

but it is hard to visualise the Indian Government taking an initiative *in* the matter. Third, we might manufacture coal-fired thermal power stations and sell them in Asia and Africa; coal exports may then follow the power stations. The conversion of power stations from coal to oil is none too difficult, however; so either the export of coal will have to be much cheaper or the conversion co-efficient of coal into electricity will have to be greatly improved. The possibilities of technical advances *in* the latter direction are enormous, but we are not even manufacturing much thermal power equipment, let alone improving its performance. And the appointed "team of experts" is quite irrelevant to the problem.

No Sympathy From India

A Correspondent write a:

COMMON courtesy becomes the first victim of national animosities. April and May have been months during which Indians and Pakistanis were busy denigrating each other. The Rann of Kutch has excited emotions, and those emotions winch have a primal base - anger, hate, fear, desire for vengeance, and so on. Old issues of conflict have been revived, new issues have been discovered; whether here or in Pakistan, the general spirit is one of uncompromising non-accommodation, iron has entered the soul. *In* either country, goodwill for the other is at the lowest point.

It is not necessary to go into the relative merits of the various issues in the Indo-Pakistani dispute. In the context we want to refer to here, it should not be necessary to rake them up. More than thirteen thousand men and women died in East Pakistan as a result of last month's devastating cyclone. All these people must have been poor, simple folk, mostly peasants; some perhaps had belonged to the artisan class: for all one knows, some were members of the fishing community. Communication lines too have been destroyed, property damaged extensively, school buildings washed away. All told, it has been a grievous human tragedy.

As human beings, we on this side of the border ought to have felt deeply about these deaths and devastations, and should have been moved to express our sorrow and sympathy to the stricken inhabitants of East Pakistan. In different circumstances, perhaps the President or the Prime Minister would

have sent a telegram of sympathy to the Government of Pakistan and might even have made a token offer of relief. The Rann of Kutch has taken care of all that. There has been no report of any telegram from our leaders and by and large no commiseration on the part of the Indian press. Our conscience would not apparently allow us to accord any sympathy to human beings in distress across the border because we have concluded that the people who have now been stricken — or at least their Government — have done us wrong. Similarly, it is possible that there would be no message of sympathy from Pakistan for the mining disaster at Dhori.

Must the logic of conscience be so cold-blooded? Must human sentiments be of such acute divisibility that we should be prevented from expressing our sorrow on a tragedy which obliterates populations, devastates schools, destroys standing crops and wipes out transport networks, in case all these take place in a country which we consider to be hostile? Are we scared that any such expression of sympathy will weaken our political cause? Or has some sage in the South Block reached the conclusion that a telegram of sympathy to the Pakistan Government would affect adversely (he morale of our troops along the border?

These questions are being raised here more in sorrow than in annoyance. In the long run, a nation will grow as strong as its moral fibre will allow it to. In our struggle for survival, we are not supposed to abdicate the elementary decencies. This, one assumes, was the teaching of Tagore and Gandhi — and of Nehru, whose first death anniversary we were observing last week. But perhaps we are going to other temples of learning these days, so that each time there is a drought in China, there is no end of gloating in our newspapers, and each time a cyclone hits East Pakistan, we decide to do a foxtrot.

World Bank's Smile

WHILE the Industrial Finance Corporation had to rest content with a loan of 10 mn dollars from the US Agency for International Development last month (which raised its aggregate borrowing from that agency to 40 mn dollars), ICICI has walked away with 50 mn dollars from the World Bank. This sixth loan has raised the Bank's total credit to ICICI to 140 mn dollars: it is also the largest single loan yet

given by the Bank to any development finance agency. The fifth line of credit of 30 mn dollars obtained by the ICICI in 1963 was fully committed in 1964. As a matter of fact, in anticipation of the present credit ICICI had committed 91 mn dollars through 1964 against the then available total of 90 mn dollars. The amount credited by the Bank to ICICI. Loan Account was 71 mn dollars (*Rs* 34 crores), of which 49 mn dollars (*Rs* 23 crores) or 68 per cent was disbursed to sub-borrowers. Repayments by ICICI through December 1964 aggregated *Rs* 4.96 crores, all of which had not been recovered from sub-borrowers till then. The ICICI's annual report for 1964 indicated an amount of *Rs* 1 crore overdue from sub-borrowers, most of whom have run into project delays and overruns of cost. This difficulty has arisen because the first three loan agreements signed in 1955, 1959 and 1960, provided for a fixed repayment schedule. Thanks to the efficient management of its resources, ICICI has been able to withstand this strain. The fourth and fifth credits, finalised in 1962 and 1963, provided for flexible repayment schedules consistent with the repayment of sub-loans. The latest credit also has the same terms of repayment but unlike the variable interest rates chargeable on the earlier loans it has been extended at 5½ per cent. The credit is expected to meet the bulk of ICICI's foreign exchange requirements (the rest are met from West German loans) till mid-1967.

From 1955 to 1964, ICICI has approved assistance of *Rs* 102 crores to 374 projects. Foreign exchange loans account for about one-half of total assistance, rupee loans for a fourth, and underwriting and direct subscriptions for the rest. The ICICI has concentrated on new industries like chemicals, machinery and machine tools (unlike IPC which has taken great interest in textiles and sugar). About a third of the 125 assisted projects which have gone into production have been sponsored by entrepreneurs who are new to industry. The ICICI's main problem now is not foreign exchange but rupee funds. IBRD had agreed in the past to a 4 : 1 instead of 3 : 1 debt equity ratio, the first government loan of *Rs* 7.5 crores also ranking as equity, but the sixth credit and the tapering off of government rupee loans (*Rs* 1 crore only has been provided for ICICI in the 1965-66 budget) have made it necessary to increase the share capital in the immediate future. How capital is to be raised under present capital