

nut so much to encourage production of better grade coal but to induce mine-owners to supply the better quality coal produced by them to the steel plants in preference to other consumers. The higher prices for coal with a low ash content was intended to compensate the mines for the extra trouble of 'hand-picking' the coal despatched to the steel plants. The revised prices announced by the Ministry are, however, to apply to all consumers. As a result, coal producers have no special incentive to supply the better quality coal to the steel plants which need them most.

The other respect in which the Ministry's formula differs from the one suggested by the industry is that it creates a price differential between different grades of coal by raising the price of coal with ash content below 19 per cent and lowering that of coal with higher ash content. This was not intended in the scheme suggested by the industry which had only wanted that the price of low-ash coal should be raised. The industry claims, and with some justification, that the Ministry's formula will progressively reduce the average realisations of coking coal producers since the proportion of high-ash coal in total production will increase as the better grade seams are being exhausted or are becoming increasingly difficult to mine.

The industry has repeatedly pointed out that the present pricing formula for all grades of coal contains a built-in factor which reduces the industry's average sales realisation as the distribution of production between different grades of coal which the Coal Prices Enquiry Committee had taken as the basis of its recommendations has now changed, with lower grade coals constituting a much larger proportion of total output. It is clear from the industry's stand that "no pricing formula, whether for coking coal or for all grades of coal, will be acceptable to it unless the prices fixed take into account the likely trends in composition of output.

### **Tourist Week in Calcutta**

*A Correspondent writes :*

THAT 42 per cent of the tourists who visit India also visit Calcutta is a measure of the import-

ance of Calcutta as a tourist centre. This is rather surprising considering that West Bengal has no historical places worth mentioning. Most of the tourists pass through Calcutta on their way to Darjeeling which is a 'must' for many of them to get a glimpse of the Everest and a view of the snows on Kanchenjunga, because here the grandeur of the mighty Himalayas is seen at its best. Santiniketan is also a draw, though perhaps not a close second.

The Government of West Bengal is trying to develop the sea beach at Digha in the Midnapur district as a further tourist attraction and recently requested the Union Government to grant foreign exchange to the IAC for the purchase of a helicopter for running a regular flight to this sea-side resort. For the promotion of tourism in the State\* the West Bengal Government has allotted Rs 22 lakh (of which Central share is Rs 5 lakhs) for the construction of rest houses and tourist lodges in nine different centres, such as Santiniketan, Darjeeling, Durgapur and Digha, Rs 1.50 lakhs would be spent for publicity and Rs 1.50 lakhs for the purchase of luxury buses which have already been earning a revenue for the Government. The tourist lodge proposed for Kalimpong, however is yet to be included in the Third Plan.

To attract more tourists, the Tourist Departments of the State and the Union Governments in collaboration with a number of hotels in Calcutta observed a 'tourist week' last month. There were tourist nights in some of the hotels; Firpos had a ball and there was a 'Holland Night', a saree fashion parade and two Tagore dance-dramas. Tours were arranged by luxury buses around Calcutta and the places of interest in the DVC area. The flight over Kanchenjunga at a charge of Rs 120 per head arranged by the IAC proved so popular that a second flight had to be run.

There is an acute shortage of accommodation everywhere. For the lower income groups and youths, there is no provision except in Darjeeling where youth hostels are run not by the YHA but by the Forestry Department of the West Bengal Government. The Government neither has any plan to build any hostels nor is it willing to help and co-ope-

rate with the Youth Hostels Association to build them.

The tourist programme is only for the foreign tourists who are lavish with their money, even so, the plan is a halfhearted one. There is no plan to increase the accommodation in Calcutta hotels. A more active role of the State Government is expected in this field. The acquisition of luxury cars is not enough. The tourists in Calcutta are troubled as much by the shortage of transport as by the hordes of beggars.

The programme arranged by the IAC during the tourist week is likely to prove a permanent attraction. India can offer regular flights over Kanchenjunga, in the 'same way as Thailand offers elephant hunts, or Hongkong is planning to have a floating restaurant. The customs and visa rules, however, are a different matter. They are outside the scope of the State Government. The attitude of both the State and Union Governments suggests, however, that as an important source of foreign exchange earning, tourism is yet to receive its due importance.

### **From Mono-to Multi-filament Nylon**

IT is a success story all right—the pioneer in many fields breaking through the "secrets, tight secrets and highly-complicated processes" of "nylon manufacture moving up from monofilament to multifilaments. Shri B D Garware was the first in this country to go into the production of nylon in 1958 and he is also the first to set up and run a modern, up-to-date and fully automatic multifilament nylon plant. This plant set up in Pimpri, near Poona, went into production this week. This is the first plant of the kind to be set up in any country east of Suez, Wring of course, Japan.

The monofilament plant, set up in 1958, we are told, has already made the country self-sufficient in regard to nylon bristles required by brush-makers—whether these are tooth brushes or hair brushes or brushes for industrial uses. What happens to natural bristles, now that substitutes have come on the market on such a large scale, one wonders. Economic development and progress to affluence are not always

a one way traffic from natural to synthetics. Tooth brushes made from natural bristles are far more expensive in the western countries than the nylon variant. So are hair-brushes, and many times more. Now that China is out from western markets, Indian bristles should have a good demand but something has gone wrong; and exporters of bristles are not making the hay that they should be doing.

Multifilaments, however, are a different proposition, having diverse industrial applications—in the making of fishing nets, ropes, hoses, tarpaulins, spindle tapes, filter cloth, tyre-cord and so on. And they have even bigger and wider uses in defence production in which much more of this wonder stuff is used than in all other industries put together.

Besides nylon filaments—mono or multi — Garwares have also gone into nylon mouldings which have wide industrial uses in the automobile and textile industries, hardware, plumbing, etc. They are increasingly used in bearings, bushings, cams, lever mechanisms, washers, etc in which their heat-resistance properties and imperviousness to corrosive chemicals put them in a separate and highly-valued category.

The import saving angle is, of course, pretty obvious, but though it JB mentioned that high-level expertise, both Indian and 'foreign, have been pressed into service in order that the quality of the products can fully come up to international standards and that this is a precondition for securing export markets, exports have not been played up as an immediate objective.

Naturally, the publicity literature issued on the occasion of the commissioning of the plant at Pimpri is not very informative on technical details, Okie would be curious to know however, how Shri Garware stormed the "secrets, tight secrets and highly-complicated processes" in a comparatively new field of chemical industry. Were the road-blocks set up by patents which had to be negotiated or overcome, or was it a matter of acquiring the know-how and techniques which called for painstaking research and much experimentation? And since the import component of new indus-

trial capacity set up in the country is a burning question of the day, some information about the raw materials to be used and the possibility of or plans for the production of such materials in the future would have completed this attractive success story.

### **New Role of Import Agency**

HOW did the engineering departments of the Volkart Brothers, a world-wide trading firm already a century old by then, get detached and transformed into Voltas with the Tatas as the major shareholders seven years ago? How was the Voltas born, Shri J D Choksi does not say. But his account of, the activities of the firm in these seven years not only brings out how lusty has been its growth but it also throws a flood of light on an interesting but obscure feature of the pattern of the industrial development during these years. Though horn as the result of an accident, viz, damping of visa restrictions which made it increasingly difficult and troublesome for the Volkart Bros to run its engineering lines — for it couldn't bring in Swiss engineers even for erection jobs — Voltas was not only born with a silver spoon in its mouth, it was born in a highly salubrious and congenial climate, ideally suited for its vigorous growth. It was the declared policy of the then Commerce and Industries Minister, Shri T T Krishnamachari, not to encourage foreign trading firms. There was no bar, however, on existing firms. The control was exercised and pressure exerted through a means which told heavily on Volkart.

But the origin of Voltas is not so interesting as its subsequent development. That it fanned out into new lines and pressed its sales organisation into service in selling Indian instead of imported, manufactures with the progress of import cuts, or that it maintained and improved its service organisation — there is nothing very striking about any of these. All agency houses with engineering lines have done these with varying success. Voltas retains its character of an agency house and has some selling lines in drugs and pharmaceuticals, for example — it still sells 'Sardon', of course. But this is also

nothing exceptional. Like the others it maintains excellent after-sales service, both for imported and (presumably) indigenously manufactured machinery and equipment.

What marks Voltas out from the rest and makes its career a subject of keen interest to students of economic organisation and institutions is the role of this import agency in initiating the development of industries, Voltas promotes industry in three different ways. It acts as a catalytic agent in bringing together established foreign manufacturers and Indian industries and sponsors or actively fosters collaboration agreements. And it goes into collaboration with foreign firms for manufacturing projects either directly by itself or through its 'parent' company, Tata Sons. Finally, it goes into industrial production on its own.

Of these, the first is by far the most interesting and also offers the widest scope. In acting as catalyst in bringing together foreign and Indian manufacturers, the role that Voltas play in the technical field is comparable in some respects to that of investment bankers in the financing of new industrial ventures.

Since selling of heavy plant or complex industrial equipment carries some obligations and calls for a type of service over the years which is different from that of selling, say, headache cures, Voltas has a point against the Company Law which restricts the period of distributorship to five years. This is obviously too short a period when the equipment 'distributed' may have a much, longer life, throughout which the company has to render after-sales service and for which it has to maintain an appropriate expert organisation.

### **Phasing of Power Programme**

IT would be pointless to attach too much importance to the Government's reported "decision" that it would not permit new industrial capacity to be licensed unless the State (Government concerned assured it that the power requirements of the proposed plant would be adequately met. This is not the first time that such a decision has been taken and yet, that notwithstanding, new industrial plants have been set up and once set up, have