in the various other committee reports and panels, very little progress has been made so far. This lacuna is partly due to the inabilities of the existing personnel of the EPCs and also due to the organisational structure of the EPCs themselves. Apart from the insufficiency of staff, most EPCs are not well equipped with the required facilities for dissemination of the relevant information on a quick and timely basis that is necessary in an export trade activity. In a few cases where although services of EPCs are of a right kind, their network both within and outside the country are inadequate. The concentration of EPCs facilities to a few selected urban centers means non-availability of EPC facilities and their services to a wide class of potential exporters situated in semi-urban and rural areas. Development and growth of quality exporters need not be the monopoly of a few locations in the country. The Committee recommends that for this purpose the State Directorates of Industries and DCCI&E and JCCI&E's office should function as liaison offices for the EPCs whose offices are located at other places. For example DCCI&E's office in Cochin or Kanpur could have an export promotion wing which will act as a store house of information and an agent for transmitting the enquiries of the exporters to the concerned EPCs for assistance. Such effective decentralisation of supply of various services of the EPCs could go a long way in fully exploiting the export potential of the country.

Information System

9.4 In regard to information needs of the exporting community and of the importers, the inadequacies of the existing system are obvious. The Committee felt that a computerised system of national trade information is of great urgency in the present context. The Committee has noted that some efforts are being made in this regard and recommends that a well coordinated information system should receive attention of highest priority.

Commercial Representatives

9.5 In the network of export-import services, the role of Commercial Sections of the Indian Embassies abroad deserves special consideration. The cadre of Commercial Representatives is evolved with a view to providing to the Government all basic assistance on commercial matters. The CRs are expected to monitor the commercial events and developments of the countries of their accredition, identify products with export potential and other trade opportunities, study the tariff and non-tariff barriers, government procedures and shipping facilities, take initiatives in cultivating specific trade contacts, undertake all publicity activities for image building, organise participation in trade fairs, department stores promotions, etc. give effective guidance to the trade visitors and missions, maintain a flow of timely commercial intelligence and deal with all the problems of commercial complaints and bottlenecks. The CRs are, in short, catalysts in the context of market thrusts and trade promotion. The list of functions expected of the CRs clearly brings out the strategic importance of this cadre in the overall commercial activities of the country.

9.6 A review of the existing network of the CRs and the nature of the functions as performed by them brings out the gross inadequacy of the present system and the wide gap that exists between the actual and the expected functions of the CRs.

9.7 The CR system of India and its functions are far below the quality of the efficient and commercially useful CR system which many other successful export countries have developed. It does not conform to the minimum standards and norms suggested in the handbook of guidelines for commercial representatives from developing countries expounded by the Internatonal Trade Centre, Geneva. This inadequacy of the CR system of India is due to various factors. Firstly, commercial orientation, aptitude, and commercial experience are not strong enough in the existing CR cadres. For success in commercial operations, high degree of specialization in the different intricacies of the commercial work, practical experience with the diverse trade practices and procedures and basic aptitude for such work are essential for success in the commercial operations. The present conception that commercial activity is an adjunct of diplomatic activity which has also been the basis of selection of personnel for CR cadre seems to be incorrect. Secondly, no effort is made to induct the commercial aptitude and experience by providing comprehensive training and opportunities both at the beginning of the induction of personnel in these jobs as also during the course of their functioning. The training facilities available in this regard do not seem to conform to all the requirements of this cadre due to the varied background of the trainees and are also very short in duration. Thirdly, the commercial sections are insufficiently manned and are not even well equipped with all facilities for efficient communications, data compilation and retrieval etc. Further, there is no effective mechanism through which CRs could derive maximum benefit from the different foreign offices of the commercial organisations such as EPCs, Commodity Boards and TDA.

9.8 The Committee took serious note of this lacuna of the existing CR system and considered the ways and means of making it a more effective instruments of export promotion. It is of the firm view that a separate cadre of Commercial Representatives should be established, providing a wider field of choice. This cadre should include personnel belonging to all India and Central services, experienced commercial personnel of Public Sector Organisations, export service institutions such as EPCs, TDA, IIFT, etc. Such a wider base would facilitate induction of the right kind of personnel with adequate commercial aptitude and experience into the system.

9.9 The content, duration of frequency of training in theory, practice of CR system and approaches of other countries in this regard should be suitably redesigned. The Committee would recommend that the tenure CR postings should be longer than at present so that there is sufficient time given for the acquaintance with the country to become effectively useful in the operations. CRs should be given suitable autonomy and more efficient facilities and manpower. The Committee was of the opinion that a comprehensive and standardised format for the information expected from the CRs should be designed so that the data sent by the CRs could be used for comparisons as among different countries and for policy formulations.

CHAPTER X

SUMMARY OF RECOMMENDATIONS

This chapter brings together the major recommendations of the Committee made in the previous chapters. For convenience, recommendations have been arranged subject-wise and the following summary does not necessarily follow the same sequence as the Report. As mentioned in the Report, the Committee would like to emphasise that these recommendations have to be considered in the long term perspective, taking into account our major objectives in the field of economic development and the present outlook for foreign trade. The Committee would also like to emphasise that its recommendations on trade policy should be considered as a package as they are inter-dependent.

RECOMMENDATIONS ON IMPORT POLICY

Policy for Raw Materials, Spare Parts and Components for Industrial Users

1. A critical examination of the import licensing system as it operates today, has shown that the system is highly complex, procedures are cumbersome, and the effects of the current policy and procedures on imports or industrial development are not always easy to assess. A major drive towards simplification of the system is necessary. In regard to raw materials, spare parts and components for industrial users, the Committee recommends that licensing should be confined only to these items where the existing tariffs are not sufficiently high to provide adequate protection to domestic industry, and where a specific national objective is served by restricting imports through the quota system. There would be two categories of items which would be specifically listed in the Import Policy i.e. (a) those which are restricted, and (b) those which are banned. Licences will be issued only for items listed in the restricted category to industrial users. The question of continuing the present practice of affording some flexibility for import of banned items upto a small percentage of the licence value, should be examined by the Government before the next year's Policy is announced.

2. Licences to be issued to existing industrial units will be equal to past consumption of restricted items *plus* 10 percent. These licences will not carry a list of items or prescribe item-wise

restrictions. They would be issued under the "automatic licence" procedures. In order to decentralise the issue of licences, even in regard to industries coming under the purview of the Director-General of Technical Development, Textile Commissioner and others licences will be issued by Regional Offices of CCI&E.

3. It is expected that the above procedures would avoid the need for supplementary licences in a large measure. However, for those units which require higher value of licences because of projected increase in production, the facility of supplementary licences will continue.

4. The Committee has specified certain criteria which would need to be taken into account in drawing up the list of banned and restricted items. Applying these criteria, with the help of the DGTD, and the Department of Steel, the Committee has also attempted to draw up an illustrative list of restricted and banned items. These lists would, however, require further refinement, before the new policy is announced.

5. Raw materials, spare parts and components which are not specifically listed as restricted or banned would be permitted for free imports by industrial users without the formality of a licence. So far the policy was that any item which was *not* specifically indicated in the import policy book, was assumed to be banned. The change now being recommended is that for items which are not listed, imports will be permitted under Open General Licence.

6. On purely economic grounds, under a situation of unrestricted access to imports, the Committee was of the view that items permitted under Open General Licence need not carry an "actual user" condition. However, in order to minimise the risks the Committee recommends that the "actual user" condition, as currently in force, may continue for one year more. In the light of experience gained with the new policy, this condition may be reviewed for possible relaxation.

Policy for Import of Capital Goods

7. The Committee feels that liberalisation of imports of capital goods would be beneficial in the interest of introducing a measure of efficiency and competitiveness in the capital goods sector. The Committee noted that the policy in regard to import of capital goods was recently examined by the Sondhi Committee and the decisions of the Government are awaited.

As such, the Committee has not made any specific recommendations in regard to policy for import of capital goods. It, however, recommends that further liberalisation of imports of capital goods, on the same lines as recommended by the present committee in regard to imports of raw-materials, may be considered after the decisions of the Government on Sondhi Committee report have been taken.

Policy for Import of Consumer Goods

8. A long-term policy for import of essential consumer goods of a mass-consumption nature is necessary for stabilising domestic prices as well as for launching a massive investment programme. So far as major import items such as foodgrains and edible oils are concerned, the Committee recommends that a somewhat longer-term view in regard to the quantity and phasing of these imports should be taken by the Government. As regards imports of consumer goods of relatively lesser importance, the Committee recommends that the Government should announce a list of items which can be imported freely and therefore can be put on Open General Licence. Consumer goods which are not specifically permitted for import, would continue to be banned.

Policy for Research Institutions, Hospitals, Educational Institutions. etc.

9. The Committee recommends that recognised R & D laboratories, scientific and research institutions, institutions of higher education, hospitals etc. should be free to import their ful requirements of raw-materials, spares, equipment and components without any value limit. No licence or sponsorship should be required for this purpose.

Established Importers

10. The present system of providing quota licences to Established Importers is not very satisfactory as it has tended to perpetuate the monopoly position of a few traders which were in import business a long time ago. The Committee, therefore, recommends that quota licensing for Established Importers should be dispensed with.

Other Categories of Importers

11. The Committee recognises that for certain items e.g., spares and books etc., it would be necessary to provide for import for purposes of "stock and sale". The Committee, therefore, recommends that a selected list of such items may be put on

Open General Licence. The actual user, conditioin would, of course not apply to such items.

12. The Committee has not gone into the details of policy for users other than those mentioned in the above recommendations. Import policy for other users may be devised keeping in line the general thrust of Committee's recommendations above.

Import of Technology

13. A liberalised import system implies that Indian industry would not be unnecessarily hampered in achieving cost reduction or improving quality because of restrictions on import of technology. The Committee recommends that a liberal and dynamic view of the import of technology should be taken, keeping in view national priorities and the present state of development of indigenous technology.

Stability of Import Policy

14. In order to provide a suitable framework for production and export planning, the Committee recommends that Import Policy should be stable for a period of at least 3 years. Itemwise changes in Policy should be confined to a minimum during this period and should be made not more than once in a year.

Recommendations on Tariff Policy

15. While import control has been the main instrument of determining the level of imports in the economy, it is obvous that the level of customs tariff has a major effect on import decisions by entrepreneurs. With the proposed liberalisation of imports of raw-materials etc., tariffs would assume an even more important role in regulating imports and providing protection to indigenous industry. Tariffs, by influencing the level of profitability in different industries, also have an important effect on investment decisions. The Committee, therefore, recommends that the implications of tariff policy for development of domestic industries should receive greater attention and for this purpose suggests that tariff rates on different products should be reviewed regularly in the light of their effects on industrial development. This task can be entrusted to the Bureau of Industrial Costs and Prices or any other similar Organisation.

16. Many of the procedural aspects of the Tariff System, such as description and classification of goods, are cumbersome. These procedures should be simplified. There is also a need for a Manual of tariff descriptions which is consistent with the

trade nomenclature so that problems of interpretations are avoided.

17. A ceiling of 40% customs duty should be considered for all capital goods. For other items, there should be a ceiling of 100 per cent in customs duties, except for a few items where a higher rate is considered necessary either for revenue reasons or for mopping up unintended profits in the home market.

Recommendations on Export Policy

Export Planning

18. Export policy should be designed with a long-term perspective, and products for export promotion or export control should be governed by long-term considerations rather than short-term exigencies. Also, export activity cannot take place in isolation from the ovaralll strategy of production, investment, and employment in the economy. It is, therefore, necessary that export strategy is integrated with development strategy and policies relating to investment, taxation, transport, communications, etc.

Import Policy for Exporters

19. The liberalisation of import policy for industrial users would ensure that imported raw-materials, which are not banned, would be available in adequate quantities for production activity for both domestic and export markets. The role of replenishment licences for exporters would therefore largely be confined to permitting imports of banned items specifically for export production, either because prices of such items at home are too high or because the quality of these items is not satisfactory. Further, there is need to provide the facility of direct imports even of canalised items and packing materials for export production. The Committee, therefore, recommends that, in future, replenishment licences (i.e., REP licences) should be issued only for import of banned and canalised items and packing materials, which are linked to the export products. The value of such licences would also be related to the amount of materials used in products actually exported. In other words, only that part of the materials would be replaced through this system as are exported out of the country.

20. Such REP licences would be transferable. The items to be imported against transferred licences would be the same as those permissible to the initial exporter.

Policy for Cash Assistance and Duty Draw-backs

21. Within the limited time available, the Committee carried out a number of preliminary studies of the relationship between cash assistance and exports. While definitive conclusions are not possible, the Committee found that the ratio of incremental cash assistance to incremental exports was not unfavourable. Similarly, exports subject to cash assistance have tended to grow faster than other exports. While recognising the promotional role of cash assistance in the country's export efforts, the Committee feels that rationalisation of criteria for cash assistance is necessary.

22. Cash assistance should be based upon three principles : (a) compensation for those indirect taxes in the production cost which are not refunded through the duty draw-back system; (b) compensation for freight and other cost differentials; and (c) for providing initial promotional expenditure for new products and in developing new markets. The Committee recognised that the cash assistance should be available only for a limited period during which the relevant disadvantages could be eliminated by conscious efforts. In any case, the cash assistance should not continue indefinitely.

23. The Committee recommends that the new cash assistance rates based on these criteria, should be worked out and brought into effect from the year 1979-80. For the year 1978-79, the present pattern of cash assistance should continue.

24. With a view to reducing the multiplicity of export incentives and reducing workload on disbursing agencies, the Committee recommends that all products for which the aggregate of duty drawback rate and cash assistance is currently 25 percent or less, should carry a combined rate. In other words, cash assistance would be admissible at the combined rate, and there would be no separate duty drawback rate. In regard to items where the combined rate is above 25 percent, the present system of separate duty drawback and cash assistance should continue.

Export Control

25. In respect of products, particularly of agricultural origin, it may be necessary to limit exports to specified quantities. The Committee, however, recommends that a list of items subject to export control should be identified on the basis of long-term export plan, and items to be brought under export control alongwith the period of export restrictions should be made known well in advance.

Policy for Export Houses

26. The Committee recognised the importance of the role of export houses in providing wide range of export services to the exporting community and recommended that the export houses may be given suitable facilities. They should get their usual REP benefits on their own exports.

27. Export houses should be given additional import licences of the value of 1/3 of the f. o. b. value of exports of the select products manufactured by small scale and cottage industries and 5 percent of the f.o.b value of exports of select products manufactured by other units, with the provision that such licences would be valid for restricted items with Rs. 2 lakhs in value as a ceiling for each item.

28. REP entitlement of export houses will not have upper celings or an export obligation.

29. Export houses can deal with all types of machinery and equipment permissible for import under the general policy for stock and sale purposes.

30. Maximum limit of release of foreign exchange to export houses for export promotional purposes should be raised to Rs. 5 lakhs from the existing Rs. 1 lakh. Export houses should be eligible for importing the items also on OGL for stock and sale purposes.

Stability of Export Policy

31. As in the case of import policy, the Committee recommends that export policy should also be stable for a period of three years.

Recommendations on policy of Canalisation

32. Experience with canalisation of imports through public sector canalising agencies has not been uniform. While in certain items experience has been satisfactory, in a large number of other items, there have been complaints by industry, particularly the small scale sector. The Committee, therefore, recommends that the policy of canalisation should be restricted only to those items which meet certain specific criteria, such as, advantages of bulking better service to consumers, preventing unfair trade practices, and assurance of long-term supply etc. A number of items have been identified by the Committee, whose exports/

imports can be de-canalised. The Committee further recommends that other items which are currently subject to canalisation should be reviewed, and to the extent possible, the list of items to be de-canalised should be expanded.

33. Public sector canalising agencies may be exempted from licensing procedures for import of canalised items, and the requirements of issue of release orders to actual users for canalised items should be abolished altogether.

34. Small scale producers, who are unable to take advantage of bulk deliveries on high seas, have to pay sales-tax on their purchases through canalising agencies. The Committee recommends that pricing policies of canalising agencies should be such that the delivered cost of canalised materials to small scale industries are not higher than those for large scale units.

35. Public sector agencies are expected to play a major role in management of adequate supplies of certain wage goods, e.g. edible oils. The concerned canalising agencies should equip themselves with a proper system of monitoring commodity markets, prices and sources of supply. It is also necessary for them to establish adequate storage facilities and develop distribution network.

36. The Committee recommends that a manufacturing concern should not be appointed as the canalising agency for items produced by it.

Policy Towards Small Scale Sector

37. Recognising the importance of ease of supply of imported inputs at competitive prices to small scale sector the Committee has recommended a number of special measures. In respect of canalised items the State Small Scale Corporations could be permitted to bulk the orders on behalf of the various small scale units and avail of the delivery on high seas and thereby avoid payment of sales tax. For non canalised items small scale units could place their indents on State Small Scale Corporations which in turn arrange the import of these inputs on their behalf notwithstanding the attachment of AU condition on the DGL items.

38. With a view to encouraging formation of SSI consortia, the Committee recommends that SSI groups and consortia should be given all the facilities which are available to recognised export houses.

39. The Committee recommended that the Package Servicing Plan of Trade Development Authority (TDA) should be made more comprehensive in regard to product and market coverage. It also recommended that the Export Promotion Councils should constitute separate panels of small scale sector with a view to providing services to the SSI sector. Trade Development Authority, Office of Development Commissioner of Small Scale Industries, and SSI panels of the EPCs should function in close co-ordination with each other.

40. The Committee recommends that all import licences granted to small scale units should be under free foreign exchange.

Restructuring of CCI&E's Organisation

41. Taking note of the recommendations given earlier that import-export policy should play developmental role the Committee recommends that the designation of Chief Controller of Imports & Exports should be changed to Director General of Foreign Trade.

42. The Committee recommends that the staff of DGFT hereafter be used not only for the usual licensing functions but also for promotional activities such as assistance to the importers in regard to import management, servicing the exporters, analysis of data of trade and prices etc. A Study Group should be constituted to continuously review the cash assistance rates and other incentive schemes to provide suitable advice to the Government.

43. DGFT office should be a nodal point for dealing with the various problems of the exporters which are concerned with the different Ministries and departments of the Governments.

44. It is necessary that there is a central place for dealing with the various types of complaints in the export activities. DGFT should be the focal point for initiating sections in regard to various complaints.

45. The Committee recommends that with a view to bringing about greater co-ordination between the licensing system and the customs procedures the jointly weekly meetings that take place today should be given a formal status with full authority for directing the relevant issues.

46. DGFT functions should be suitably decentralised and liaison with export promotion councils and State Directorates of

industries be established so as to be able to provide promotional services in the different parts of the country.

Forms and Procedures for Exports and Imports

47. The Committee recognised that the simplification of procedures in regard to imports and export policies should be gone into by a Study Group consisting of representatives from DGFT, Customs and DGTD. This exercise of working out detailed procedural implifications of the policies should be completed before the announcement of the next policy in April 1978.

Institutional Framework and Services

48. The Committee recommends that Export Promotion Councils should chalk out more effective programmes which could emphasis on the aspects of servicing the exporting community. The organisational network of EPCs should be strengthened so as to be able to provide services in the different parts of the country.

49. The Committee has emphasised the importance of the information system for import and export activities and recommends that a Computerised National Trade Information Centre should be established at an early date.

50. Noting the inadequacy of the existing network of Commercial Representatives and their functions the Committee recommends that a separate cadre of Commercial Representatives should be established providing a wide field of choice. This cadre should include the personnel belonging to all India and Central Services, experienced commercial personnel of public sector organisations, those of export service organisations such as EPCs, TDA, IIFT etc. The Commercial Representatives should be given thorough training on marketing procedures, techniques of conducting marketing surveys etc. There should also be refresher courses for them, to be undertaken once every three years. Their tenure should be longer than at present and they should be given suitable autonomy and more efficient facilities and manpower. A standardised form of information expected from the Commercial Representatives should be designed so that the data sent by them could be used for policy formulation.

TABLE NO. 1

Selected Economic Indicators

	1972-73	1973-74	1974-75	1975-76
1. Gross National Product: Rs. Crores (at current prices)	42136	52195	61551	64168
(at 1960-61 prices)	20415	21515	21572	23414
2. Index Number of Agricultural Production all commodities (1961-62=100)	120·4	133·3	128·6	148·6
3. Foodgrains Production (Million Tonnes)	97·03	104·66	99·83	120·83
4. Index Industrial Production (Crude) 1970=100	110·2	112·0	114·3	119·7
5. Electricity Generated (Bn. K.Wt.)	64·7	66·5	70·6	79·9
6. General Index of Wholesale Prices (1970-71=100)	121·9	157·5	174·6	162·6
7. Money Supply (Rs. Crores)	1291	1448	748	1316
8. Imports (Current Prices) Rs. crores	1867·44	2955·37	4518·78	5264.78
9. Exports (Current Prices) Rs. crores	1970·83	2523·40	3328·83	4036·2
10. Balance of Trade (Rs. crores)	+103·39	—431·97	—1189·95	—1228·52
11. Balance of Payments (Rs. crores)	723·8	908·7	1641·0	N.A
12. Terms of Trade) 1968-69=100) Net	124	106	77	70
Gross	83	91	75	67
13. Imports as % of GNP (current prices)	4·43	5·66	7·34	8·20
14. Exports as % of GNP (current prices)	4·67	4·83	5·40	6·29

Source : Economic Survey, Ministry of Finance, Government of India.

TABLE NO. 2

Number of value of Licences by Different Types of Licences: 1975-76 *and* 1976-77

Sl. No.	Category	Number		Value		Propn. of total No. in %		Propn. of total value in %	
		1976-77	1975-76	1976-77	1975-76	1976-77	1975-76	1976-77	1975-76
1.	Established Importers .	15589	15052	52·33	46·28	15·96	15·35	·88	1·40
2.	Actual users (Non-DGIL, Non-SSI)	13507	8839	1404·43	633·28	13·83	9·02	23·72	19·10
3.	Raw Materials for Scheduled Industries (DGTD) Unit	6110	8951	547·26	619·47	6·26	9·13	9·24	18·68
4.	Small Scale Industries .	17035	22718	107·07	87·50	17·44	23·17	1·81	2·64
5.	Registered Exporters .	29729	24911	415·51	237·20	30·44	25·41	7·02	7·15
6.	Capital Goods . . .	2611	2741	506·18	562·23	2·67	2·80	8·55	16·95
7.	Heavy Electrical Plants .	117	74	3·94	4·16	·12	·08	·07	·12
8.	Ad Hoc (All Categories) .	632	573	1202·98	147·43	·65	·58	20·32	4·44
9.	Customs Clearance Permits	2319	2614	75·96	127·61	2·37	2·67	1·28	3·85
10.	State Trading Agencies .	8648	9696	1570·92	761·78	8·86	9·89	26·53	22·97
11.	DGS&D	97	188	4·71	4·21	·10	·19	·08	·13
12.	Railway Contracts . .	393	354	16·59	15·75	·40	·36	·28	·47
13.	Govt. on Against Contracts	110	671	4·78	59·66	·11	·68	·58	1·80
14.	Replacement Licences .	651	573	6·11	4·42	·67	·68	·10	·13
15.	Blanket Licences . .	1	39	0·56	3·22	·00	·04	·01	·10
16.	New Comers . .	72	46	1·63	1·90	·07	·05	·03	·06
	Total	97621	98040	5920·76	3316·10				

Correlation Coefficient between Proportion of Nos. and proportion of Values =0·27 in 1976-77
=0·24 in 1975-76

TABLE NO. 3

Category-wise Distribution of the Number and value of Import Licences Issued during 1976-77

Unit : No. Actuals
: Value : Rs. Crores

Value Range	(Actual Users Non-DGTD, Non-SSI)				
	No.	% of total No.	Value	% of total Value	Average Value
Upto Rs. 1 lakh	7915	58 ·10	32 ·32	2 ·30	·0041
Rs. 1 lakh to Rs. 5 lakhs	2982	22 ·08	81 ·38	5 ·79	·0273
Above Rs. 5 lakhs	2610	19 ·32	1290 ·73	91 ·90	·4945
Total	13507	100 ·00	1404 ·43	100 ·00	
Small Scale Industries					
Upto Rs. 1 lakh	15014	88 ·14	37 ·91	35 ·41	·0025
Rs. 1 lakh to Rs. 5 lakhs	1717	10 ·08	35 ·31	32 ·98	·0206
Above Rs. 5 lakhs	304	1 ·78	33 ·85	31 ·61	·1113
Total	17035		107 ·07		

Value Range	Raw Material (DGTD Units)				
	No.	% of total No.	Value	% of total Value	Average Value
Upto Rs. 1 lakh	2966	48 ·54	11 ·61	2 ·12	·0039
Rs. 1 lakh to Rs. 5 lakhs	1812	29 ·66	44 ·86	8 ·20	·0248
Above Rs. 5 lakhs	1332	21 ·80	490 ·79	89 ·68	·3685
Total	6110	100 ·00	457 ·26	100 ·00	
Established Importers					
Upto Rs. 1 lakh	14710	94 ·36	20 ·01	38 ·24	·0014
Rs. 1 lakh to Rs. 5 lakhs	760	4 ·88	15 ·55	29 ·72	·0246
Above Rs. 5 lakhs	119	·76	16 ·77	32 ·05	·1409
Total	75589		52 ·33		
Heavy Electrical Plants					
Upto Rs. 1 lakh	69	58 ·97	·22	5 ·58	·0032
Rs. 1 lakh to Rs. 5 lakhs	35	29 ·91	·68	17 ·26	·0194
Above Rs. 5 lakhs	13	11 ·11	3 ·04	77 ·16	.2338
Tot al	117		3, 94		

(Actual Users Non-DGTD, on-SSI)

Value Range	No.	% of total No.	Value	% of total Value	Average Value
Registered Exporters					
Upto Rs. 1 lakh	22478	75 ·61	56 ·71	13 ·65	·0025
Rs. 1 lakh to Rs. 5 lakhs	5489	18 ·46	120 ·13	28 ·91	·0219
Above Rs. 5 lakhs	1762	5 ·93	238 ·67	57 ·44	·1354
Total	29729		415 ·51		

Capital Goods

Value Range	No.	% of total No.	Value	% of total Value	Average Value
Upto Rs. 1 lakh	879	33 ·67	3 ·66	·72	·0042
Rs. 1 lakh to Rs. 5 lakhs	819	31 ·37	20 ·84	4 ·12	·0254
Above Rs. 5 lakhs	913	34 ·97	482 ·04	95 ·23	·5280
Total	2611		506 ·18		

Other Categories

Value Range	No.	% of total No.	Value	% of total Value	Average Value
Upto Rs. 1 lakh	8758	71 ·26	22 ·77	1 ·35	·0026
Rs. 1 lakh to Rs. 5 lakhs	2153	17 ·52	52 ·71	3 ·14	·0245
Above Rs. 5 lakhs	1380	11 ·23	1605 ·78	95 ·51	1 ·1636
Total	12291		1681 ·26		

Value Range	Ad Hoc Licences				
	No.	% of total No.	Value	% of total Value	Average Value
Upto Rs. 1 lakh	543	85 ·92	·54	·04	·0010
Rs. 1 lakh to Rs. 5 lakhs	42	6 ·64	1 ·06	·09	·0252
Above Rs. 5 lakhs	47	7 ·44	1201 ·38	99 ·87	25 ·5613
Total	632		1202 ·98		

Value Range	Total				
	No.	% of total No.	Value	% of total Value	Average Value
Up to Rs. 1 lakh	73332	75 ·12	185 ·75	3 ·14	·0025
Rs. 1 lakh to Rs. 5 lakhs	15809	16 ·19	372 ·52	6 ·29	·0236
Above Rs. 5 lakhs	8480	8 ·69	5362 ·69	90 ·57	·6324
Total	97621		5920 ·96		

TABLE NO. 4

Classification of Restricted Items by Nature of Restriction on Licensing and Tariff Rates : 1976-77

Nature of Restriction	30% to 50%	50% to 75%	75% to 100%	100% and above	Total
1	2	3	4	5	6
Permitted to user Industries only					
(i) L_1	30	54	—	38	122
(ii) L_2	—	—	—	—	—
(iii) L_3 (Rigid)	8	14	1	12	35
(iv) L_3 (Flexible)	—	—	—	—	—
(v) L_4	—	—	—	—	—
(vi) L_5 (Rigid)	—	—	—	—	—
(vii) L_5 (Flexible)	—	—	—	—	—
Permitted to non-user Industries also					
(i) L_1	35	21	—	28	84
(ii) L_2	—	—	—	—	—
(iii) L_3 (Rigid)	19	49	—	50	118
(iv) L_3 (Flexible)	—	—	—	63	63
(v) L_4					
(vi) L_5 (Rigid)	—	—		—	—
(vii) L_5 (Flexible)	55	—	—	39	94

C. Linked to face value of FLS					
(*i*) L_2	—	—	—	17	17
(*ii*) L_3 (Rigid)	—	24	—	—	24
(*iii*) L_4	—	—	—	—	—
(*iv*) L_5 (Rigid)	—	—	—	—	—
D. Linked to quota of FLS					
(*i*) L_2	3	48	—	5	56
(*ii*) L_3 (Rigid)	2	4	—	—	6
(*iii*) L_4	—	—	—	—	—
(*iv*) L_5 (Rigid)	1	6	—	—	7
Total	153	220	1	252	626

Note : (1) L_1 : No percentage retrictions

L_2 : Percentages more than 20%

L_3 : (Rigid) : Exact 20%, L_3 (Flexible) : 2% to 20% restrictions

L_4 : 15% Exact,

L_5 : (Rigid) : Exact 10%

L_5 : (Flexible) : 2% to 10% restrictions

(2) L_1 L_2 . . . . L_5 are deemed to be in decreasing order of degree of restriction on licensing.

TABLE NO. 5

Distribution of the restricted Items of Imports by the Nature of Indigenous Angle: (Small Scale, Small and Large Scale, Large Scale and no Production)

Nature of Indigenous angle	Frequency
Small Scale	137 (16·83)
Small/Large Scale	274 (33·666)
Large Scale	342 (42·01)
Not in Production	61 (7·49)
Total	814 (100·0%)

Figures in brackets give percentages to the total

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TABLE NO. 6

Imports of Items on the Restricted List into India During 1974-75 & 1975-76

(Value in '000')

ITC Classification	Description of Product	Imports during 1974-75	Imports during 1975-76	%Growth rate of imports	Range of tariff rates	Import structure of restricted items	
						1974-75	1975-76
1	2	3	4	5	6	7	8
0	Cattle, Horse, Milk Powder, Plants, etc.	192472	187885	—2·38	75%	4·94	4·40
1	Kauri Gum, Oleoresin, Mexican fibre, cod oil, wool, greese, Tung oil, cocoa beans	27145	23265	—14·32	35% to 120%	0·71	0·55
2	Clay, Albaster, Pumicstone, diotomite etc. Manganese ore, Gilsonite, Carbon black, Caustic Soda, Acetone, orgon gas, Arsenic Trioxide, Benzene, etc.	46529	48232	3·66	40% to 120%	1·19	1·13
3	Drugs & Medicine, crude drugs, for Ayurvedic and Unani Medicine Pesticides, Dyes, Flint Stones, Natural Essential Oil, Synthetic bleaching agent, etc. . . .	402490	522954	29·93	Free to 120%	10·32	12·26

1	2	3	4	5	6	7	8
4	Rubber hoses, Tyres & Tubes, Beach wood, shuttle cock, paper & paper article, etc. . . .	605968	580515	—4·20	Free to 120%	15·54	13·61
5	Industrial Nylon yarn, Nylon guts, Melton cloth, Raw flax, Raw jute, woollen felts for calendering machines etc.	Neg.	Neg.		45% to 120%		
6	Fire bricks, crucible, basic refractories etc.	26459	57372	116·83	40% to 120%	0·68	1·34
7	Glass, Iron alloy, I&S wire, wire cloth, I&S chains, copper scrap, copper other products German silver, Nipple Aluminium and aluminium product, Lithographic Zinc sheets	167357	232632	39·00	40% to 120%	4·29	5·45
8	Tin powder and flax, Bismuth slitting saws, Gear Hubs, electrodes, spare parts of Diesel, petrol gas, kerosine engine, Air compressor, Air condition, refrigeration equipment, Agricultural machinery, Typewriters, Jute Machinery, Air-crafts parts and instruments . . .	2347676	2526968	7·64	45% to 120%	60·22	59·24

9	Photographic instruments, cinema machinery, Dental instruments Hearing Aid, X-Ray therapy, watch movements, Golf, Billiard equipment etc.	82143	86274	5·03	45% to 120%	2·11	2·02
	Grand Total . .	3898248	4266088	14·14			

(Value in Rs. crores)

Total Imports of India		Imports of restricted items into India		%share of imports of restricted items in total imports	
1974-75	1975-76	1974-75	1975-76	1974-75	1975-76
4518·78	5157·82	389·82	426·61	8·63	8·27

TABLE NO. 7

Number of Import Licences issued to Established Importers during 1972-73 to 1976-77

No. in Actual

Year	Established Importers (other than special Trade Agreements)	Established Importers (under Trade Agreements)	Total No. of Established importers Licences
1972-73	9949	9089	19,038
1973-74	9384	8367	17,751
1974-75	1210	10448	11,658
1975-76	8379	6673	15,052
1976-77	8639	6950	15,589

TABLE NO. 8

India : *Simple average and range of Tariff Rates forr Select Commodity* Group—1977

Sl. No.	Sector	Average Tariff Rates 1977
	A.I. *Food* : Primary	
1.	Animal Husbandry	110·00
2.	Salt	—
3.	Foodgrains	—
4.	Fruits & Vegetables	105·00
5.	Other crops	—
	Average and Range	43·00 (0—110)
	A.2 *Food* : Semi-Finished or Finished Type	
6.	Sugar	97·50
7.	Vanaspati	62·50
8.	Starch	120·00
9.	Milk and Milk Product	75·00
10.	Coffee	107·50
11.	Tea and Mate	110·00
12.	Spices	110·83
13.	Bidi, Cigarette & Cigar	120·00
14.	Biscuits & Confectionery	120·00
15.	Fruit & Vegetabe preserved	120.00
16.	Cashew nuts (Raw)	95·00
17.	Dates	105·00
18.	Almonds	105·00
19.	Pistachio nuts	105·00
	Average & Range	103·81 (50—120)
	A.3 *Non-Food*	
20.	Footwear (Leather & Rubber)	120·00
21.	Cotton Textiles	75·00
22.	Woollen Textiles	120·00

Sl.	Sector	Average Tariff
23.	Silk Textiles	112·50 +Rs. 18·70 per kg.
24.	Other Textiles	120·00
25.	Glass and glassware	102·00
26.	Chinaware and Pottery	120·00
27.	Plastics	120·00
28.	Perfumes and Cosmetics	110·00
29.	Soap and Glycerine	80·00
	Average & Range	107·95 (50—120)
	B. Intermediate Goods:	
	B.1 *Primary*	
	B.1.1 *Agro-based*	
30.	Cotton	45·00
31.	Jute	45·00
32.	Raw Silk	35·00
33.	Oil Seeds	62·50
34.	Sugar Cane	120·00
35.	Tobacco unmanufactured	55·00
36.	Plantations	75·00
	Average & Range	62·50 (35—120)
	B.1.2 *Others*	
37.	Metallic Ores and Concentrates, rosted iron pyritis	52·50
38.	Other Mineral Substances	55·00
39.	Leather	40·00
40.	Timber, wood and other forest products	75·00
41.	Crude oil	Free+Rs. 9·50 per M.T.
	Coal and Coke	45·00
	Average and Range	53·50 (0—75)

Sl. No.	Sector	Average Tariff Rates 1977
	B.2.1. *Intermediate Goods*	
	Semi-Finished and Finished Type Based on Agriculture	
43.	Vegetable Oils	62·50
44.	Cotton Yarn	75·00
45.	Jute Textiles	120·00
46.	Woollen Yarn	75·00
	Average and Range	83·13 (50—120)
	B.2.2 *Others*	
47.	Metal Products	75·00
48.	Iron and Steel	60·30
49.	Cement	75·00
50.	Non-ferrous Metals	54·29
51.	Other Leather Products	120·00
52.	Man-made Fibres	120·00
53.	Ceramics, bricks	102·00
54.	Petroleum Products	31·15
55.	Tyres and tubes	120·00
56.	Other Rubber Goods	80·00
57.	Paper and Paper Products	78·75
58.	Fertilizers	40·00
59.	Dyestuffs, Paints & Varnishes	82·22
60.	Drugs and Pharmaceuticals	64.19
61.	Miscellaneous Chemicals	63·00
	Average and Range	77·73 (0—320)
	C. *Capital Goods:*	
62.	Electrical Equipment	91·21
63.	Transport Equipment	65·52
64.	Non-electrical equipment	60·48
	Average and Range	72·40 (5—170)

TABLE NO. 9

Distribution of Items by Different Tariff Classes

Sl. No.	Class of Tariff Rates	No. of items	Percentage	Cumulative Percentage
1.	Free	8	1·52	1·52
2.	Less than 40%	36	6·86	8·38
3.	40% and more but les than 75%	136	25.90	34.28
4.	75% and more but less than 100%	202	38·48	72·76
5.	100% and more butl ess than 120%	3	0·57	73·33
6.	120% and more	140	26.67	100.00
	Total	525	100.00	

TABLE NO. 10

Major Items of Export Eligible for cash Assistance between 15% to 20% under the present CA Scheme.

Commodity Group	No. of Items	Group Total
1	2	3
I. *Engineering Products* :		
Builders' Hardware	4	
Iron Castings and Forgings Steel Drums and Containers Steel Forgings Steel Wire-ropes and Strands etc.		
Electrical Machinery, Equipment and Apparatus	10	
Transformers Alternators and Generators Motor all types, Amplifiers, Air Conditioning and Refrigeration equipments etc.		
Tools	9	
Dies, Jigs and Fixtures Steel Files and Saw Files of all types Milling cutters, Saws all types, Tungsten carbide, etc.		
Internal Combustion Engine	2	
Pumps and Copmpressors		
Diesel engines, complete Pump sets		
Industrial Machinery	16	
Bread and Biscuit making machinery, Dairy machinery, Vegetable Oil Machinery, Tea Processing Machinery, Rice and Dal Mill machinery, Paper and pulp plant, weighing machinery		
Railway Equipment	2	
Switch gear and Dynamos	5	
Light Engineering Goods		
Bicycles complete and components, sewing machines, Pressure and Blow lamps etc.		48 :

1	2	3	
II.	*Chemicals and Allied Products :*		
	Basic Chemicals	1	
	Hydrochloric Acid		
	Toiletries and Perfumeries	8	
	Face cream, Talcum powder, Shampoos		
	Paints and Allied Products	4	
	Paints, Varnishes and enamels, lacquers etc.		
	Ceramic Products	4	
	Glazed tiles, Crockeries, Sanitary ware etc.		
	Rubber Manufacturers	1	
	Tyres with Nylon Cords		
			18
III.	*Food*	8	
	Fresh Vegetables, Alcohlic Beverages Chocolate and Cocoa Products Walnut Kernels etc.		
IV.	*Leather Products*		
	Leather Garments	1	
	Leather Footwear etc.	1	
			2
V.	*Textiles*		
	Readymade Garments	5	
	Textiles Fibres and fabrics	3	
	Hosiery Products	1	
			9
VI.	*Miscellaneous*	2	
	Deoiled rise bran, Decorlicated cotton seed extractions expeller coke		2

TABLE NO. 11

Analysis of Total Exports and Those under cash Compensatory Support (CCS)

(Value in Rs. Crores)

Year	FOB value of total exports	FOB value of exports for which CCS is paid	FOB value of exports for which CCS is not paid	Yearly Growth in Col. (2)	Yearly Growth in Col. (3)	Yearly Growth in Col. (4)	Share of Col.% (3) in Col.(2)	Ratio of Col. (6) over Col. (5)	Ratio of Col. (7) over Col. (5)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	10)
1970-71 . .	1535 ·20	337 ·63	1197 ·57	—	—	—	21 ·99	—	—
1971-72 . .	1608 ·20	354 ·59	1253 ·61	4 ·76	5 ·02	4 ·68	22 ·05	1 ·05	0 ·98
1972-73 . .	1970 ·60	437 ·53	1533 ·07	22 ·53	23 ·39	22 ·29	22 ·20	1 ·03	0 ·99
1973-74 . .	2483 ·20	568 ·01	1915 ·19	26 ·01	29 ·82	24 ·93	22 ·87	1 ·15	0 ·96
1974-75 . .	3328 ·80	649 ·81	2678 ·99	34 ·05	14 ·40	39 ·88	19 ·52	0 ·42	1 ·17
1975-76 . .	4042 ·80	1062 ·05	2980 ·75	21 ·45	63 ·44	11 ·26	26 ·27	2 ·96	0 ·52
1976-77 . .	5134 ·00	1526 ·88	3607 ·12	26 ·99	43 ·77	21 ·01	29 ·74	1 ·62	0 ·78

TABLE NO. 12

Analysis of exports performance and various types of Assistance given for Exports.

(Value in Rs. Crores)

Year Assistance	1973-74	1974-75	1975-76	1976-77
(i) Market Development Assistance	62 ·23	85 ·00	148 ·34	240 ·00
(ii) Duty Drawback	42 ·25	60 ·00	82 ·00	100 ·00
(iii) Cash Compensatory Suport	—	66 ·82	136 ·91	226 ·59
(iv) Total Exports	2483 ·20	3328 ·80	4042 ·80	5134 ·00
% increase over previous year	—			
(i) Market Development Assistance	—	36 ·59	74 ·52	61 ·79
(ii) Duty Drawback	—	42 ·01	36 ·67	21 ·95
(iii) Cash Compensatory Support	—	—	104 ·89	65 ·51
(iv) Total Exports		34 ·05	21 ·45	26 ·99
**Ratios of changes in Assistance to those in Exports.*				
(i) Market Development Assistance	—	0 ·03	0 ·09	0 ·08
(ii) Duty Drawback	—	0 ·02	0 ·03	0 ·02
(ii) Cash Compensatory Support	—		0 ·10	0 ·08
Ratios of % changes in Assistance to % changes in exports				
(*i*) Market Development Assistance	—	1 ·07	3 ·47	2 ·29
(ii) Duty Drawback	—	1 ·23	1 ·71	0 ·81
(iii) Cash Compensatory Support	—	—	4 ·89	2 ·43

*Indicates the amount of additional expenses for every additional Re. of exports.

TABLE NO. 13

Analysis of Exports & Expenditure of Cash Compensatory Support (CCS)

(Value in Rs. Crores)

Year	C.C.S. on export items excluding textiles	C.C.S. on exports of textiles	Total C.C.S.	Total Exports from India	Total exports eligible for for C.C.S.	Yearly % age growth in Col. 2	Yearly %age growth in Col. 3
1	2	3	4	5	6	7	8
1974-75 . . .	55·82	11·00	66·82	3328·80	649·81	—	—
1975-76 . . .	102·90	34·01	136·91	4042·80	1062·05	84·34	209·18
1976-77 . . .	141·76	84·83	226·59	5134·00	1526·88	37·76	149·43

	Yearly %age growth in Col. 4	Ratio of Change in C.C.S. to change in exports	Ratio of change in C.C.S. to change in exports eligible for C.C.S.	Ratio of % change in CC.S. to % change in exports eligible for C.C.S.	Ratio of change in exports to the change in C.C.S.	Ratio of change in exports eligible for C.S.S. to change in C.C.S.
	9	10	11	12	13	14
1974-75	—	—	—	—	—	—
1875-76	104·89	0·10	0·17	1·65	10·19	5·88
1976-77	65·50	0·08	0·19	1·50	12·17	5·18

TABLE NO. 14

Percentage of Cash Compensatory Support to FOB Value of Exports

Sl. No.	Products	1970-71	1974-75	1975-76	1976-77	Simple Average for the period	Difference between minimum & maximum range for the period 1970-71 to 1976-77
1	2	3	4	5	6	7	8
1.	Engineering goods	14 ·5	16 ·1	14 ·8	15 ·3	15 ·6	2 ·20
2.	Chemicals & Allied Products and Paper Products	13 ·7	14 ·4	13 ·3	12 ·7	14 ·16	2 ·60
3.	Plastics goods	9 ·4	9 ·2	9 ·7	10 ·1	9 ·76	2 ·10
4.	Sports goods	14 ·5	19 ·4	16 ·2	14 ·9	17 ·64	5 ·40
5.	Woollen carpets, Rugs & Druggests	10 ·5	5 ·7	11 ·0	15 ·1	10 ·27	9 ·40
6.	Processed Food items'	8 ·5	8 ·0	13 ·8	12 ·8	9 ·91	6 ·40
7.	Woollen/Blended Knitwear . .	—	—	15 ·0	12 ·1	13 ·55	2 ·90
8.	Fish and fish preparations . .	—	—	6 ·1	4 ·9	5 ·5	1 ·20
9.	Instant Teas, Packet teas & tea bags	—	—	10 ·0	9 ·9	9 ·95	0 ·10
10.	Jute manufacturers . . .	—	—	9 ·8	9 ·2	9 ·5	0 ·6
11.	Rayon and Synthetics	—	—	14 ·9	13 ·9	14 ·4	1 ·0

1	2	3	4	5	6	7	8
12.	Finised Leather & Leather manufacturers	—	5·6	5·2	6·1	6·5	3·30
13.	Natural Silk fabrics, garments and made-ups	—	7·6	9.6	10·9	9·55	3·30
14.	Instant coffee extracts & essence	—	—	—	10·0	—	—
15.	Walnut kernels and walnuts in shell	—	5·1	8·7	12·1	8·63	7·0
16.	Iron and steel scrap (Ferrous scrap)	5·0	3·8	19·9	—	7·2	16·10
17.	Decorticated cotton seed cakes .	12·6	10·8	10·0	18·6	14·15	8·60
18.	Groundnut cake extractions . .	3·2	—	—	—	4·53	7·20
19.	Prime Iron and Steel . . .	14·2	—	5·9	4·9	12·18	13·00
20.	Iron Ore and Manganese Ore .	0·5	—	—	—	4·77	6·70
21.	Machine twisted/curled coir fibre and carpets	14·3	4·7	5·1	6·3	9·44	9·40
22.	Rice Bran (Extractions) . .	—	1·0	—	7·3	7·33	12·70

TABLE NO. 15

Classification of export products by Cash Compensatory Support and percentage : 1976-77

Products	Below 10%	10% & below 15%	15% & below 20%	20% & above	Total
Engineering Products (A)	6	133	70	37	246
Chemicals & Allied Products (B)	2	179	25	5	211
Plastics (C)	—	31	—	—	31
Leather (D)	1	4	2	—	7
Sports Goods (E)	—	—	1	—	1
Fish Products (F)	1	1	—	1	3
Fresh & Processed foods (G)	2	27	11	9	49
Carpets and Hndicrafts (H)	1	1	1	1	4
Woollen Fabrics and made-ups (K)	3	—	—	—	3
Natural Silk Fabrics and Garments (P)	—	2	4	—	6
Synthetic Fabrics & Garments (C,V,W,X.)	2	21	23	—	46
Coir Products (M)	3	—	—	—	3
Decorticated cotton seed extractions	—	—	4	4	8
Decorticated cotton seed expeller cake	—	4	4	—	8
Cotton bagging	—	—	3	—	3
Miscellaneous Group	—	5	—	1	6
	21	408	148	58	635

Source : Compendium of Cash Compensatory Support 1976-77.

TABLE NO. 16

Frequency Distribution of duty drawback rates disbursements during—1975-76

(Value in Rs. Crores)

Size-classes for duty drawbacks rate as percentage of f.o.b. value of exports	No. of Products	Cumulative percentage	Total D.D. sanctioned	Total F.O.B. Value of Exports	Percentage of total DD Sanctioned	Cumulative percentage of DD	Percentage of total F.O.B.	Cumulative % of F.O.B. value	$\frac{(4)\times 100}{5}$
Less than 1% .	8	3·70	2·45	294·09	3·41	3·41	21·77	21·77	0·83
1% to less than 5%	58	29·36	9·35	433·09	12·99	16·40	32·07	53·84	2·16
5% to less than 10%	72	62·40	33·11	459·28	45·98	67·38	34·01	87·85	7·21
10% to less than 15%	38	80·00	10·45	84·33	14·52	76·90	6·24	94·09	12·40
15% to less than 20%	20	89·00	6·68	39·62	9·28	86·18	2·93	97·02	16·87
20% to less than 30%	14	95·40	7·93	34·86	11·02	97·20	2·58	99·60	22·76
30% to less than 50%	5	97·70	1·68	4·74	2·34	99·54	0·35	99·95	35·52
50% and above .	3	100·00	0·35	0·58	0·45	100·00	0·05	100·00	58·40
TOTAL .	218		72·00	1350·59	100·00				

TABLE NO. 17

Exercises in unification of cash compensatory support and duty Drawback : 1975-76

(Value in Rs. Crores)

Class-size for unified rate	No. of Products	Percentage of Products	Cumulative %	FOB Value of Exports	Existing Total Duty Drawback Sanctioned	Existing Cash Compensatory Support	Unified Cash Compensatory Support	Cumulative % of Exports	Cumulative % of unified Cash Compensatory Support
10% and less than 15%	19	13·01	13·01	365·28	5·94	35·64	41·58	45·47	27·13
15% and less than 20%	34	23·29	36·30	144·92	6·86	19·46	26·32	63·51	44·30
20% and less than 25%	43	29·45	65·75	157·18	13·33	22·85	36·19	83·07	67·91
25% and less than 30%	29	19·86	85·61	30·53	3·16	4·81	7·97	86·87	73·11
30% and less than 40%	15	9·60	95·20	65·23	11·87	12·21	24·08	94·99	88·82
40% and less than 50%	3	2·74	97·94	37·43	3·69	12·02	15·71	99·64	99·07
50% and above	3	2·06	100·00	2·68	1·03	0·37	1·39	100·00	100·00
Total	146			803·25	45·88	107·36	153·24		

TABLE NO. 18

List of Canalising Agencies and the number of items handled by them in 1977-78

Sl. No.	Name of the Canalising Agency	No. of items Handled: Import	Export	Total
1.	Bhatat Opthalmic Glass Limited	1	—	1
2.	Central Silk Board	1	—	1
3.	Electronics Trade & Technology Development Corporation	2	—	2
4.	Film Finance Corporation, Bombay	3	—	3
5.	Indian Dairy Corporation	2	—	2
6.	Indian Oil Corporation/Balmer Lawrie Company Ltd.	11	—	11
7.	Jute Corpoation of India Ltd.	2	1	3
8.	Minerals & Metal Trading Corporation of India Ltd.	17	6	23
9.	State Chemicals & Pharmaceuticals Corporation of IndiaLtd. (C.P.C.)	81	—	81
10.	State Trading Corporation of India Limited (STC)	16	14	30
11.	Sail International Limited (SIL)	24	2	26
12.	Cotton Corporation of India Ltd.	1	—	1
13.	Cashew Corporation of India Ltd.	1	—	1
14.	NAFED	—	4	4
15.	Solvent Extractors Association of India	—	—	1
16.	Mica Trading Corporation of India Pvt. Ltd.	—	1	1
17.	Metal Scrap Trading Corporation	—	1	1
18.	Handicrafts & Handloom Exports Corporation of India Ltd.	—	2	2
19.	Indian Motion Pictures Export Corporation	—	1	1
20.	Project & Equipment Corporation of India Ltd.	—	1	1
21.	Indian Oil & Produces Exporters Association	—	1	1
22.	Groundnut Extraction Export Development Association	—	1	1
23.	All India Cotton Seed Crushers Association	—	1	1
24.	Engineering Projects (India) Ltd.	—	1	1
	Grand Total	162	38	200

Source : 1. Export Trade Control Hand Book of Policy & Procedure 1977-78.
2. Import Trade Control Policy, 1977-78.

TABLE NO. 19

SSI Exports and Total Exports from India 1974-75 *to* 1976-77

(Value in Rs. Lakhs)

Exports	1974-75	1975-76	1976-77
1. Total Exports from India .	332883 ·00	394162 ·00	514200 ·00
2. Exports of traditional items .	243289 ·48	276324 ·00	344744 ·00
3. Exports of Non-traditional items	89593 ·52	117838 ·00	169456 ·00
4. Total Exports from small scale sector	53790 ·31	62947 ·85	87823 ·43
5. SSI—traditional exports (e.g. cashew kernel and cashew nut-shell liquid, lac and Tanned Hides and skins . . .	19491 ·71	17475 ·60	18411 ·20
6. SSI—non-traditional exports .	34298 ·60	45472 ·25	69412 ·23
7. Percentage of SSI exports to total exports . . .	16·5	15 ·97	17 ·07
8. Percentage of SSI—non-traditional exports to total non-traditional exports . . .	38 ·28	35 ·58	40 ·96

Year	Estimated production	SSI Exports	% of exports to estimated production
	(Rs. crores)	(Rs. crores)	
1973-74 . . .	3419 ·9	393 ·16	11 ·49
1974-75 . . .	4932 ·0	540 ·71	10 ·97
1975-76 . . .	5742 ·2	637 ·45	11 ·10

TABLE NO. 20

Share of Exports in Production of Important Products in SSI Sector 1973

Sl. No.	Name of the Product	Exports as % of total production
1.	Cashewnut, roasted, fried & salted	65
2.	Light leather, vegetable tanned	79
3.	Prawns frozen	86
4.	Chrome tanned leather	53
5.	Harness leather	66
6.	Woollen knitwears	29
7.	Readymade Garments	23
8.	Canned and processed fish	93
9.	Ayurvedic and Siddha medicines	17
10.	Leather shoes	28
11.	Cut mica	93
12.	Leather industrial goods	28
13.	Agarbathi, dhoop, samagri	9
14.	Cashewnuts-sweetened	75
15.	Frog legs	81
16.	Cufflinks	95
17.	Bolts and nuts for cycle bells/brake parts	24
18.	Bone powder, crushed bones	12
19.	Brass utensils	2
20.	Spices, ground/processed	20
21.	Copper wire	8
22.	Pickles and chutneys	33
23.	Leather sandals/chappals	24
24.	Brushware (nylon and natural bristles)	29
25.	Gum paste and glues	42
26.	Concrete mixers	61
27.	Stone slabs	43
	Total	43

TABLE NO. 21

Export Performance of Small Scale Industries during 1974-75 to 1976-77

Sl. No.	Items	Percentage share of Small scale Industries in the total exports of each period.			Average share of SSI
		1974-75	1975-76	1976-77	
1	2	3	4	5	6
1.	Engineering Goods . . .	30·00	27·50	27·00	27·96
2.	*Basic Chemicals etc.* . . .				
2·1	Drugs, Pharmaceuticals & Fine Chemicals	35·4	14·69	18·47	21·22
2·2	Dyes, Intermediates Alcohal and coaltar chemicals . . .	10·2	7·75	17·71	13·88
2·3	Inorganic, organic and agrochemicals	1·6	1·41	0·92	1·27
2·4	Glycerin, soaps, Detergent, cosmetics	16·3	12·76	11·01	12·94
2·5	Processed Talc	28·07	—	—	29·43
2·6	Agarbatties	90·4	93·38	73·83	82·43
2·7	Essential oils	3·5	8·19	25·25	11·87
3.	*Chemical & Allied Products*				
3·1	Rubber manufactured products including footwear . . .	12·4	19·91	15·37	15·34
3·2	Pigments & colouring materials .	—	4·18	2·85	3·36
3·3	Paints, varnishes, enamels and synthetic resins	Negl.	6·09	8·34	4·53
3·4	Printing ink and other ink products	20·4	12·30	14·97	15·81
3·5	Glass & glass wares . . .	15·8	11·14	10·81	11·68
3·6	Asbestos and asbestos cement products	Neg.	2·24	0·47	1·02
3·7	Other ceramic products . .	0·61	9·3	5·32	6·22

1	2	3	4	5	6
3·8	Refractories and processed minerals	10·6	9·00	4·90	7·23
3·9	Paper products excluding publications	13·00	14·35	14·72	14·19
3·10	Books and other printed materials	—	—	16·41	14·04
3·11	Fertilizers including bone and bone grist	6·9	10·37	8·63	8·47
3·12	Plywood and plywood products .	6·9	14·78	11·95	10·72
3·13	Un-specified items like safety matches, pencils adhesives, and Fire works	9·4	13·18	7·19	9·52
4.	Plastic products	4·19	47·98	51·66	48·07
5.	Lac	40·8	40·00	40·00	40·44
6.	Finished Leather and leather manufacturers	77·00	80·00	80·00	79·26
6·1	E.I. Tanned Hides and skins .	69·00	60·00	60·00	61·63
7.	Cashew Kernels and cashew nut shell liquid	83·3	91·75	92·00	88·74
8.	Marine Products . . .	60·95	57·95	58·00	57·86
9.	Processed foods	20·00	30·00	31·88	28·70
10.	Woollen hosiery	100·00	86·29	89·99	89·29
11.	Readymade cotton garments, cotton hosiery and made up .	40·00	40·00	40·00	40·00
12.	Rayon and synthetic products .	90·00	90·00	80·00	85·68
13.	Sports goods	100·00	100·00	68·22	86·18
14.	Processed Tobacco, snuff, bidis etc.	83·7	94·00	100·00	92·92
	Total Share of all Small Scale Industries' exports in the total exports of products listed above.	46·26	46·39	45·00	46·76

TABLE NO. 22

Organisational Chart of the Office of CCI & E and Related Offices

Sl. No.	Offices/ Strength	Gazetted	Non-Gazetted	Total
1.	Headquarters (New Delhi) .	Class I 41, Class II 81 } 122	Class II & III 491, Class IV 126 } 617	739
2.	Bombay . .	60	493	553
3.	Calcutta . .	42	483	525
4.	CLA (New Delhi)	34	205	239
5.	Madras . .	25	193	218
6.	Kanpur . .	6	54	60
7.	Hyderabad . .	6	49	55
8.	Ernakulam .	6	45	51
9.	Ahmedabad .	5	44	49
10.	Faridabad .	5	43	48
11.	Bangalore . .	5	33	38
12.	Goa . . .	4	35	39
13.	Bhopal . .	3	16	19
14.	Pondicherry . .	1	17	18
15.	Rajkot . .	1	17	18
16.	Amritsar . .	1	15	16
17.	Srinagar . .	1	12	13
18.	Shillong . .	1	10	11
19.	Vizag . . .	1	10	11
20.	New Kandla .	1	4	5
	Total .	330	2395	2725

LIST OF DOCUMENTS REQUIRED TO BE SUBMITTED BY THE EXPORTER TO VARIOUS AUTHORITIES, ORGANISATIONS AND AGENCIES

To the Customs

1. *Shipping Bill*—showing intention to export for clearance of both item-wise and value wise by the customs.
2. *Commercial Invoices*—shows quantities and value in the form of a bill of the goods to be exported.
3. *Packing List*—gives description, quantity and weight of each package in the consignment.
4. *GR I Form*—exchange control declaration to be filled in by the exporter.
5. *Copy of Export Contract/Letter of Credit*—this is the order received from the foreign buyer along with the letter of credit.
6. *Inspection Certificate*—export inspection certificate given by the export inspection agency.
7. *AR IV Form*—application for removable of excise goods for exports by sea, air, land.
8. *Export License*—only required if the item to be exported requires the license under the export trade control policy.
9. *Certificate of Origin*—required in the case of GSP items or items covered under the Commonwealth Preferences.

To the Port Authorities

1. *Export Application/Dock Challan*—application giving intention to ship the product.
2. *Cart Ticket/Chit*—showing that the goods have entered the Port Authorities premises.
3. *Shipping Order*—only required in Madras.
4. *Port Trust Copy of Shipping Bill*—required only in Bombay.

To the Banks

1. *Commercial Invoice*—shows quantities and value in the form of a bill of the goods to be exported.
2. *Bill of Lading*—shows that the goods have actually been placed at board the ship.
3. *Insurance Policy*—showing that the goods are insured.
4. *Bill of Exchange*—for recovering the export proceeds from the foreign buyers.
5. *GR I Form*—exchange control declaration to be filled in by the exporter
6. *Certificate of Origin*—required in the case of GSP items or items covered under the Commonwealth Preferences.

To The Licensing Authorities

1. Application for claim of replacement of import license.
2. *Bank Certificate*—showing that the foreign exchange has been remitted against the export consignment.
3. *Shipping Bill*—to be filled in by the exporter showing intention to export for clearance of both itemwise and valuewise by the customs.
4. *Commercial Invoice*—attested by the bank.
5. *Statement of Exports*—giving itemwise details of shipment.
6. *Treasury Receipt*—showing that the application fee has been paid to the RBI or SBI.
7. *Registration Certificate*—with the concerned Export Promotion Council.
8. *List of Items of Import*—the items to be imported against the import application.
9. *Particulars of the Nominee*—in case import license has to be issued in the name of nominee.
10. *Application Form for Cash Assistance*—application for receiving cash assistance against the export product.
11. *Stamp Receipt*—showing that the cash assistance has been received by the exporter.
12. *Statement of Exports for Cash Assistance*—giving itemwise details of the export products.

To the Collector of Central Excise

1. Application form for rebate of duty on excisable goods.
2. Duplicate copy of the AR IV form.
3. Copy of the bill of lading or shipping bill.

To the export Inspection Council

1. *Application with the Prescribed Form*—application for inspection of the export consignment.
2. Copy of LC.
3. Copy of export contract.
4. Commercial Invoice.

To the Reserve Bank of India for the Remittance of Commission.

1. Application for registration of Agency Agreement.
2. Copy of Agency Agreement.

To the Bank for Packing Credit

1. Proforma invoice.
2. Original railway receipt endorsed to the bank.
3. Copy of the despatch advice.
4. Copy of order or letter of credit.
5. Application form.

To the ECGC for Export Risk Insurance

1. Proposal form.
2. Bank certificate about financial position.
3. Application form for fixing the credit limit.

Documents Required by the Importing Countries

1. *Councilor Invoice*—required mainly by the Latin American countries.
2. Certificate of Value.
3. *Combined Certificate or Origin and Value*—required mainly by the Commonwealth countries.
4. *Special Custom Invoice*—required for USA and Canada.
5. *Health Certificate*—required for export of food products, seeds, vegetables, fish etc.
6. Certificate of Origin.

LIST OF DOCUMENTS REQUIRED TO BE SUBMITTED BY INDIAN IMPORTERS FOR VARIOUS IMFORT LICENCES

Sl. No.	Application Forms	Purpose.
1	2	3
1.	FROM (A)	Application Form for Established Importers.
2.	FORM (B)	Form of Application for import of goods (other than those falling under the CG Licensing Procedure) by Actual Users who are not borne on the books of the Directorate General of Technical Development.
3.	FORM B—1	Form of Application for import of raw materials and components under the Automatic-*cum*-Supplementary Licensing Scheme by small scale units.
4.	FORM (C)	Form of Application for import of raw-materials, components and spare parts for certain specified industries as well as other industrial units borne on the list of the Directorate General of Technical Development.
5.	FORM C—1	Form of Application for import of raw materials and components by Actual Users other than small scale units (including DHTD units) under Automatic Licensing Scheme.
6.	FORM (C II-Supplementary) Period ——————— Code No. ———————	Form of Application for import of additional raw materials and components for select industries (specified in Apprendix I of ITC Policy Vol. I for 1977-78) in respect of units borne on the list of the Directorate General of Technical Development.
7.	FORM (D)	Application Form ew comers
8.	FORM E (CG)	Import Licence Application for Capital Goods and Heavy Electrical Plant.

1	2	3
9.	'E' (CG) FORM APPLICATION (PART II)	To be submitted in quadruplicate along with four copies of application in 'E' (CG) Form for import of Capital Goods by exporter manufacuturer.
10.	FORM (F)	Application for Establishment of Quotas or Revision of Quotas.
11.	FORM 'G'	Form of Application for Revalidation of Licences.
12.	FORM (J)	Form Application for Import of News Prints for' publishing News papers/ Periodicals.
13.	FORM 'K'	Form of Application for Public Sector Projects/Undertakings i.e. Irrigation and Power Projects/State Electricity Boards/Undertakings for import of (i) maintenance operational items of spares & stores & (ii) raw materials, components and major assemblies.
14.	FORM L	Import Application for 'Emergency' spares.
15.	FORM 'M'	Form of Application for Replacement Licence.
16.	FORM 'N' Licensing Period———— ——— Unit No.—————————	Form of Application for import of raw materials, components and spare parts for units located in Santa Cruz Export Processing Zone.
17.	FORM 'O' Licensing Period—————————— Unit No.————————	Form of Application for import of materials, components and spare parts for units located in Kandla Free Zone.
18.	FORM 'P'	Form of Application for import goods by Hospitals/Educational Institutions including Medical Colleges.
19.	FORM 'Q'	Form of Application for import of Spare parts by Actual Users.
20.	FORM 'R'	Form of Application for import of Goods by Canalising Agencies.
21.	FORM 'S'	Application for allotment of imported raw materials by the Canalising Agencies during 1977-78

RAW MATERIALS, COMPONENTS, CONSUMABLE STORES, TOOLS (OTHER THAN SMALL TOOLS)

ILLUSTRATIVE LIST OF RESTRICTED ITEMS *PART 'A'*

S. No.	*Item*
1.	Optical Whitening Agents.
2.	Vetting cut, Penetrating, Dispersing Scouring and Emulsifying agents, Synthetic bleaching agent (other than bleaching powder or peroxide chlorides) Hydrogen.
3.	Photographic Gelatine.
4.	Carbon blocks—Electrographitised hard carbons and Resin Bonded Carbons.
5.	Cellulose Acelate Flakes and sheets.
6.	Phenol Formaldehyde moulding powder.
7.	Phenol Formaldehyde Resinous Tubes whether paper bond based or fabric based and/or paper based rods.
8.	Cast Phenolic Resinous Sheets, Rods and Tubes.
9.	Phenolic paper copper clad laminates.
10.	PTFE tubes.
11.	Synthetic Ion Exchange Resins.
12.	Polyvinyl Alcohol.
13.	Ketonic Resins.
14.	Vulcanised fibre sheets and rolls.
15.	Polyvinyl Butral Resin sheets.
16.	Soda acid and foam type refills.
17.	Paper items, the following :— (i) Art and Chrome paper. (ii) Glazed limitation perchment and vegetable parchment papers. (iii) Glassine paper of 20 gsm and below. (iv) Specialised tissues :— (a) Carbonising tissue. (b) Stencil base tissue. (c) Soft and absorbent tissue paper below 18 gsm in substance. (d) Cellulose wadding. (e) Coloured and pectral cigarette tissue.

S. No.	Item
	(v) (a) Base paper for waxing and impregnating and coating
	(b) Decalcomania paper.
	(c) Photo and sensitisin base paper.
	(vi) Electrical insulation paper and boards : Cable paper.
	(vii) Matrix Boards/stereo flongs.
	(viii) Abrasive base papers.
	(ix) Filter papers including impregnated.
	(x) Chart paper.
	(xi) V.P.I. papers.
	(xii) Ceramic transfer papers (printed and unprinted).
	(xiii) Paste board, lacquered and one side coated.
	(xiv) Melamine impregnating paper foils.
	(xv) Wool paper and flax paper.
	(xvi) Drawing paper.
	(xvii) Tissue paper.
	(xviii) Grease-proof/Glassine paper.
	(xix) Filter paper.
	(xx) Base paper for various purposes.
	(xxi) Crepe paper.
	(xxii) Electrical Grade papers.
	(xxiii) Permanent record paper.
	(xxiv) Coated (Art & Chrome) Board.
	(xxv) Black Centred board.
	(xxvi) Persspahn (Elect & Ind. Grade)
	(xxvii) Vulcanised fibre sheets.
	(xxviii) Tag Board.
18.	Wooden pencil slat.
19.	Silicon Graphite Crucibles sizes above 200.
20.	Clay bonded graphite crucible, sizes above 300.
21.	Rubber hoses.
22.	Industrial nylon yarn of 210 denier and above.
23.	Woollen felts.
24.	Grinding wheels.
25.	Slitting wheels.
26.	High Density alumina grinding media.
27.	Non-asbestos packing.
28.	Calcium Manganese, silicon alloys.
29.	Calcium sillicide.
30.	Free cutting bright steel bars.
31.	Boiler tubes.

S. No.	Item
32.	Line pipes and tubes.
33.	Steel/wrought iron pressure pipes and tubes (coated or uncoated) excluding stainless steel tubes.
34.	Seamless (alloy and carbon steel) pipes and tubes 33.4 mm to 219 mm OD.
35.	Stainless steel pipes and tubes.
36.	Centrifugally cast seamless, steel pipes and tubes (including stainless steel) upto 375 mm dia.
37.	Refractory and refractory materials monolithic types.
38.	Cast refractories of special size and shapes.
39.	Unmachined steel forgings and castings.
40.	Copper sheets and strips of thickness 0.07 mm and below.
41.	Phosphor bronze and tombac brass wires of thinner than 30 SWG.
42.	Copper/brass tubes of less than 10 mm dia or over 100 mm dia.
43.	Phosphor bronze tubes.
44.	Buttweld type pipe fittings less than 12" dia.
45.	Wire cloth/Sieve cloth fineness between 200 to 400 mesh.
46.	Roller chains and parts thereof of iron and steel.
47.	Ship chains and hoisting chains, *viz.*, wrought iron and steel stud link chains for anchoring hoisting etc., including welded link chains and all other types of link chains and parts thereof.
48.	Machine tacks.
49.	Alloy steel castings (unmachined) above 3 M.T. piece weight only.
50.	Copper special profile sections/shapes.
51.	Rolled clad material.
52.	Copper alloy powders.
53.	Aluminium brass and aluminium bronze tubes below 20 mm dia/sq. having less than 16 SWG well thickness.
54.	Pyrotechnic aluminium powder of explosive grade.
55.	Aluminium capillary tubing containing not more than 99% of aluminium.
56.	Zirconium silicate and ziconium specifiers including zircon flour, Zirconium powder and getter powder.
57.	Rutile.
58.	Cadmium.
59.	Slitting saws of thickness below 1–6 mm.
60.	Cone-dies.
61.	Taps and dies below 3mm.

S. No.	Item
62.	Gear hobs, gear shaper cutters and special types of gear cutting tools.
63.	Non-ferrous uncoated electrodes/rods/wires/strips/foils for gas welding and brazing.
64.	Air-conditioning equipments :—
	(i) High speed light weight construction aluminium open type compressor suitable for air-conditioning of buses.
	(ii) Special type of refrigeration equipment requiring Lloyds specifications No. 2 and 3 for ships.
	(iii) Electronic air filters.
65.	Refrigeration equipment :—
	(i) Low back pressure open type refrigeration compressors 1/4 HP to 3/4 HP at minus 13°C suitable for combication cooler.
	(ii) Plate Freezer.
	(iii) Individual quick freezing equipment.
66.	Rolling mill rolls, as components :—
	(i) Component parts of typewriters.
	(ii) Components for the manufacture of office machines.
67.	Aerosol valves.
68.	Wave traps and coupling capacitors filter (component of power line equipment).
69.	Protective relays.
70.	Ultrasonic devices including ultrasonic flaw detectors.
71.	High tension nuts and bolts.
72.	Glass covered wires/strips.
73.	Power protection relays.
74.	H.T. H.R.C. fuses.
75.	Contactors of rating above 250 Amp.
76.	Coupling capacitors.
77.	Micro motors, break motors and stepper motors.
78.	Halogen bulbs-500 to 100 W/230 V.
79.	Infra-red bulbs.
80.	Fluorescent tubes.
81.	Lead glass tubing.
82.	Tungsten filaments and tungsten filament wires.
83.	High voltage condensor bushings above 66 KV upto 255 KV.
84.	Commutators above 1 HP.

S. No.	Item
85.	Sliperings for use in rotating electrical machinery.
86.	Micanite insulating motors.
87.	Dyes and dye-intermediates allowed to actual users with or without value restriction in Appendix 24 in Vol. I.
88.	Yeast food yeast culture.
89.	Acid grade flourspar.
90.	Carbon black.
91.	Brown auminium Oxide.
92.	Vanadium pentoxide other than catalyst grade.
93.	Chemicals included in List II in Appendix 28 (Vol. I).
94.	Ferrite parts.
95.	Multi-channel linner and T.V. deflection components.
96.	Non-ferrous metal scraps.
97.	Graphite electrodes.
98.	Ball, roller and taper roller bearings longer than 50 mm dia.
99.	Malie anhydrides.
100.	Brewery hops.
101.	Parafin, napthanic or aromatic rubber plasticisers.
102.	Etiched aluminium foils.
103.	Paraffin wax.
104.	Raw petroleum coke.
105.	Waxes, lubricants, greases and other mineral oil products presently appearing in Vol. II.
106.	Radio-active materials.
107.	Camphor.
108.	Nitro diphenyl amine.
109.	Amino diphenyl amine.
110.	Abresive belts.
111.	Ceramic, mita and plastic film capacitors upto 500 volts rating.
112.	Lacquers.
113.	Permanent magnets.
114.	Polyester films metallised.

ILLUSTRATED LIST OF RESTRICTED ITEMS

Part 'B'

S. No.	Item	
115.	Carbon and special steels :—	
	(a) Automobile rim bar, flange bar and lock ring section.	
	(b) Pear shaped trapezoidal and T. Sections.	
	(c) File steel sections.	
116.	Flat Products :—	
	(a) High carbon/spring steel strips (Hardened and tempered)	
	(b) Tinplate Waste Waste	
	(c) Defective carbon steel sheets/cuttings.	
117.	Railway materials :— Railway wheels, Tyres and Axles/wheel Sets.	
118.	Wires :—	
	(a) Flexible card clothing wire.	
	(b) Trapezoidal and other special section wires.	
119.	Rolled sections :—	
	(a) Wire rods (stainlesssteel and Heat resisting steel)	Upto 10 mm dia.
	(b) Rounds (High Speed Steel)	Above 40 mm dia
	(c) Flats (High Speed Steel)	150 mm width and below
120.	Die blocks (Round or rectangular)	Cross section 360,000 sq. meter and less or width 750 mm and less
121.	Wires	
	(a) Stainless and Heat resisting steel (Excluding flat/tinned wires in all sizes.	1.2 mm dia and thinner
	(b) Valve spring steel wires in oil hardened and tempered condition	
122.	Ferro Alloys in lump form :—	
	(a) Ferro-Tungsten.	
	(b) Ferro-Vanadium.	
	(c) Ferro-molybdenum.	
	(d) Ferro-silico-Zirconium.	
	(e) Ferro-Phosphorous.	
	(f) Ferro-titanium.	
	(g) Ferro-silico-magnesium.	
	(h) Ferro-niobium/ferro-columbium.	
123.	Ferro-alloys in powder form (All grades).	

RAW MATERIALS, COMPONENTS AND CONSUMABLE STORES

ILLUSTRATED LIST OF BANNED ITEMS

S. No.	*Item*
1.	Boot and shoe grindery.
2.	Cables and wires—presently appearing in Vol. II, Appendix 32.
3.	Cast iron and alloy iron pipes below 75 mm O.D. (except grey iron pipes).
4.	Germanium transistors.
5.	Natural rubber.
6.	Coir fibre/yarn.
7.	Cotton yarn/thread/fabrics.
8.	Raw jute.
9.	Shellac/seed lac.
10.	Hand knitting wool.
11.	Gold and silver (in any form).
12.	Raw colour film (for both cinematograph and photographic uses).
13.	Integrated circuits.
14.	Angora hair.
15.	Aniline/Aniline oil.
16.	Audio and video magnetic tapes in cassetes and audio magnetic tapes in spools.
17.	Picoline Beta and 3-Cynopyridine.
18.	Bifurcated rivets.
19.	Breeding stocks.
20.	Poultry vaccine.
21.	Butyl malonic diethyl ester.
22.	Ceramic elements for pick-up cartridges.
23.	Controls for air-conditioning and refrigeration equipment.
24.	Cellulose Acetate (off cuts and cuttings only).
25.	4–7 Dichloroquineoline.
26.	Emeralds, Rubies and Sapphires, semi-precious and precious stones, pearls (real or cultured) and rough diamonds.
27.	Transistors' headers.
28.	Flavouring essences (of alcohic liquors).
29.	Picoline Gamma and 4-cynopyridine.
30.	Lanolin anhydrous.
31.	M-aminophenol P-Nitrotoluene.

S. No.	Item
32.	M-chloro aniline.
33.	Mebeverine hydrochloride.
34.	Milk Powder.
35.	Mixture of odoriferous substances (non-alcoholic); essences containing spirit, and vanila beans.
36.	Resorcinol.
37.	Sewing thread, attachments, needles and accessories (for leather footwear manufacture).
38.	Silk worm seeds.
39.	Snap/Zip fasteners.
40.	Synthetic/synthetic blended fabrics.
41.	Tetracycline base.
42.	Trimmings and embellishments (for garments and knitwear manufacture).
43.	Tucky/toggle/expanding locks.
44.	Un-manufactured Ivory.
45.	Wool tops and wollen yarn.
46.	Woollen fabrics.
47.	Yohimbine hydrochloride.
48.	Ethanolamines.
49.	Rolled gold wire.
50.	Drugs and pharmaceuticals presently appearing in Volume I, Appendix 19, List II.
51.	Casein.
52.	Chemicals presently appearing in Vol. I, Appendix 28, List III.
53.	Sodium/Potassium Acetates.
54.	Octyl Titanate and other titanium alkoxides.
55.	P. toluene Sulphonyl chloride.
56.	Hexametaphosphate.
57.	Electrolytic Manganese Oxide.
58.	Cocoamines.
59.	Soya-amines.
60.	Stearyl amine.
61.	Oleiyl amine.
62.	Tallow amines.
63.	Hydrogenated tallow amines.

S. No.	Item
64.	All dyes and dye intermediates except those allowed to actual users, with or without value restriction, in Appendix 24 (Volume I).
65.	Fire bricks conforming to IS-6 and IS-8 qualifites.
66.	Basic refractories/refractories/refractory materials.
67.	Cast refractories of abandand sizes and shapes.
68.	Cast iron spun pipes.
69.	Carbon steel flanges/discs/rings (of all sizes upto 350 mm).
70.	Wire cloth/sieve cloth (not finner than 200 mesh).
71.	Copper sheets and strips thicker than 0.07 mm.
72.	Copper extruded/hard drawn pipes and tubes.
73.	Electrical conductor sections/strips/bushes.
74.	Brass profile sections.
75.	Phosphor bronze and tombac brass, wires (30 SWG or thicker).
76.	Copper/brass tubes (10 mm and 100 mm O.D).
77.	Copper powder and flakes.
78.	Aluminium powder and flakes.
79.	Donblewalled, copper coated, brazed steel tubings (of 0.77 mm wall thickers).
80.	Bronze powder.
81.	Enamelled copper wire (43 gauge or thicker) (except bonding types).
82.	A.A/A.C.S.R. Conductors.
83.	Telephone/telephone switchboard cables and cordages.
84.	Paper/cotton/silk covered wires/strips.
85.	Aluminium busbars.
86.	Aluminium unwrought.
87.	Carbon brushes.
88.	Lead-in wires for lamps manufacture.
89.	Lamp caps.
90.	Commutators for generators/motors upto 1 H.P. rating.
91.	Folic acid.
92.	Nature essential oils not allowed to actual risers in Vol. I.
93.	Titanium dioxide (Anatase grade).
94.	Ball, taper and roller bearings of 50 mm dia and below (appearing in Appendix 14 in Volume I).
95.	Pig iron, sponge iron, scrap etc :—
	(i) Pig Iron.

S. No.	Item

(ii) Ferrous scrap for re-rolling (excepting old ships for breaking).

96. Carbon and special steels :—

(i) Semis.

(a) Ingots/slabs.

(b) Carbon steel/blooms/billets with carbon less than 0.35%

(c) silico-manganese spring steel blooms/billets.

(ii) Rolled sections :

(a) Carbon steel squares, flats, rounds, bars (including deformed bars) and other rolled structurals (with carbon less than 0.35%).

(b) Silico-manganese spring steel squares, flats, round and bars.

(c))Carbon steel wire-rods (carbon less than 0.6%) excluding cold heading quality in fully killed and rimmed grades).

(d) High carbon steel wire-rods [excluding (i) for manufacture of Jacquered, lickerin, card clothing and needle wires, (ii) for manufacture of spring steel wires to grades III and IV of IS 4454 Pt. I, (iii) for manufacture of valve spring steel wires to IS 4454 Pt. II, (iv) for manufacture of wires for locked coil wire ropes, (v) with carbon 0.75% and above for manufacture of winding wire ropes].

97. Flat products :—

(a) Carbon steel hot and cold rolled sheets and strips (with carbon less than 0.35%).

(b) High carbon steel strips (Hardened and Tempered) (with carbon above 0.6%) (For Saw blades).

(c) Defective tinplates.

98. Railway materials :

(a) Rail (other than Tram rails).

(b) Railway tract sleepers (Pressed steel).

99. Wires :—

(a) Carbon steel wires (carbon less than 0.6%) excluding (i) flat reed wires, (ii) Dobby Lettice wires, (iii) crimped wires, (iv) Half round wires, (v) Anti-flock wires, (vi) L/Z shaped wires, (vii) Shuttle-Tongue wires, (viii) Binding wires for Textile machinery and, (ix) wires in bright annealed condition.

S. No.	Item
	(b) High carbon steel wires (with carbon above 0.6% excluding (i) Wires in plated condition, (ii) Wires in hardened and Tempered condition for healds and wire brushes, (iii) wires for Hosiery needles, latch, rivet and sewing machine needles, (iv) wires for comber needles.
101.	Ferro alloys in lump form :— (i) Semis. (ii) Ingots/slabs (all grades). (iii) Rounds, High speed steel. (iv) Wires, stainless/heat resisting steel wires (excluding flat/tinned wires) (0.27 mm dia and thicker).
101.	Ferro alloys in lump form :— (i) Ferro-Manganese; (ii) Ferro-silicon; (iii) Ferro-chrome; (iv) Silico-manganese; and (v) Silico-chrome.

LIST OF ASSOCIATIONS/COUNCILS/EXPORTERS WHO SENT THEIR VIEWS OF SUGGESTIONS FOR THE DELIBERATIONS OF THE COMMITTEE

ASSOCIATIONS/FEDERATIONS CHAMBERS OF COMMERCE ETC.

1. Shri S. G. Subramanian,
   Jt. Secretary,
   Association of Manufacturers of Petroleum Specialities,
   Commissariat Bldg., 5th Fl.,
   231, Dadabhai Naoroji Road,
   Bombay 400001.

2. Dyestuffs Manufacturers Association of India,
   296 Samuel St., Badgadi,
   Bombay 3.

3. Shri Ram Gopal Agrawal,
   Federation of Indian Chambers of Commerce & Industry,
   Federation House,
   New Delhi 110001.

4. The Associated Chambers of Commerce & Industry of India,
   17 Parliament Street,
   New Delhi 110001.

5. Gujarat Chamber of Commerce,
   Ahmedabad.

6. Shri Laxmi Narain Modi,
   Hony. Secretary,
   National Alliance of Young Entrepreneurs,
   Alliance House,
   C-20/B, Green Park Extn.,
   New Delhi 110016.

7. The Bengal Chamber of Commerce & Industry,
   Post Box No. 280,
   Royal Exchange,
   6, Netaji Subhas Road,
   Calcutta 1.

8. Shri M. S. Sambasivam,
   Secretary,
   Andhra Chamber of Commerce,
   "Andhra Chamber Bldg."
   272/273, Angappa Naick St.,
   Post Box No. 1511,
   Madras 600001.

9. Shri S. L. Jain,
   Convener,
   Federation of All India Optical Associations,
   A-19 East Friends Colony,
   Mathura Road,
   New Delhi 110014.

10. Bharat Chamber of Commerce,
"Bharat Chambers",
8, Old Court House St.,
Calcutta 700001.

11. Shri C. M. Chawla,
President,
The Federation of Publishers & Booksellers Assn. of India.
New Delhi.

12. Shri Ikbal S. Nathani,
President,
Iron & Steel Scrap Assn. of India,
"Giriraj", 301/2, 3rd Fl.,
73, Sant Tukaram Road,
Bombay 400009.

13. Shri G. V. Somaya,
President,
The Bombay Clove Merchants' Assn. Ltd.,
Somaya Bldg. No. 1, 2nd Fl.,
177, Samuel Street,
Bombay 400009.

14. Shri M. Khursid,
Hony. General Secretary,
The Brass Artware Manufacturers Assn. Regd.,
Jain Mandir Bldg. Opp. Kotwali,
Moradabad.

15. Shri K. N. Sangameswaran,
Asstt. Secretary,
The Assn. of Polyester Staple Fibre Manufacturers,
Mittal Chambers, 9th Floor,
Flat No. 92, 228, Nariman Pt.,
Bombay 400021.

16. Shri M. R. Jalan,
President,
Cable & Conductor Manufacturers' Assn. of India,
Alliance House, C-20/B, Green Park Extn.,
New Delhi 110016.

17. Shri K. N. Babbar,
Convenor,
All India Small Scale Refrigeration Association,
7, Netaji Subhash Marg,
Darya Ganj,
New Delhi 110002.

18. Shri Jayant H. Desai,
Hony. Gen. Secretary,
Electronic Industries Assn.,
C/o Jayant Electric & Radio Corpn.,
5-8, Naigaum X-Rd. B-24, Royal Ind. Est., Wadala,
Bombay 400031.

19. The Hon. Secretary,
Quilon Cashew Exporters' Assn.,
M.C. 593, Cutcherry Ward,
Quilon 13.

20. Shri O. P. Puri,
Chairman,
All India Instrument Manufacturers & Dealers Assn.,
Sunlight Insurance Bldg.,
26-27, Asaf Ali Road,
New Delhi 110002.

21. The President,
The Engineering Assn. of Northern India,
123/17, Pratap Ganj,
Kanpur 208012.

22. Shri K. P. S. Menon,
Secretary,
The Seafood Exporters Assn. of India,
VII/389, Kochangadi, Cochin 682002.

23. Shri D. H. Vora,
Secretary General,
Assn. of Man-Made Fibre Industry,
"Resham Bhavan", 5th Fl.,
78, Veer Nariman Road, Churchgate,
Bombay 400020.

24. Shri N. V. Shah,
Hon. Jt. Secretary,
All India Stainless Steel Industries Assn.,
302, Arun Chambers, Tardeo Road,
Bombay 400034.

25. Shri Bhaskar G. Kakatkar,
Secretary-General,
The Indian Cotton Mills Federation Textile Centre,
P. D'Mello Road,
Poona St.,
Bombay 400009.

26. The Secretary,
Bengal National Chamber of Commerce & Industry,
23, R. N. Mookerjee Rd.,
Calcutta 700001.

27. Shri K. R. Patel,
Chairman (Import Committee),
Indo-American Chamber of Commerce,
C/o Aeicorp Pvt. Ltd.,
10 Lall Bazar St.,
Calcutta 700001.

28. A. N. Y. Rao,
Export Promotion Officer,
Indian Woollen Mills' Federation,
Churchgate Chambers, 7th Fl.,
5, New Marine Lines,
Bombay 400020.

29. Dr. R. M. Thakkar,
Vice President,
Federation of Assns. of Small Industries of India,
67-71, Tamarind St.,
Fort Chambers, Fort,
Bombay 400023.

30. Shri Ramu Pandit,
Secretary,
The Indian Merchants' Chamber,
76, Veer Nariman Rd., Churchgate,
Bombay 400020.

31. The Secretary,
The Madras Chamber of Commerce & Industry,
Dare House Annexe, 3/4 Moore St.,
Madras 600001.

32. All India Manufacturers' Organisation (Tamil Nadu State Board),
150-B Mount Road,
Madras 600002.

33. Shri A. P. Shah,
Secretary,
Saurashtra Millowners' Assn.,
Dhrangadhra House,
Surendranagar 363001.

34. The Secretary,
Goa Mineral Ore Exporters Association,
Vaglo Bld., Rua Conde de Torres Novas,
Panjim.

35. Shri N. G. Abhyankar,
Executive Director,
All India Manufacturers' Organisation,
Jeevan Sahakar, Sir P. M. Road,
Bombay 400001.

36. Shri R. S. Johar,
Chairman,
Calcutta Import & Export Trade Association,
Royal Exchange, 6, Netaji Subhas Road,
Calcutta-1.

37. Shri L. V. Dani,
Gujarat Chamber of Commerce & Industry,
Shri Ambica Mills-Gujarat,
Chamber Bldg., Ranchhodlal Rd.,
Ahmedabad 380009.

38. Shri A. N. Jariwala,
President,
The Southern Gujarat Chamber of Commerce & Industry,
"Samruddhi", Nanpura,
Surat 395001.

39. The Secretary,
The Cochin Chamber of Commerce & Industry,
Bristow Road, Willingdon Island,
Cochin 3.

40. Indian Chamber of Commerce Calcutta,
India Exchange, India Exchange Place,
Calcutta 700001.

41. Shri J. V. Krishnan,
Secretary,
Merchants' Chamber of U.P.,
14/38, Civil Lines,
Kanpur.

42. The Southern India Chamber of Commerce & Industry,
Indian Chamber Bldg.,
Madras 600001.

43. Shri B. N. Aradhya,
President,
Federation of Karnataka Chambers of Commerce & Industry,
Kempegowda Road,
Bangalore 560009.

44. Mahratta Chamber of Commerce & Industries,
Tilak Road,
Poona 411002.

45. Shri T. Das,
Secretary,
Assn. of Indian Engg. Industry,
172, Jor Bagh,
New Delhi 110003.

46. Shri K. R. Ramaswamy,
Secretary & Treasurer,
The Coimbatore Pvt. Industrial Estate Manufacturers' Assn.,
C/o C-1, The Coimbatore Pvt. Industrial Estate,
Coimbatore 641021.

47. Shri H. A. Vora,
President,
Indian Small Scale Chemical Mfgrs. Association,
Sabun Bhavan, 187, Sheriff Devji St.,
Bombay 400003.

48. The President,
The Mysore Dodabathi Manufacturers Assn.,
Mysore Chamber of Commerce Buildings, Kempegowda Road,
Bangalore 560009.

49. The Dyestuffs Manufacturers' Assn. of India,
46-47, 4th Fl., 296, Samuel Street, Vadgadi,
Bombay 400003.

50. Dr. A. Patani,
President,
The Indian Drug Manufacturers' Association,
Sujat Mansion, 2nd Fl.,
S. V. Road, Andheri (W),
Bombay 400058.

51. Shri K. G. Pandey,
Asstt. Secretary (PR),
Punjab Haryana & Delhi Chamber of Commerce & Industry,
Phelps Bldg., 9-A, Connaught Place,
New Delhi 110001.

52. Shri Bhanisham Dass,
Executive Secretary,
Electronic Component Industries Assn.,
26, Community Centre,
East Kailash,
New Delhi 110024.

53. Shri Suresh Mehta,
Chairman,
Textile Machinery Manufacturers' Assn. (India),
53, Mittal Chamber, 5th Fl.,
Nariman Point,
Bombay 400021.

54. Shri K. S. Muthukali Chettiar,
Secretary,
Tamilnad Non-Ferrous Metals Rolling Mills' Assn.,
19, Venkatachala Mudali St.,
Madras 3.

55. The Secretary,
All India Graphite Crucible Manufacturers' Assn.,
Rajahmundry 533103,
East Godavari Dt., S. C. Rly.,
(Andhra Pradesh),

56. The Secretary,
Tiruchirapalli District Chamber of Commerce,
Madura Road 77, PB 564,
Tiruchirapalli.

57. Shri S. Paniker,
Secretary,
All-India Automobile & Ancillary Industries Assn.,
80 Dr. A. B. Road, Worli,
Bombay 400018.

58. Shri R. C. Khanna,
President,
All India Air Conditioning & Refrigeration Assn.,
P.B. No. 93,
New Delhi 110001.

59. The Secretary,
The Stainless Steel Products Exporters' Association,
307, New Anant Bhuvan,
257/65, Narshi Natha St.,
Bombay 400009.

60. Machine Tool Trades Assn. of India,
Brabourne Stadium,
87, Veer Nariman Road,
Bombay 400020.

61. Shri R. K. Sen,
Secretary,
Indian Non-Ferrous Metals Manufacturers Assn.,
India Exchange, 4, India Exchange Place,
Calcutta 700001.

62. Shri D. P. Maheshwari,
Secretary,
The Cycle Manufacturers' Assn. of India,
9-10/3, Asaf Ali Road,
New Delhi 110002.

63. Shri C. R. Rathi,
Chairman,
Steel Furnace Association of India,
3/D, Vandhna, 11, Tolstoy Marg,
New Delhi 110001.

64. Shri J. P. Goyal,
Secretary,
Industries Association (Regd.)
Jagadhri.

65. Shri H. R. Bose,
Addl. Secretary,
Merchants' Chamber of Commerce,
3/1/2, Armenian Street,
Calcutta 700001.

66. Shri H. S. Sandhu,
President,
Federation of Indian Export Organisation,
Allahabad Bank Bldg., 17, Parliament Street,
New Delhi 110001.

67. Shri C. C. Udeshi,
Export Houses of Bombay,
Shah House, 5th Floor,
Shivsagar Estate, Dr. Annie B. Road, Worli,
Bombay 400018.

68. Shri P. K. K. Vydiar,
Secretary-General,
Federation of Indian Export Organisations,
Allahabad Bank Bldg., 17, Parliament St.,
New Delhi 110001.

69. Shri A. K. Mukerjee,
Vice President,
All India Earth Moving Equipment Parts Assn.,
1, Princep Street,
Calcutta 13.

70. Shri M. S. Vaze,
Executive Officer Assn. of Indian Automobile Manufacturers,
Army & Navy Bldg.,
148, Mahatma Gandhi Road,
Bombay 400023.

71. Shri S. M. Sundaram,
Secretary,
The Alloy Steel Producers Association of India,
Bakhtawar, 1st Fl., Nariman Point,
Bombay 400021.

72. The All India Ball Bearing Merchants' Association,
105/107, Abdul Rehman St.,
Bombay 400003.

73. Shri Rajinder Singh,
President,
Indian Film Exporters Assn.,
4-E, Naaz Bldg.,
Dr. D. Bhadkamkar Marg,
Bombay 400004.

74. The Hony. Secretary,
The South Indian Film,
Chamber of Commerce,
122, Mount Road,
Madras 600006.

75. All India Carpet Mnfrs.' Association,
Kalin Bhawan, Maryad Patti,
P.B. No. 63, Bhadohi, Distt. Varanasi
Bhadohi, Distt. Varanasi.

76. Shri J. B. Franklin Mills,
Member Secretary,
Southern Handicrafts Exporters' Association,
Madras.

77. Shri K. J. James,
Vice President,
Indian Wood Exporters Assn.,
P.B. 1775,
Cochin 682016.

78. Shri B. M. Sheth,
Secretary,
The Solvent Extractors' Assn. of India,
142, Jolly Maker Chamber, II,
14th Fl. 225 Nariman Pt.,
Bombay 400021.

79. Shri T. J. Tanna,
Chairman,
Indian Oil & Produce Exporters Assn.,
78-79 Bajaj Bhawan, Backbay Reclamation, Nariman Pt.,
Bombay 400021.

80. Shri Naginbhai Shah,
Vice President,
The Jamnagar Factory Owners' Association,
42, Digvijay Plot,
Jamnagar.

81. The Uttar Pradesh Electronic Industries Assn.,
1st Fl., 12-A, Station Rd.,
Lucknow 226001.

82. Shri V. N. Shah,
Secretary,
Organisation of Pharmaceutical Producers of India,
Cook's Bldg., Dr. Dadabhoy Naoroji Road,
Bombay 400001.

83. The Secretary,
The Madras Jewellers' & Diamond Merchants' Assn.,
11 & 12, Car St., Netaji Subhaschandra Bose Rd.,
Madras 600001.

84. Shri T. G. Krishnan,
President,
The Kerala State Small Industries Assn.,
Chittoor Road,
Cochin 682011.

85. The South India Hosiery Manufacturers' Assn.,
78/12, Kumaran Road,
Tirupur 638601.

86. Shri Shankarlal,
Jt. Secretary,
Assn. of Small Scale Sector,
No. 35, 3rd Fl., C-Devi, Maradi Market, C. T. Street,
Bangalore 560002.

87. Shri S. S. Aggarwal,
Vice President,
Federation of Associations of Small Industries of India,
23-B/2, Guru Gobind Singh Marg (New Rohtak Road),
New Delhi 110005.

88. Karnataka Small Scale Industries Assn.,
11-A, Jayachamarajendra Road,
Bangalore 2.

89. Film Producers' Guild of South India,
41, Bazullah Road,
Madras 17.

90. Shri J. M. Korkhao,
Hon. Secretary,
The Bombay Gramphone Society,
Jal M. Korkhao,
"Khor-Adi", 23, Prof. Almeida Road, Bandra,
Bombay 400050.

91. The Secretary,
Indian Confectionery Manufacturers' Association,
Sugar House, 39, Nehru Place,
New Delhi.

92. Shri Laxman Gandhi,
President,
Gujarat Rajya Ice Cream Manufacturers Association,
C/o Ahmedabad Hotel Owners Assn.,
Near G.P.O. Mirzapur Road,
Ahmedabad 1.

93. Madras Onion Traders' Association,
Madras.

94. Shri K. Sambandham,
Spl. Officer,
The Tamilnadu State Palmgur & Fibre Marketing Co-op.
Federation Ltd.,
52, Gengu Reddy Road, Egmore,
Madras 600008.

95. Southern India Handloom & Industries Association,
No. 3, Somasundara Devar,
6th Street, Aynavaram,
Madras 600023.

96. The Handicrafts & Handlooms, Exports Corpn. of India Ltd.,
"Sudarsan Bldg.", 16/1, Whites Road,
Madras 600014.

97. The Hon. Secretary,
South India Cashewnut Manufacturers' Assn.,
Mundakkal West,
Quilon 1.

98. The Secretary,
Palasa Cashew Manufacturer's Association,
Palasa 532 221,
(Distt. Srikakulam) A.P.

99. Shri A. C. Chaudhuri,
Secretary General,
Indian Woollen Mills' Federation,
Churchgate Chambers, 7th Fl., 5, New Marine Lines,
Bombay 400020.

100. The Secretary & Adviser,
The United Planters' Assn. of Southern India,
'Glenview', P.O. Box No. 11,
Coonoor 643101.

101. Karnataka Planters' Assn.,
Chikmagalore.

102. Dr. Ramesh M. Thakkar,
President,
The All India Plastics Manufacturers' Assn.,
Jehangir Bldg., 3rd Fl.,
133, Mahatma Gandhi Rd.,
Bombay 400023.

103. Shri P. N. Amersey,
President,
The Clothing Manufacturers Assn. of India,
902, Mahalaxmi Chambers,
22, Bhulabhai Desai Rd.,
Bombay 400026.

104. Shri Balkrishna Binani,
President,
Bombay Metal Exchange Ltd.,
Gogate Mansion, Kika St.,
Bombay 400002.

105. Shri K. G. Pillai,
Secretary,
Assn. of Merchants & Manufacturers of Textile Stores & Machinery (India),
Bhogilal Hargovindas Bldg., 2nd Floor,
18/20, Kaikhushru Dubash Marg,
Bombay 400023.

106. Shri Brijmohan Khanna,
First Vice-President,
Marathwada Chamber of Commerce,
Jolly Bhavan No. 2, New Marine Lines,
Bombay 400020.

107. Machine Tool Trades Assn. of India,
Brabourne Stadium, 87, Veer Nariman Road,
Bombay 400020.

EXPORT PROMOTION COUNCILS/COMMODITY BOARDS & OTHER EXPORT PROMOTION ORGANISATIONS

108. Shri M. G. Joshi,
Secretary,
Chemicals & Allied Products Export Promotion Council,
14/1B, Ezra Street,
Calcutta-700001.

109. Shri V. Sitaram,
Secretary,
Basic Chemicals Pharmaceuticals and Cosmetics Export Promotion Council,
"Jhansi Castle", 4th Floor, 7, Cooperage Road,
Bombay 400039.

110. Shri N. K. Bharadwaj,
Executive Director,
Trade Development Authority,
Bank of Baroda Building,
16-Parliament Street,
New Delhi-110001.

111. Shri MSRV Krishna Rao,
Joint Chief,
Research & Analysis Divn.,
Trade Development Authority,
Bank of Baroda Building,
16-Parliament Street,
New Delhi-110001.

112. Shri V. L. Rao,
Joint Chief,
Research & Analysis Divn.,
Trade Development Authority,
Bank of Baroda Building,
16, Parliament Street,
New Delhi 110001.

112A. Shri M. R. Gulati,
Jt. Chief,
Trade Information & Statistics Division,
Trade Development Authority,
New Delhi.

113. Shri Amulya Charan,
Deputy Merchandising Executive,
Trade Development Authority,
Bank of Baroda Building,
16-Parliament Street,
New Delhi-110001.

114. Shri P. Laroia,
Joint Merchandising Executive,
Trade Development Authority,
Bank of Baroda Building,
16-Parliament Street,
New Delhi-110001.

115. Shri Harish Wadhwa,
Asstt. Merchandising Executive,
Trade Development Authority,
Bank of Baroda Building,
16-Parliament Street,
New Delhi-110001.

116. Shri Narinder K. Modi,
Vice President,
Indian Institute of Foreign Trade, Alumini Association (P.G.D.P.),
C/o Shahid Bhagatsingh Road,
Manu Mansion, 16 Fort,
Bombay-400023.

117. Shri A. K. Mahapatra,
Assistant Secretary,
The Indian Council of Foreign Trade (Eastern Region),
8, Old Court House Street,
Calcutta-700001.

118. Shri K. Venkatesan, I.A.S.,
Secretary to Govt. (Industries Dept.),
Fort St. George,
Madras 600009.

118A. Shri M. M. Mathur,
(Dy. M.E.),
Trade Development Authority,
New Delhi.

119. Shri D. N. Saxena,
Director General,
Indian Institute of Foreign Trade,
Ashok Bhawan, 93, Nehru Place,
New Delhi-110024.

120. Shri C. M. Radhakrishnan Nair,
Additional Chief Controller of Imports & Exports,
Ministry of Commerce,
Office of the Chief Controller of Imports & Exports,
New Delhi.

121. Shri K. N. R. Sharma,
Technical Adviser,
Indian Investment Centre,
(Entrepreneurial Guidance Bureau),
Second Floor, T.N.K. House, 11-A/3, Anna Salai,
Madras-600002.

122. Shri B. L. Das,
Joint Secretary,
Government of India,
Ministry of Commerce,
New Delhi.

123. Shri A. K. Banerji,
Executive Director,
Reserve Bank of India,
Central Office,
Bombay.

124. Shri Mahesh Prasad,
Joint Secretary
Ministry of Commerce,
New Delhi.

125. Shri Arun Kumar,
Jt. Chief Controller of Imports & Exports,
(Central Licensing Area),
Indraprastha Bhawan,
New Delhi-110002.

126. Shri C. Venkataraman,
Financial Adviser,
Ministry of Commerce,
New Delhi.

127. Shri M. C. Satyawadi,
Joint Chief Controller of Imports & Exports,
Ministry of Commerce,
Office of the Jt. Chief Controller of Imports & Exports,
Central Govt. offices, New Building,
South East Wing, New Marine Lines, Churchgate,
Bombay-1.

128. Shri V. C. Pande,
Joint Secretary
Ministry of Commerce,
New Delhi.

129. Shri Shafaat Ahmed,
(Through S. Narasimhan Controller of Imports & Exports),
For Jt. Chief Controller of Imports & Exports,
Ministry of Commerce,
Office of the Jt. Chief Controller of Imports & Exports,
Post Box No. 1842,
Madras-1.

130. Shri A. C. Sen,
Director,
Ministry of Commerce,
New Delhi.

131. Shri K. C. Mamgian,
Under Secretary to the Govt. of India,
Ministry of Finance, (Deptt. of Revenue),
New Delhi.

131A. Shri S. P. Shukla,
Joint Secretary
Ministry of Commerce,
New Delhi.

132. Shri M. M. Sheth,
Hon. Treasurers,
The Indian Council of Foreign Trade,
105, Churchgate Chambess, (1st Floor),
5, New Marine Lines,
Bombay-20 BR.

133. Shri R. C. Maheshwari,
Chairman.
Engineering Export Promotion Council,
14/1B, Ezra Street,
Calcutta-700001.

134. The Southern Regional,
Chairman,
Engineering Export Promotion Council,
1st Floor, Kannammai Bldg.,
122 Mount Road,
Madras 60006.

135. Shri S. Viswanath,
Director General,
The Cotton Textiles Export Promotion Council.,
Engineering Centre,
5th Floor, 9, Mathew Road,
Bombay-400004.

136. The Plastics & Linoleums Export Promotion Council,
Nyloc House, (4th Floor),
254-D2, Dr. Annie Besant Rd., Prabhadevi,
Bombay-25.

137. Shri J. M. Abraham,
Sr. Statistical & Market Research Officer,
For Chief Coffee Marketing Officer,
P.B. No. 5359,
Bangalore-560001.

138. Export Promotion Council for Finished Leather & Leather Manufactures,
15/46, Civil Lines,
Post Box No. 198,
Kanpur-208001.

139. Shri A. K. Verma,
Secretary,
Wool & Woollens Export Promotion Council,
Churchgate Chambers,
7th Floor, 5 New Marine Lines,
Bombay-400020.

140. Shri K. T. Ravi Varma,
Secretary,
The Cashew Export Promotion Council,
Post Box No. 1709, Chittor Road,
Ernakulam South,
Cochin-682016.

141. Shri T. Devidas,
Secretary,
Post Box No. 1975, Ernakulam South,
Cochin-682016.

142. Shri M. Madhrai Nayagam,
Secretary,
The Handloom Export Promotion Council,
"Rasheed Mansion", 123, Mount Road,
Post Bag. 461,
Madras-600006.

143. Shri G. A. Uttamsingh,
Administrative Officer,
The Silk & Rayon Textiles Export Promotion Council,
Resham Bhavan, 78 Veer Nariman Road,
Bombay-400020.

144. Shri A. R. S. Gopalachar,
Secretary,
Central Silk Board,
(Ministry of Industry, Govt. of India),
95-B, Marine Drive,
Bombay-400002.

145. Shri Swarajya Prakash,
Director (BA, RAP&RIP),
Office of the Development Commissioner,
(Small Scale Industries),
Ministry of Industry and Civil Supplies,
Nirman Bhavan (South Wing), 7th Floor,
Maulana Azad Road,
New Delhi-110011.

146. Shri R. K. Singh,
Executive Director,
Engineering Export Promotion Council,
(Sponsored By : Ministry of Commerce, Govt. of India),
World Trade Centre, (3rd Floor),
14/1B, Ezra Street,
Calcutta-1.

147. Shri Suresh M. Mehta,
Chairman-Elect,
Engineering Export Promotion Council,
Commerce Centre, 2nd Floor, Tardeo Road,
Bombay-400034.

148. Shri T. A. Mammen,
Director,
The Marine Products,
Export Development Authority,
Post Box No. 1708, M. G. Road,
Cochin-682016.

149. Shri K. K. Sharma,
Chairman,
The Processed Foods Export Promotion Council,
105, New Delhi House,
27, Barakhamba Road,
New Delhi-110001.

150. Shri A. N. Ghosh,
Director,
Small Industries Service Institute,
Ministry of Industrial Development & Internal Trade,
(Deptt. of Industrial Development),
Okhla, New Delhi-110020.

151. Shri L. P. Singh,
Asstt. Director (IMT),
Ministry of Industrial Development,
Small Industries,
Service Institute (Bihar),
Industrial Estate,
Patna-800013.

152. Shri B. K. Shenoy,
Asstt. Director (IMT),
Small Industries Service Institute,
Ministry of Industry & Civil Supplies,
(Deptt. of Industrial Development),
Audhi-Mapari Building,
P.O. Box 334,
Margao-Goa-403601.

153. Directorate of Cottage & Small Scale Industries,
Govt. of West Bengal,
New Secretariat Buildings,
Calcutta-1.

EXPORTERS/INDIVIDUALS

154. M/s Associated Engineering Corporation,
23-D, Industrial Estate, Bhaktinagar,
Rajkot-2 (India).

155. Shri K. R. Nayar,
General Manager (C),
Indian Telephone Industries Limited,
Dooravani Nagar,
Bangalore-560016,

156. Shri B. K. Rao,
Chief of Commercial Services,
Hindustan Aeronautics Ltd.,
Bangalore.

157. Shri S. P. Sarathy,
Trichy Steel Rolling Mills Ltd.,
Tiruchirapalli-620004.

158. M/s Hindustan Machine Tools Limited,
36, Cunningham Road,
Bangalore-560052.

159. Managing Director,
Transformers and Electricals Kerala Limited,
Angamally South P.O.,
Ernakulam Distt.

160. I. K. Gupta,
M/s Indian Telephone Industries Limited,
Dooravani Nagar,
Bangalore-560016.

161. Shri Kanubhai K. Naik,
M/s Ashok Machine Tools,
Behind Ajit Mills Opp. Jaganath Estate, Cross Road, Rakhial.
Ahmedabad-380023.

162. M/s Gujarat Steel Tubes Limited Ahmedabad,
M/s India Trading Corporation,
125, Old China Bazar Street,
Calcutta-700001.

163. Mr. N. K. Sampath,
Officer, Imports & Exports,
Industrial & General Products,
12/13, Angappa Naicken Street,
Madras-600001.

164. Mr. V. Nath,
Nath International Corporation,
P.O. Box 1445,
772, Chabi Ganj, Kashmere Gate,
Delhi-110006 (India).

165. Mr. C. C. Kirloskar,
Managing Director,
Kirloskar Commins Limited,
Kethrud,
Poona-411029.

166. M/s Simac Group (India) Pvt. Ltd.,
Gupta Bhavan,
4, Gaiwadi Industrial Estate,
S. V. Road, Goregaon (West),
Bombay-400062 (India).

167. Purchase Manager,
M/s Zandu Pharmaceutical Works Ltd.,
Gokhale Road, South Dadar,
Bombay 400025.

168. Managing Director,
M/s Mehta Pharmaceuticals (P) Ltd.,
Chheharta (Amritsar),
(India).

169. Eappen Joseph.
Manager, Purchase,
The Fertilisers and Chemicals, Travancore Ltd.,
Udyogamandal-683501.
Kerala State, South India.

170. M/s. Allied Chemicals,
90-B, Gokhale Road,
Naupada,
Thane-400602,
Maharashtra, India.

171. Shri R. K. Baliga,
Karnataka State Electronic
Development Corporation Limited,
'Emlyn Haven' 30,
Race Course Road,
Bangalore-560001.

172. Shri B. B. Shah,
Sunglow Industries,
Plot No. 331,
Near Chhipa Sahayuk Mandal,
Danilimda,
Ahmedabad-380022.

173. Shri B. Sahai,
Commercial Manager,
Colour-Chem Limited,
Ravindra Annexe, Dinshaw Vachha Road,
194, Churchgate-Reclamation,
Bombay-400020.

174. Shri G. R. V. P. Batchnji,
Managing Partner,
Mani Industrial Enterprises,
Dhun Buildings,
175/1 Mount Road,
P.B. No. 2743,
Madras-600002.

175. Shri M. Z. Chida,
M. Z. Chida,
C/o Shaw Wallace & Co. Ltd.
7, Linghi Chetty Street,
Madras-600001.

176. Joint Director (Drawback),
Ramniklal Jivanlal-Kinarivala & Co.,
Raja Mehta Street,
Ahmedabad-380001,
(India).

177. Shri T. Thomas,
Hindustan Lever Limited,
Hindustan Lever House,
Backbay Reclamation,
Bombay-400020.

178. Partner,
M/s. Dahyalal Karia & Co.
Shri Ram Industrial Estate,
Block-A/77, 1st Floor,
13, Ambedkar Road, Wadala,
Bombay-400031.

179. Shri K. S. Jayanth Kumar
Sales Manager,
BPL-INDIA
Mahatma Gandhi Road,
Bangalore-560001,
India.

180. Shri Sunil Puri,
Managing Director,
Polymer Papers, Limited,
12/6, Mathura Road,
Faridabad-121003 (India).

181. Shri K. P. Singh,
Managing Partner,
Plot No. 2, G.I.D.C. Industrial Estate,
Bhurava Road,
Godhra-389001.

182. Shri P. M. George
Marketing Manager &
Head of Commercial Deptt.
Kochuveli
Post Box 1,
Trivandrum-695021, India.

183. Shri M. N. Misra,
State Chemicals & Pharmaceuticals
Corporation of India Ltd.,
Chandralok 36, Janpath,
New Delhi-110001.

184. M/s Nowrojee Ardaseer & Sons,
24-26, Dalal Street, Fort,
Bombay-400023.

185. Manager,
Eastern Export Enterprises,
34, Armenian Street,
P.O. Box 1929,
Madras-600001.

186. Dr. S. Srinivasan, DHS,
EEH (Paris) AMBM (Lon),
Dr. Nivas Chemicals,
334, Thambuchetty Street,
Madras-600001 (India).

187. M/s. Multi-Focal Manufacturers Madras,
178, Broadway
Madras-600001.

188. Shri Trilok Chandra,
Partner,
Bristle Trading Co.,
90/240 "Dua Bhawan",
1st Floor Main Road,
Iftikharabad,
Kanpur-208001 (India).

189. Shri S. K. Basu,
Sr. Export Manager,
7, Armenian Street,
P.O. Box No. 66,
Madras-600001.

190. M/s. Ergen Plastic Industries,
P-7 & 8 Industrial Estate,
Jodhpur-342003.

191. M/s. The Handicrafts and Handlooms Exports
Corporation of India Ltd.,
"Sudarsan Building",
16/1, Whites Road,
Madras-600014.

192. Shri B. C. Milak,
(Sole Proprietor),
5th Floor, Churchgate-Chambers,
5 New Marine Line,
Bombay-400020.

193. Shri K. Ramasundaram,
Chairman,
Coimbatore Industries,
Export House Ltd.,
Post Box No. 1065,
41, Thiruvenkataswamy Road,
Coimbatore-641002,
(India).

194. M/s. Producers' Guild of South India,
41, Bazullah Road,
Madras-17.

195. Shri J. M. Korkhao,
Hon. Secretary,
The Bombay Gramophone Society,
Cama Chambers,
24-26 Dalal Street,
Bombay-1, B.R.

196. Shri T. G. Krishnan,
President,
C/o Kerala Gears,
Musaliar Buildings,
Chinnakada,
Quilon-1.

197. Shri Verghese Eapen,
Managing Director,
Prashanth Overseas Supplies House Pvt. Ltd.,
1/6, Harrington Avenue,
P.O. Box 2575,
Chetput,
Madras-600031.

198. T. K. Chandra Sekhara Reddy,
Proprietor,
Structural Industries,
65, Nelson Manicka Mudaliar Road,
Madras-600029.

199. Shri Vasant B. Doshi,
Partner,
Precision Turnparts Manufacturing,
Indo-French Compound,
12, Udyognagar, S. S. Road,
Goregaon (West),
Bombay-400062.

200. M/s. Bright Tubes Corporation Pvt. Ltd.,
52, Government Industrial Estate,
Charkop, Kandivi West,
Bombay-67-NB (India).

201. Shri K. R. Patel,
Managing Director,
M/s. Aeicorp Pvt. Ltd.,
10, Lall Bazar Street,
Calcutta-700001.

202. Shri T. K. Chandra Sekhara Reddy,
Proprietor,
M/s. Structural Industries,
65, Nelson Manicka Mudaliar Road,
Madras-600029.

203. Proprietor,
M/s. Gita Arts,
Trambak Parsram Street,
48, Noor Manzil, 2nd Floor,
Room No. 69,
Bombay-400004.

204. Shri Mahendra Narsidas Parmar,
Proprietor,
M/s. Mahendra Embroiders,
Manaji Building,
Opp. Round Temple,
Bombay-400004.

205. M/s. Indian Explosives Ltd.,
Fertilizer Division,
Panki, Kanpur.

206. Shri T. M. Subramanian,
Chief Commercial Manager,
M/s. Electronics Trade and
Technology Development
Corporation Limited,
15/48 Malcha Marg.,
New Delhi-110021.

207. General Manager,
M/s. Radio & Electricals
Manufacturing Co. Ltd.,
Post Bag No. 2606,
Mysore Road,
Bangalore-560026.

208. Shri H. K. Firodia,
Managing Director,
M/s. Bajaj-Tempo,
Bombay-Poona Road, Akurdi,
Poona-411035.

209. Proprietor,
M/s. Tracto-Shovel Corporation,
Premier Court,
4, Chandney Chawk Street,
Calcutta-700013.

210. Shri Gopaldas Narsidas Parmar,
Proprietor,
M/s. Parmar Embroidery,
216-A, Khetwadi 10th Line,
Dinath Compound, Shed No. 6 & 7,
Behind Alfred Talkies,
Bombay-400004.

211. Shri Mohanlal Vithaldas Parmar,
Proprietor,
M/s. Vijay Arts,
Taher Building, 1st Floor,
Room No. 8, 2nd Pathan Street,
Golpitha, Bombay-400004.

212. Export Manager,
M/s. Jyoti Limited,
Bombay Shopping Centre
R. C. Dutt Road,
Vadodara-390005.

213. Shri K. G. Chandrasekhariah,
Executive Purchase,
M/s. Kirloskar Electric Company Ltd.
Post Box No. 5555,
Malleswaram West,
Bangalore-560055.

214. Shri Sunder T. Vachani,
Managing Director,
M/s. Westorn Electroniks Ltd.,
Okhla Industrial Estate,
New Delhi-110020.

215. Shri V. M. Bhat,
Commercial Director,
M/s. Motor Industries Co. Ltd.,
Hosur Road, Adugodi,
Bangalore-560030.

216. M/s. Marsap Services,
501, Janmabhoomi Chambers,
29, W. H. Marg.,
Bombay-400038.

217. Shri Kumar B. Bhatia,
Managing Director,
M/s. Blue Steel Engineers Pvt. Ltd.,
144, A-Z Ind. Estate,
Ferguson Road,
Bombay-400013.

218. Partner,
M/s. Mahendra & Ravindra,
17, Mount Road,
(Near Wellington Talkies),
Madras-600002.

219. Shri M. M. Luther,
Chairman,
Project & Equipment
Corporation of India Ltd.,
Chandralok, 36-Janpath,
New Delhi-110001.

220. Shri J. Kanakasabapathy,
Controller of Contracts & Stores,
M/s. Cochin Shipyard Ltd.,
P.O. Bag No. 1653,
Cochin-682015.

221. M/s. Nanndy Brothers,
Shiwala Road, Post Box No. 72,
Ludhiana-141008.

222. Proprietor,
M/s. Laxmi Overseas Traders,
Vijay Mansion,
Opp. Amber Cinema,
Jamnagar.

223. M/s. Sudhakar Litho Printers,
26-2-14, Andhra Ratna Road,
Gandhinagar,
Vijayawada-520003.

224. Partner,
M/s. Pattani Industrial Corporation,
P.O. Box No. 796,
Bombay Mutual Chambers,
19/21 Ambalal Doshi Marg,
(Old Hamam Street), Fort,
Bombay-400023.

225. Shri S. D. S. Mongia,
Vice-President,
M/s. Escorts Limited,
19/6 Mathura Road,
Faridabad (Haryana).

226. Shri B. S. Bhatnagar,
M/s. Tata Exports Ltd.,
Block A, Shivsagar Estates,
Annie Besant Road, Worli,
Bombay-400018.

227. Shri R. K. Mohan,
Materials Controller,
M/s. Bush India Limited,
P.O. Box 4127, Sukh Sagar,
N. S. Patkar Marg,
Bombay-400007.

228. Shri S. D. Nagpal,
Managing Director,
M/s. Nagpal Stainless Steels,
109A & B Palaspae Phata,
Village Kholkhe, Taluka Panve,
Kolaba District,
Maharashtra.

229. Director,
M/s. Industrial Machines
(Delhi), Pvt. Ltd.,
1/23-B Asaf Ali Road,
New Delhi-110002.

230. Smt. Sharayu Daftary,
Managing Director,
M/s. Bharat Radiators Pvt. Ltd.
81, Bajaj Bhavan, Nariman Point,
Bombay-400021.

231. Shri S. Majumdar,
All India Sales & Service
Manager,
M/s. Lucas Indian Service Ltd.
9, Patullo Road,
Mount Road,
Madras-600002.

232. Shri R. Gopal,
Managing Director,
M/s. General Reflectors Pvt. Ltd.,
44-A1, Burkit Road,
Madras-600017.

233. M/s. Polestar Electronics Pvt. Ltd.,
98. Govt. Industrial Estate,
Kandivli (West), Bombay-67.

234. Shri P. S. Deodhar,
Managing Director,
M/s. Aplab Applied Electronics Ltd.,
A-5 Wagle Industrial Estate,
Thana-400064.

235. Shri V. Bhardwaj,
M/s. Jute & Rope Industry,
C/o Macneill & Magor Ltd.,
2-Fairlie Place,
Calcutta.

236. M/s. United Spices
Importers Ltd.,
Somaya Building No. 1,
177, Samuel Street,
Bombay-400009.

237. Partner,
M/s. Shah Gem Industries,
"Ratan Chhaya",
53, Sir Thyagaraya Road,
T. Nagar, Madras-600017.

238. Shri M. R. Venkatachari,
Proprietor,
M/s. M. R. V. Diamonds,
76, White Betal Street,
Tiruchirapalli-620008.

239. Shri G. M. Abhyankar,
Managing Director,
M/s. Hico Products Pvt Ltd.,
Mogal Lane, P.B. No. 6647,
Mahim, Bombay-400016.

240. Shri K. L. Sahgal,
Chief Consultant
The National Industrial Development,
Corporation Ltd.,
Chanakya Bhavan, NDMC Complex,
Vinay Marg., Chanakyapuri,
New Delhi-110021.

241. Shri H. K. Modi.
M/s. Modi Steels Pvt. Ltd.,
E-2, Modi Steels Pvt. Ltd.,
E-2 Industrial Area,
Patliputra, Patna-800013.

242. Shri M. L. Saraogi,
Managing Director,
M/s. Bhagatpur Tea Co. Ltd.,
5, Pannalal Banerjee Lane,
(Fancy Lane), 7th Floor,
Calcutta-700001.

243. Shri B. V. Talwar,
M/s. Alankrit Handicrafts Pvt. Ltd.
208, Okhla Industrial Estate,
New Delhi-110020.

244. Shri S. K. Jayaprakash,
Proprietor,
M/s. J. P. Diamonds,
B/3, Rani Street,
Trichy-8.

245. Shri L. P. Gupta,
Chairman & Managing Director,
Clarks Group of Hotels
1101, Surya Kiran,
19, Kasturba Gandhi Marg
New Delhi-110001.

246. Shri K. Ramasundaram
Chairman
Coimbatore Industries
Export House Ltd.
Post Box No. 1065,
41, Thiruvenkataswamy Road,
Coimbatore-641002.

247. Shri P. S. Anand
Rishi & Company,
10-B, Netaji Subhash Marg,
Darya Ganj,
P.O. Box 7072,
New Delhi-110002.

248. Partner,
International Reptiles &
Taxidermists
Departure Lounge,
Madras Air Port
Madras-600027.

249. Shri Kantilal N. Dalal,
Kantilal & Co. (Bombay)
G.P.O. Box No. 1504,
Bombay-400001.

250. Mg. Partner
P.O. Chacko & Sons,
Post Box No. 53,
Cochin-682001.

251. Shri T. Munuswamy Chetty,
Ex. General Secretary of
Madras Port Trust Railway
Men's Union,
(Free Trade Unionist on
economical principles only)
35 C/2, G. A. Road,
Madras-600021.

252. Shri C. H. Shah,
Professor of Agri. Economics
University of Bombay,
Vidyanagri Marg,
Bombay-400098.

253. Shri M. V. Prakash,
2/63 Luz Church Road,
Madras-600004.

254. Shri Sudhir Bhattacharya
54B, Amherst Street
Calcutta-700009.

255. Shri S. J. Shah,
C-12, Sea Face Park Cooperative,
Housing Society Ltd.,
50, Bhulbhai Desai Road,
Bombay-400 026.

256. Shri Vishnunarayan,
Vishnunarayan Studio and
Colour Laboratory,
Great Eastern Hotel,
Calcutta-700001.

257. Shri S. K. Sethi,
Director,
Indo-Copyer Private Ltd.
F. 3/A. Industrial Estate,
Indore-452003.

258. Partner,
The Bombay Protein Mfg. Co.
135, Stock Exchange Building
Apollo Street,
Bombay-400001.

259. Shri S. S. Dhanuka,
Managing Director,
Mysore Petro Chemicals Ltd.,
14, Netaji Subhas Road,
Calcutta-700 007.

260. Shri J. Mukhopadhyay,
Tata Services Limited,
Department of Economics &
Statistics,
Bombay House, Homi Mody Street,
Fort, Bombay-400 023.

261. Shri Kalwant S. Sethi,
Proprietor,
Kulu Valley Corporation,
305, Kutbi Mansion,
375, Katha Bazar,
Bombay-400 009.

262. Shri C. S. Dholakia,
43, Maharshi Karve Road,
Bombay-400 002.

263. Shri V. S. Rajan,
501, Janmabhoomi Chambers
W. H. Marg,
Bombay-400 038.

264. Partner,
Pacific Traders,
11-13, King Lane
Borabazar Street,
Fort, Bombay-400 001.

265. Shri Suresh H. Shah,
Apt. 8 D. 345 East,
56th Street,
New York 10022.

266. Shri K. Narayanan
28/1 Chakrabere Lane,
Calcutta-700 020.

267. Shri S. K. Sambandhan,
94, Linghi Chetty Street,
Madras-600 001.

268. Shri Mukund Rajopadhye,
Group Executive
The State Trading Corporation,
of India Ltd.
Chandarlok, 36 Janpath,
New Delhi-110001.

269. Shri M. L. Bagri,
14 A-Kurla Industrial Estate,
Bombay-400 086.

270. Shri Ajit Sen Gupta,
Reader in Economics
Economics Dept.
Calcutta University,
56-A, B.T. Road,
Calcutta-700 002.

271. Shri Jagmohan Singh Kochhar,
71, Sunder Nagar,
New Delhi-110011.

272. Shri Joseph Vithayathil,
Professor of Electrical,
Engineering
Dept. of Electrical Engg.
Indian Institute of Science,
Bangalore-560 012.

273. Shri Manjula Bose,
Reader in Economics
Jabalpur University
Calcutta-700 032.

274. Shri R. S. Mani,
14, Kondi Chetty Street
1st Floor
Madras-600 001.

275. Shri M. S. Hussain,
Proprietor
King of Kings
35, Agurchand Mansion
Mount Road
Madras-600 002.

276. Dr. Arvind Virmani,
4-B/2, Ganga Ram Hospital
Marg
New Delhi-110 060.

277. Managing Director,
M/s. Greatway Private Limited
K-38, Connaught Circus
New Delhi-110 001.

278. Shri A. Parthasarathy
Plot 127 E.B. Colony,
Vellore-632 006.

279. Shri T. S. Radhakrishnan
Manager,
Rmuhgv & Co.
470/3, T. H. Road
Madras-600 021.

280. Dr. A. Ramaswami,
Professor & Head of the
Dept. of Economics
Annamalai University
Annamalainagar.

281. Shri P. N. Agarwala
Professor
Indian Institute of Management
33, Langford Road
Bangalore-560 027.

282. Shri Suresh Chandra
Usha Farm, Dt. Kheri
U.P.

283. Shri R. Subramanian
Dy. Manager (S).
Bharat Heavy Electricals Ltd.
Chandralok, First Floor
36, Janpath
New Delhi-110 001.

284. Managing Partner
Mani Industrial Enterprises,
Dhun Buildings
175/1 Mount Road
P. B. No. 2743.
Madras-600002.

285. Manager,
Murray & Co. Private Limited
97, The Mall
Kanpur.

286. Shri G. B. Newalkar
Maharashtra Minerals Corp Ltd.
Industrial Assurance Building
Fifth Floor, Churchgate
Bombay-400 020.

287. Shri Sharda Khanna
Proprietor
Industrial Diesels Services
4. Chandni Chowk Street
Calcutta-700 072.

288. Partner
Track Parts Corporation
10/1D, Lal Bazar Street
Calcutta-700 001.

289. Proprietor
Tracto-Shovel Corporation
4. Chandney Chowk Street
Premier Court
Calcutta-700 072.

290. Partner
Parts Trading Company
Vijay Chambers, 1st Floor
Opp. Dreamland Cinema
Bombay-400 004.

291. Partner
Vikash Tractor Spares
10/iD, Lall Bazar Street
Calcutta-700 001.

292. Shri L. H. Manly
Nongstoin Mining Co-operative Society Ltd.
89/6 Ripon Street
Calcutta-700 016.

293. Shri C. B. Patel
Hon. Adviser
Gujarat State Fertilizers Company Limited
P. O. Fertilizernagar-391750
Dist. Baroda.

294. Shri V. C. Trivedi
Indian Metals & Ferro Alloys Ltd.
19 Kasturba Gandhi Marg
New Delhi-110 001.

295. Shri T. Chakrabortty
Indian Minerals & Chemical Industries
16, India Exchange Place
(2nd Floor)
Calcutta-700 001.

296. Shri D. Chadha
Mg. Partner
Bloomfeld Trading Company
C-16, Industrial Area
Meerut Road
Ghaziabad-201 003.

297. Shri L. S. Dhupia
Chartered Accountant
4 College Street
Calcutta-700 012.

298. Shri A. S. Narayanan
Export-Import Consultant
H-5. Green Park
New Delhi.

299. Partner
R. K. Shah & Co.
P.O. Box No. 18
Anand-388001
(Gujarat State)

300. Shri D. K. Bose
Indian Statistical Institute
203, Barrackpore Trunk Road
Calcutta-700 035.

301. Shri J. M. Gandhi
Gandhisons
Exporters & Importers
232, Samuel Street
Bombay-400 003.

302. Shri Ramesh C. Barar
Managing Director
Nuchem Plastics Ltd.
20/6, Mile Stone
Mathura Road
Faridabad-121 006.

303. Shri A. D. Ghate
Accurate Engineering Company Limited
67. Hadapsar Industrial Estate
P. O. B. No. 1202
Pune-411 013.

304. Director
Muraka Cables & Conductors Limited
Gandhidham-370201
Kutch.

305. Shri C. S. Swaminathan
Chairman
The Minerals & Metal Trading Corporation of India Ltd.
Express Building
Bahadur Shah Zafar Marg
New Delhi-110002.

306. Shri Vithaldas Purushottam Divecha
c/o Hindusthan Glass Centre
Sitabuldi
Nagpur-440 012.

307. Professor D. Bhattacharyya
Dept. of Economics
University College of Arts
56A, Barrackpore Trunk Road
Calcutta-700 050.

308. Shri S. Venu
Research Professor
c/o Institute for Financial
Management and Research
3, Kothari Road
Nungambakkam
Madras-600 034.

309. Shri M. K. Kumar
Chairman
Ossein & Gelatine Panel
Shaw Leiner Limited
4, Bankshall Street
Post Box No. 70
Calcutta-700001.

310. Mrs Zoya Mohan
Managing Director
Chinar Export Pvt. Ltd.
101-A, Surya Kiran,
19, Kasturba Gandhi Marg
New Delhi-110001 (India)

311. M/s. Kerala State Small Industries
Corporation Ltd.
Post Box No. 50
Trivandrum-1.

312. M/s. Vausmach Industries
Vas Building
Pajifond
Margao
Goa, India

313. M/s. Woollens & Cottons
Importers Ltd.
Palekar Chambers, 1st Floor
12, First Marine Street
Bombay-400002.

314. Shri L. P. Gupta
Clarks Groups of Hotels
1101, "Surya Kiran"
19, Kasturba Gandhi Marg
New Delhi-110001.

315. Sh. Bhagawatiprasadprasad Khaita
Bhagawatiprasad Khaitan
118, Jamshedji Tata Road,
Churchgate Reclashmation
Bombay-400020.

LIST OF ITEMS FOR WHICH THE SUM OF DUTY DRAWBACK RATES AND RATES OF CASH COMPENSATORY SUPPORT IS LESS THAN 25 PERCENT. AND THE CORRESPONDING UNIFIED RATES

S. No.	Export Items	Unified rate
1.	Packing materials	6·01
2	Chutney	4·13
3·	Canned fruit juices containing not less than 5% sugar	4·71
4.	Sugar	4·44
5.	Coca Cola Concentrate	7·65
6.	Cigaretts and tobacco	3·55
7.	Glycerine	5·86
8.	Organic Chemicals	8·65
9.	Toilet products	6·82
10.	Safety matches	3·64
11.	Cinema films	7·11
12.	Polysterene	19·70
13.	Plastic mould in illuminate ore exports	10·40
14.	Articles made of cellulose acetate moulding powder	11·74
15.	Articles made of nitrate sheets, rodes or tubes	24·67
16.	Articles made of phenol formaldehyde moulding powder	13·31
17.	Polythene liner	18·07
18.	Articles of urea formaldehyde moulding powder	6·57
19.	Articles of polyvinyl chloride composition	14·78
20.	Unlaminated rigid plastic boards, sheets or films from acrylitic plastics	19·57
21.	Flexible polyvinyl chloride sheeting, sheets, films etc.	3·51
22.	Paper and paper products	19·78
23.	Playing Cards	15·59
24.	Carbon Papers	10·41
25.	Articles made of paper	16·71
26.	Articles made of printing papers	11·60
27.	Articles made of craft paper	24·43
28.	Pulp and paper board	20·56
29.	Straw Board and mill board	0·76

S. No.	Export Items	Unified rates
30.	Corrugated board	2·75
31.	Coated Board	5·41
32.	Paper covers of mill board	23·30
33.	Paper covers made of packing and wrapping papers	24·58
34.	Printed Books	9.23
35.	Combination of articles of different papers	2.67
36.	Cotton Sewing thread	4·91
37.	Jute Yarn thread	16·96
38.	Oiled coir manila/sisal roaps	15·39
39.	Sesal roaps	19·89
40.	Art Silk Sarees	6·36
41.	Fabrics and hosiery made wholly of synthetic man made filamentptextured yarn	24·21
42.	Jute fabrics	13·33
43.	Jute manufactures, art silk, silk etc.	0·40
44.	Textile fabrics and hosiery n.e.s.	17·34
45.	Textile fabrics coated with preparation of polyvinyl chloride compound	23·71
46.	Cotton Hosiery	19·35
47.	Polylaminated jute bags	10·50
48.	Cotton Handloom garments	1·50
49.	Art Silk	2·38
50.	Ribbons inked or uninked	0·29
51.	Knitwear made wholly of spin yarn	18·60
52.	Knitwear made partly of spin yarn and partly of man-made synthetic yarn	23·20
53.	Jute products	10·74
54.	Jute manufactures n.e.s.	10·97
55.	Gas mantles	20·00
56.	Jute Goods coated with paper, polythene or both	22·22
57.	Cotton waterproof tarpauline	20·13
58.	Rayon tape	7·12
59.	Millmade cotton drosses	20·16
60.	Readymade garments made of cotton, powerloom fabrics	16·37

Sl. No.	Export Items	Unified rates
61.	Woollen fabrics	12·55
62.	Woollen druggets	11·18
63.	Footwear	18·51
64.	Rubber Belting	18·39
65.	Bicycle tyres and tubes	21·91
66.	EI tanned hides, calf and sheet skins	1·56
67.	Chrome tanned hides and skins	1·37
68.	Finished leather	12·75
69.	Leather manufactures	24·26
70.	Leather saddlery items	22·18
71.	Industrial leather gloves	14·08
72.	Flush doors	2·73
73.	Veneers, plywood n.e.s.	17·57
74.	Empty tea chest made from plywood	33·01
75.	Plywoods all sorts, n.e.s.	11·85
76.	Plywood Barrels excluding 5625 sq. cu. m. each	25·01
77.	Crown Cork	16·01
78.	Cork discs.	6·36
79.	Power generating machinery & parts thereof	19·78
80.	Diesel Engine spares	17·15
81.	Agricultural machinery	24·02
82.	Metal working machinery	16·53
83	Textile machinery	17·38
84.	Machinery and parts n.e.s.	18·18
85.	Oil machinery and parts thereof	19·67
86.	Centrifugal Pumps	20·31
87.	Sewing machines	17·70
88.	Aluminium conductors	17·73
89.	Aluminium Conductors (insulated)	24·52
90.	Aluminium Conductors steel re-inforced	10·76
91.	Aluminium goods	7·91
92.	Electric motors upto 100 H.P.	19·68
93.	PVC insulated cables n.e.s.	20·30

Sl. No.	Export Items	Unified rates
94.	Electric fan's blades	17·32
95.	Electric valves, tubes etc.	19·26
96.	Transistor raid with valve in CKD/CKD pack with/without cabinet	13·90
97.	Domestic electric equipment and apparatus for medical purposes, other elec. machines	6·38
98.	Domestic refrigerators and components	16·59
99.	Batteries	12·73
100.	Plates for lead acid storage batteries	9·48
101.	Steel Earth Wire	14·23
102.	Car radios	20·23
103.	Transistor radios	18·27
104.	Paper capacitors	14·89
105.	Field coils	10·46
106.	Dumper	7·70
107.	Trollies	3·43
108.	Bicycle components and parts	24·19
109	Automatic timming chain	23·19
110.	Sports Goods	22·45
111.	Sanitary plumbing, heating and lighting equipment	2·92
112.	Furniture	4·32
113.	Photographic optical, cinematographic, measuring checking etc. equipment	7·17
114.	Watches	19·95
115.	Microwave records	8·22
116.	Toys, games and sports goods	8·12
117.	Fountain pen, ball pens	24·71
118.	Office Stationery	15·26
119.	Tobacco	5·56
120.	Ivory Goods	9·40
121.	Umbrellas & parts	14·07
122.	Cement & asbestos products n.e.s.	19·02
123.	Cement pressure pipes & couplings	20·05
124.	Ceramic products & refractories	24·17

Sl. No.	Export Items	Unified rates
125.	Glass & glassware	15·50
126.	Glass products	15·13
127.	Printed tinned plates/sheets	4·13
128.	Bailing hoops, box strapping steel hoops	17·03
129.	Box Stapplings	22·83
130.	Fabricated Steel structurals	20·87
131.	Rails & sleeper bars	24·72
132.	Steel bars	23·08
133.	Steel castings	20·95
134.	Non-fabricated steel structurals	23·12
135.	Bright Steel bars	22·77
136.	Iron & Steel articles	12·45
137.	Steel springs	20·96
138.	Tin plate products	21·55
139.	Belt fastener made of steel	19·47
140.	Builder's hardware of steel	23·15
141.	Enamelled ware	22·72
142.	Miscellaneous hardware	13·98
143.	Rolling Shutters	15·87
144.	Steel ghamellas	22·91
145.	Steel drums, assembled or unassembled	20·60
146.	Steel safes, coffers, cash boxes & trunks	21·02
147.	Steel tanks	22·46
148.	Ball bearing	11·84
149.	Slotted angles, panels etc.	8·95
150.	Zinc oxide	9·97
151.	Aluminium alloys, ingots	12·84
152.	Aluminium articles	18·83
153.	Stainless steel articles	17·67
154.	Brass manufactures	19·71
155.	Copper articles n.e.s.	18·05
156.	Tin plate containers	24·26
157.	Steel wire ropes, galvanised	23·11
158.	Steel files, all sizes	20·54

Sl. No.	Export Items	Unified rates
159.	E.P.N.S. ware	5·44
160.	Pressure stove	18·83
161.	Gun Metal valves	19·36
162.	Safety razor blades	11·59
163.	Copper winding wire	19·93
164.	Lead printing type	20·66
165.	Pressure Cookers	8·76
166.	Sanitary and bathroom fittings	12·80
167.	Tyre Bead wires	7·36
168.	Handtools made of steel	13·17
169.	Vices, all types	12·57
170.	Machine tools	24·72
171.	Reamers	23·68
172.	Threading Tapes	21·37
173.	Drap forged handtools	13·08
174.	Metal Containers	19·96

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