try, for which the Chairman felt the best venue was the ISI, where even at present defence departments were well represented on various committees;

(b) the necessity of relaxing standards emergency;

(c) development of ancillary industries which needed more intensive standardization;

(d) simplification of control measures on raw materials, at least for defence purposes, so that the allocation and provision of raw materials could be quicker and more effective than at present; and

(e) orientation of standards lo suit climatic and other conditions under which the materials were to be used.

Reviewing the experience of foreign countries in emergency conditions, it was pointed out that in USA the defence department achieved conspicuous economy in cost and labour in the field of aviation through co-ordination of production standards among the related industries and defence.

It was felt that industrial uints should establish Standards Department for standardization and quality control of goods produced by them.

New Standard Engineering

THIS is New Standard Engineering's silver jubilee year. Tin.' earlier note on the company which appeared in the issue of March 7 traced the rapid growth of the company from its small beginnings in 1939 up to 1959 when it was incorporated as a public company with a capital of Rs 20 lakhs. However, the concluding paragraphs of the note were omitted through an error in the press,

in 1960, NSE raised fresh capital of Rs 48 lakhs by a public issue and secured additional foreign collaborations. Between 1957 and 1962 the Company entered into six collaboration agreements with English, German and Italian firms for the manufacture of different essential engineering equipment.

The first unit, a structural workshop, in Goregaon was set up in February 1960. It is one of the largest units in the country with a rated, capacity of 10,000 tons of steel structurals per annum, including light, medium and heavy structural, bridges, overhead travelling cranes, pressure vessels, etc.

The second major unit at Goregaon is a grey iron foundry which when fully equipped, will have ar. annual capacity of 30,000 tons of heavy duty grey iron castings. It went into production in May 1963. Additional machinery will be imported and installed and when the unit is fully commissioned in 1965 the Foundry will be one of the largest in the country capable of meeting the demand for heavy casings for machine toots, diesel engines, industrial machinery, etc.

A third independent unit manufactures textile blow-room machinery with German collaboration. Il i- also proposed to establish a machine shop to manufacture machine tools and industrial machinery. Consistent with its growth. NSE now ha- a plan for the development of it- limited training facilities with the establishment of a lull-Hedged polytechnie.

The NSE hopes lo emerge in the long-run mainly as an engineering' company with a nucleus of facilities for casting, structural and fabrication work, machining and sheet metal works supported by centralised technical and administrative services. The nucleus will support a number of separate units specialisint in the production of a variety of machine tools and industrial equipment. By developing ancillary industries and associate companies at its site in Goregaon, the NSE will form a large industrial estate bv itself.

Money Market

Thursday Morning.

MSOINEY continued to be tight during the week. Demand was keen throughout and supplies were limited. The inter-bank call money rate remained unchanged at 6.50 per cent in Bombay, while in Calcutta it pierced this level and went un to 6.75 per cent. The Treasury Bill discount rate, which had moved up only the previous week from 2.5 per cent to 2.75 per cent, advanced further to 3.0 per cent. The Central Government's new con version loans, namely, 4.75 per cent 1989. at par, and 1 per cent 1970 at Rs 99 at higher redemption vields than available on comparable securities will have the effect of raisins: the pattern of interest rates still further.

Bank credit expanded further by Rs 6.32 crores during the week ended March 20, and reached a new high of Rs 1802 crores marking an increase of Rs 224 crores over a year. Aggregate deposits fell during the week by Rs 3.72 crores. However, scheduled bank's borrowings went up by only Rs 3.16 crores to Rs 98.52 crores which was below the high level of Rs 106.25 crores touched just before the latest credit restraint. Their investments declined by only Rs 1.32 crores, but their cash and balances with Reserve Rank rose by Rs 3.56 crores.

During the week neded March 27. scheduled banks' borrowings from the Reserve Rank fell by Rs 14.75 crores to Rs 84.16 crores according to the latter's returns for the week ended March 27. This suggests that pressure for funds might have subsided during the week, though this is not borne by the conditions in the call loan market. It is however possible that the resources position of banks might have improved somewhat.

Notes in circulation contracted further during the week by Rs 2.26 crores. Though the note issue increased by a small amount of Rs 7.3 lakhs, this outflow from the Issue Department and the contraction of notes in circulation were absorbed by the Ranking Department where holdings rose by Rs 2.99 crores. Foreign securities in the Issue Department declined by Rs 3 crores and Balances held abroad were also down by Rs 3.36 crores.

The effect of the new loans has not been felt much on the existing Government securities in view of the narrow market for them. Stray deals were reported in 4 per cent 1972 which declined from Rs 99.20 to Rs 99. As the new 4 per cent 1970 loan is issued at Rs 99 existing loans of a later maturity such as 4 per cent 1973 will all be marked down to accord with the new pattern of yields. It is also likely that the prices of existing 4.5 per cent loans maturing in 1985 and 1986, which are quoted at Rs 100.25 and Rs 100.10 respectively with a redemption yield of 4.48 per cent 4.19 per cent will be revised downwards to secure better vields. The near-dateds. being well-held, will not suffer much in quotations but market dealings are unlikely at current rates.