

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

languished for want of power. This, it must be admitted, is as much a reflection on the Government's lack of purposiveness as a testimony to the determination of the entrepreneur, who, when he sets out to get a licence more often than not gets it, everything else notwithstanding.

If the Government's directive about industrial licencing is no cause for overmuch concern, the finding of the official committee that power production at the end of the Third Plan will exceed targets is no reason to beat the drums either. The Committee, composed of officials of the Ministry of Irrigation and Power, the Central Water and Power Commission and the Planning Commission, spent the latter half of last year going round the State capitals and holding detailed discussions on the progress of power projects and has concluded that the target of additional power generation of 6.9 million kW will be exceeded by some 0.4 million kW. The Committee has also indicated the year by year increase in power generation which makes interesting comparison with the breakdown given in the Plan. Of the total increase of 6.9 million kW, the Plan expects the increase in the first three years to be only 2.38 million kW, which is small enough. But according to the Committee, the increase in these years will be lower still, only 2.28 million kW. Even in the fourth year the increase in power generation will be lower than anticipated in the Plan by almost one lakh kW, according to the Committee's estimates. The shortfalls in the first four years are then made up at one stroke in the final year when power generation is expected to increase by 3.2 million kW, compared to 2.5 million kW estimated in the Plan.

The brief reports of the Committee's findings that have appeared in the press give no clue as to why the increase in power generating capacity is placed so low in the earlier years of the Plan. On the face of it, this certainly calls for an explanation considering that

(i) the financial allocation for the power programme is adequate to meet the costs of all the physical projects included in the Plan. This is in contrast to the gap of 20

per cent between financial allocation and cost of projects in the case of industry and minerals and 10 per cent in the case of transport and communications;

(ii) power projects have been among the largest beneficiaries of the foreign assistance received so far for the Plan; and.

(iii) most important, a little over 40 per cent of the aggregate increase in the installed capacity is expected to be achieved from continuing schemes, the returns from which, it is reasonable to expect, would be available much quicker than those from new schemes.



WHY TAKE CHANCES?

In what you do every day, you are taking many chances. For example, take the things that you buy in the market. Are you always sure of their quality? Do you get good value for the money you spend?

And yet, you can be sure if you know that the goods you buy have been made to a given standard. Standardization benefits not only you, the consumer, but also the producer, the distributor and indeed, the country as a whole.

The Indian Standards Institution has prescribed standards for industrial as well as consumer goods. To manufacturers producing to relevant standards, ISI grants licences to apply on their goods its certification mark which is the guarantee of quality. The next time you buy anything, don't take a chance; look for the ISI mark.

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