

GOVERNMENT OF INDIA
TARIFF COMMISSION



Report on the Continuance of Protection
to the Cocoa Powder and Chocolate
Industry Bombay

1956

सत्यमेव जयते

PRINTED IN INDIA BY THE MANAGER, GOVT. OF INDIA PRESS
NASIK ROAD. PUBLISHED BY THE MANAGER OF PUBLICATIONS, DELHI

1957

Price: Rs. 1 or 1/4. 5/1.

CONTENTS

PARA.

PAGE

| | |
|---|----|
| 1. Previous tariff enquiries | I |
| 2. Present enquiry | I |
| 3. Method of enquiry | I |
| 4. Implementation of Commission's recommendations on matters other than tariffs | 2 |
| 5. Raw materials | 2 |
| 6. Domestic demand | 4 |
| 7. Present position of the industry | 5 |
| 8. Rated capacity | 5 |
| 9. Domestic production | 6 |
| 10. Quality | 6 |
| 11. Import control policy and imports | 7 |
| 12. Existing rates of duty | 8 |
| 13. Cost of production and fair selling prices of cocoa powder and chocolate | 9 |
| 14. C.i.f. prices and landed costs | 10 |
| 15. Measure of protection | 10 |
| 16. Proposed changes in the Customs Tariff Schedule | 11 |
| 17. Other recommendations | 12 |
| 18. Summary of conclusions and recommendations | 12 |
| 19. Acknowledgements | 14 |

APPENDIX

APPENDICES

| | |
|---|----|
| I List of producers, importers and consumers to whom the Commission's questionnaires were issued and from whom replies were received | 15 |
| II List of persons who attended the Commission's public enquiry on 19th November, 1956 | 16 |
| III Statement showing the c.i.f. prices, customs duties, clearing charges, landed costs and selling prices of (a) covering chocolate and (b) cocoa powder | 17 |

PERSONNEL OF THE COMMISSION

SHRI K. R. DAMLE, I. C. S *Chairman*

SHRI B. N. ADARKAR, M. A. (CANTAB.)..... *Member*

SHRI C. RAMASUBBAN *Member*

DR. S. K. MURANJAN, D. SC. (LONDON)..... *Member*

SHRI J. N. DUTTA *Member*

PERSONNEL OF THE PANEL WHICH HEARD THE CASE

SHRI K. R. DAMLE

SHRI B. N. ADARKAR

DR. S. K. MURANJAN

SHRI J. N. DUTTA

SECRETARY

DR. RAMA VARMA



GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

New Delhi, the 30th April, 1957.

RESOLUTION

TARIFFS

No. 12(4)-TP/56.—The Tariff Commission has submitted its Report on the continuance of protection to the Cocoa Powder and Chocolate Industry on the basis of an inquiry undertaken by it under Sections 11(e) and 13 of the Tariff Commission Act, 1951. Its main recommendations are :—

- (i) The protective duty on cocoa powder should be maintained at the existing rate of 31½ per cent. *ad valorem* (including surcharge). As regards covering chocolate, the protective duty should be 50 per cent. *ad valorem* or Re. 1/- per lb. (including surcharge), whichever is higher. These rates of duty should remain in force up to the 31st December, 1958. Cocoa beans should continue to be exempted from payment of import duty.
- (ii) Government might consider the desirability of stopping the import of covering chocolate by actual users.

Government accept recommendation (i) and the necessary legislation will be undertaken in due course. The revised rate of protective duty recommended by the Commission in the case of covering chocolates is being brought into force with immediate effect.

Government have taken note of recommendation (ii) and it will be taken into consideration along with other relevant factors while formulating import policy from time to time.

2. The Commission has also made certain ancillary recommendations and suggestions for developing cocoa plantations in India, for improving the quality of the local product, and for general assistance to the Industry.

Government have noted these recommendations and suitable action will be taken in due course.

3. The Commission has emphasised the importance of salesmanship and publicity and of keeping abreast of technical developments. These are brought to the notice of the Industry.

ORDER

ORDERED that a copy of the Resolution be communicated to all concerned and that it be published in the *Gazette of India*.

L. K. JHA,
Secretary to the Government of India.

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
(Deptt. of Heavy Industries)

New Delhi, the 30th April, 1957.

NOTIFICATION

TARIFFS

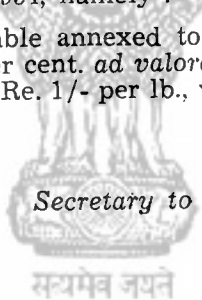
No. 12(4)-T.B./56.—WHEREAS the Central Government is satisfied after due inquiry that the duty chargeable under the Indian Tariff Act, 1934 (32 of 1934), in respect of 'Chocolate other than confectionery' specified in item No. 18 of the First Schedule to the said Act, and characterised as protective in the third column thereof, has become ineffective for the purpose of securing the protection intended to be afforded by it to similar article manufactured in India;

Now, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 4 of the said Act, as in force in India and as applied to the State of Pondicherry, the Central Government hereby makes the following amendment in the notification of the Government of India in the Ministry of Commerce and Industry, No. 12(3)-T.B./54, dated the 7th September, 1954, namely :—

In column 3 of the Table annexed to the said notification, for the figure and words "50 per cent. *ad valorem*" the figures and words "50 per cent. *ad valorem* or Re. 1/- per lb., whichever is higher" shall be substituted.

L. K. JHA,

Secretary to the Government of India.



REPORT ON THE CONTINUANCE OF PROTECTION TO THE COCOA POWDER AND CHOCOLATE INDUSTRY

1. The history of tariff protection to the cocoa powder and chocolate industry up to the 31st December, 1954 is given in paragraph 1 of the Tariff Commission's report on this industry (1954). The industry's claim to protection was accepted by Government after a Tariff Board enquiry in the late Department of Commerce Resolution No. 218-T (86)/46, dated the 1st February, 1947. The revenue duty of 30 per cent. *ad valorem* on cocoa powder and covering chocolate prevailing at that time was converted into a protective duty at the same rate by the Indian Tariff (Amendment) Act, 1947 and protection was accorded up to the 31st March, 1950. In addition, assistance was given to the industry by remitting in full the import duty of 30 per cent. *ad valorem* on coca beans which is the principal raw material of the industry and is entirely imported from abroad. Subsequently, there were two tariff investigations into this industry—one by the late Tariff Board in 1949 and the other by the Tariff Commission in 1954—and protection has been continued on the basis of their recommendation. The current period of protection is due to expire on the 31st December, 1956 but it has been extended *ad hoc* by one year, that is, up to the 31st December, 1957 by the Indian Tariff (Amendment) Act, 1956.

2. The present enquiry was undertaken under section 11 (e) read with section 13 of the Tariff Commission Act, 1951, under which the Commission is empowered to enquire into the working of protection granted to an industry and to recommend any further action required with a view to its increase, decrease, modification or abolition according to the circumstances of the case.

3.1. The Commission issued a presse note on the 21st April, 1956 inviting manufacturers, importers and consumers and others interested in the industry to obtain copies of the relevant questionnaires from the Secretary of the Commission and to send their replies. A list of producers, importers and consumers to whom the Commission's questionnaires were issued and from whom replies were received is given in Appendix I. Information relating to c.i.f. prices and landed costs of imported cocoa powder and covering chocolate was sought from Collectors of Customs at the principal ports, the Indian High Commission, London, and the Indian Consulate General at Geneva. The Development Wing of the Ministry of Heavy Industries was requested to forward a memorandum on the present position of the industry. The Director, Central Food Technological Research Institute, Mysore, was also requested to submit a memorandum with particular reference to the quality of the indigenous product. In addition, the Secretary of the Indian Council of Agricultural Research, New Delhi, and the Chief Secretary to the Government of Madras, were requested to furnish information regarding the steps taken by them to develop cacao plantation within

the country and the quality of indigenous beans. The Indian Confectionary Manufacturers' Association, Calcutta, was requested to submit a memorandum on the progress made by the industry.

3.2. Shri K. R. Damle, Chairman, Shri B. N. Adarkar, Dr. S. K. Muranjan and Shri J. N. Dutta, Members, visited the factory of Messrs. Sathe Biscuit and Chocolate Co., Ltd., Poona, on the 28th November, 1956. Shri S. S. Mehta, Technical Director (Chemicals) and Shri S. V. Rajan, Cost Accounts Officer of the Commission visited the factory during the period from the 22nd to the 25th October, 1956, and examined the costs of production of chocolate and cocoa powder manufactured by them. Shri S. S. Mehta also visited the factory of Messrs. Cadbury-Fry (India) Private Ltd. on the 13th November, 1956.

3.3. The public enquiry was held on the 19th November, 1956 at the Commission's Office in Bombay. A list of persons who attended the enquiry is given in Appendix II.

4. In its 1954 report the Tariff Commission had recommended that cocoa beans being a seasonal product, Government should consider the desirability of placing such beans on Open General Licence in order to enable the industry to buy its requirements of beans when the market was favourable. Government considered, however, that this object could be achieved by making the import licences for cocoa beans valid for one year and with effect from the July-December 1955 licensing period, import licences for cocoa beans were issued with one year validity. We were told at the public enquiry that this system was working satisfactorily. The other recommendations made by the Commission were that the Sathe Biscuit and Chocolate Co. should make further efforts to improve the keeping quality of its products and also to increase its production of cocoa butter with a view to meeting the entire domestic demand of that article. The attention of the industry was drawn to those recommendations by Government in their Resolution No. 12(3) TB/54, dated the 7th September, 1954. Sathe Biscuit and Chocolate Co. has informed the Commission that the keeping quality of its covering chocolate has considerably improved and that it is now on par with that of the imported product. As regards expansion of its output of cocoa butter, the position has changed owing to a rise in demand for cocoa powder since the beginning of 1955. This has resulted in surplus production of cocoa butter for which there is no market at present. In fact, at the public enquiry we were told by the representatives of Sathe Biscuit and Chocolate Co. that their firm had stopped production of cocoa powder till the end of the year and had concentrated on the production of chocolate in order to absorb their surplus cocoa butter.

5.1. The principal raw material, namely cocoa beans, is not available at present from indigenous sources and the entire requirements of the industry are met by imports. The important sources of supply are Ceylon, Gold Coast and Nigeria. In India some developmental work on the plantation of cacao trees has been carried out by the Governments of Madras and Mysore. In 1954, we were informed that about 600 cacao plants had been planted in the

Nilgiris as an experimental measure which were expected to yield in all an annual crop of about 1,200 to 1,400 lbs. of cocoa beans. Recently, the Department of Industries, Labour and Co-operation, Madras, stated in its reply to the Commission's questionnaire that the multiplication and distribution of cacao seedlings on a small scale had been done from the Kallar and Burliar fruit stations both within the State of Madras and outside. The number of cacao plants supplied from those stations since 1950 had been 15,051 made up of 14,294 plants in Madras and 757 plants outside. The total area under cultivation in and outside Madras is reported to be about 74 acres and we understand that steps are being taken to increase the acreage. Most of these plantings are recent and the production of beans is negligible.

5.2. The cacao tree flourishes within the tropics mainly between latitudes 20° North and 20° South. It needs warmth and a humid atmosphere. It is normally cultivated at low altitudes and the bulk of it is produced on land lying within 1000 ft. of sea level. While ordinary varieties thrive satisfactorily almost down to sea level, choice varieties respond more favourably about 700 ft. In Ceylon where the major part of the crop is composed of choice cacao, practically the whole of it is planted at an altitude of over 1400 ft. Further, cacao trees (being susceptible to wind, cannot survive in exposed places and require a protective shield of taller trees. A fully grown cacao tree, is between 15 & 25 feet high and this height is attained when the tree is about ten years old. The life of a tree depends on the quality of the soil and the care taken for its upkeep. It begins to bear in the fourth or the fifth year and comes into full bearing by the tenth year. Some trees continue bearing for 50 years, but under ordinary conditions of culture the yield decreases after 25 years and may cease to be economic thereafter.

5.3. We understand that there are several areas in the South where the soil and the climate are favourable to the plantation of cacao plant, and that both the State Government of Madras and the Indian Council of Agricultural Research are actively engaged in the cultivation of the Criollo variety. We were, however, told at the public enquiry that the industry was more interested in beans from the Forastero variety of the plant. We were also told that plantings had been made in the experimental farms in Madras at the rate of 200 plants to an acre and that the yield being about 2 lbs. per plant, an acre would on an average produce a crop of 400 lbs. a year. We understand that an output of as high as 5 lbs. per tree has been reached in some countries.

5.4. Cacao plant is very susceptible to attacks by pests and certain types of fungus growth. We understand that the U.K. Colonial Development Corporation and the chief cacao growing countries notably, Gold Coast, have been spending large sums of money on researches as to how best the plant could be protected from such attacks. Unless proper precautions are taken in the early stage of development of cacao plantation in the country, there are grave risks of our efforts being wasted in the long run. It is, therefore, essential that expert advice should be obtained from other cacao growing countries and from the U.K. Colonial Development Corporation as to the best method of developing cacao plantation in this industry. Further, as cocoa beans have no other use than in the manufacture

of chocolate and cocoa powder in this country, it is most important that there should be closest collaboration between the industry and the State Governments concerned in the future development of cacao plantation, so that the industry obtains the right type of beans at economic prices and the planters are also assured of a fair return for their crop. We understand that the Indian Council of Agricultural Research proposes to send a deputation shortly to Ceylon to make a study of the cultivation of spices in that Island. The Council may consider whether that opportunity could not be availed of for making a detailed study of the methods adopted in Ceylon to grow cacao crop and how far they could be adopted in India.

6. At the 1954 enquiry the Tariff Commission estimated the aggregate domestic demand for cocoa powder and chocolate at 500 tons per annum and expressed the view that any appreciable increase in demand above that figure would depend on a reduction in the prices of those articles. The estimates received from various parties at the present enquiry varied from 200 tons to 500 tons for the current demand and 300 tons to 750 tons for the future. The following table shows the estimates of demand received from the Development Wing, Sathe Biscuit and Chocolate Co., Ltd., and Cadbury-Fry (India) Private Ltd. and the figures of production by Sathes and Cadbury-Fry.

(Figures in tons)

| | Current demand | | | Future demand | | | Production | | |
|--|---------------------------------|----------------------|-------|---------------------------------|----------------------|-------|------------|------|------------------------|
| | Cover- ing choco- late | Cocoa pow- der | Total | Cover- ing choco- late | Cocoa pow- der | Total | 1954 | 1955 | 1956 Jan.- Sept. |
| 1. Development Wing . . . | .. | .. | 500 | .. | .. | 750 | .. | .. | .. |
| 2. Sathe Biscuit and Choco- late Co. Ltd. | 150 | 50 | 200 | 225 | 75 | 300 | 110.9 | 98.9 | 57.3 |
| 3. Cadbury-Fry (India) . . Private Ltd. | 350 | 125 | 475 | 500 | 200 | 700 | *232 | *103 | *132 |

*Cadbury's production consisted solely of repacking in small tins of imported cocoa powder and the remoulding of imported covering chocolate into chocolate bars.

The average production of the two units during 1954 and 1955 was 267.9 tons. If production during October to December 1956 is maintained at the level of the preceding nine months, the current year's production would be about 240 tons. Production by other units like Dr. D. Writer & Co., Bombay, and Parry's Confectionery Ltd. (the East India Distilleries and Sugar Factories Ltd.) has not been appreciable. Imports by units other than Cadbury-Fry (India) Private Limited were also small. After careful consideration of all relevant factors, we are satisfied that the current demand for chocolate and cocoa powder could be estimated at 300 tons a year. As regards the future, the industry expects a rise in demand for both chocolate and cocoa powder because the price of its principal raw material, namely, cocoa beans, has declined. Prior to the rise in prices of cocoa beans in 1954 the sum total of imports and domestic production

was 433.7 tons in 1951, 346.8 tons in 1952 and 487.3 tons in 1954. In our view it would not be unrealistic to estimate the future demand at 500 tons a year.

Present position of the industry 7.1. Sathe Biscuit and Chocolate Co. Ltd., Poona, is the only producer in the country which makes at present cocoa powder and chocolate from cocoa beans. Cadbury-Fry (India) Private Ltd., Bombay, which was till recently engaged in repacking of imported cocoa powder and remoulding of imported covering chocolate, has installed the necessary plant and machinery for the manufacture of these products from cocoa beans. There are two other producers of covering chocolate, namely, Dr. D. Writer & Co., Bombay, and the East India Distilleries and Sugar Factories Ltd., Madras. The former is not equipped for commercial manufacture and its production is insignificant. The East India Distilleries and Sugar Factories Ltd. claims a capacity of 3 cwts. a day, but its entire production is utilised in its own factory in the manufacture of confectionery.

7.2. *Sathe Biscuit and Chocolate Co. Ltd., Poona.*—This is a public limited company with a paid-up capital of Rs. 14.83 lakhs. It has secured a loan of Rs. 19.42 lakhs, of which Rs. 8 lakhs is from the Bombay State Financial Corporation. The activities of the company include the manufacture and sale of biscuits, cocoa powder and covering and eating chocolates. The factory was formerly located in Poona City, but has now been shifted to Dhanori, six miles from the City. The original value of the fixed assets in the new factory amounts to about Rs. 22.54 lakhs and the amount allocable to the cocoa powder and chocolate section is estimated at Rs. 6.72 lakhs.

7.3. *Cadbury-Fry (India) Private Ltd., Bombay.*—This is a private limited company with a paid-up capital of Rs. 12.96 lakhs. The value of the fixed assets for the production of cocoa powder and chocolate is Rs. 18.84 lakhs. This is a firm of long standing which was so long engaged in this country in the import of cocoa powder and covering chocolate in bulk and thereafter processing them for sale. The manufacturing programme of the company was approved by Government in 1952. It has now completed the erection of plant and machinery and is on trial production. It expects to go into regular production from January, 1957.

8. The rated capacity of Sathe Biscuit and Chocolate Company and Cadbury-Fry is shown below :

| Name of the company | (Capacity in tons per single shift) | |
|---|-------------------------------------|--------------|
| | Covering chocolate | Cocoa powder |
| Sathe Biscuit and Chocolate Co., Ltd. | 450 | 150 |
| Cadbury-Fry (India) Private Ltd. | 340 | 125 |
| | 790 | 275 |

After Cadbury-Fry goes into production early next year, the total capacity in this country will be more than sufficient to meet the current and the estimated future demand of cocoa powder and covering chocolate. There is, therefore, no need for an additional unit to be established in the country. Indeed, the installation of any additional capacity would, in our view, lead to waste of foreign exchange in the import of plant and machinery at the present stage.

9. As Sathe Biscuit and Chocolate Co. alone was in regular production direct from cocoa beans its production since 1953 is given below :

| | | | | | | | | | | (In tons) | | |
|---------------------|---|---|---|---|---|---|---|---|---|-----------------------|-----------------|-------|
| Year | | | | | | | | | | Covering chocolate | Cocoa powder | Total |
| 1953 | . | . | . | . | . | . | . | . | . | 102.3 | 52.8 | 155.1 |
| 1954 | . | . | . | . | . | . | . | . | . | 78.7 | 32.2 | 110.9 |
| 1955 | . | . | . | . | . | . | . | . | . | 69.6 | 29.3 | 98.9 |
| 1956 | . | . | . | . | . | . | . | . | . | 30.7 | 26.6 | 57.3 |
| (January/September) | | | | | | | | | | | | |

In all these years the Company's production of cocoa powder and chocolate was very much below capacity. One of the reasons given for such low production is that the demand for chocolate has declined with the increase in prices, consequent on abnormal rise in the prices of cocoa beans in 1954. The prices of Sathe's Milk chocolate increased from Rs. 3-3-0 per lb. in March 1954 to Rs. 4-0-0 per lb. in September 1954 and it was maintained at that level till it was reduced to Rs. 3-12-0 per lb. in September 1955. We are not sure whether this small cut in prices by Re. 0-4-0 a lb. will, by itself, stimulate the demand for Sathe's chocolate. Since the consumption of chocolate and cocoa powder is the result of an acquired taste, we are of the view that domestic producers should undertake more active salesmanship and propaganda to promote the sale of their products. Another reason for the lower utilisation of capacity appears to be the difficulty of the Company to balance its production of cocoa powder with chocolate. As indicated in paragraph 4, although there has been a rise in demand for its cocoa powder, the Company has not been able to take full advantage of it on account of its inability to dispose of its surplus cocoa butter which is produced in the process. This also underlines the need for popularising the consumption of chocolate which requires cocoa butter for its manufacture.

| | |
|----------------|---|
| Quality | <p>10.1. In its 1954 report the Commission had urged that Sathe Biscuit and Chocolate Co. should make further efforts to improve the keeping quality of its chocolate. In reply to Commission's questionnaires, some parties complained that the butter</p> |
|----------------|---|

content of Sathe's covering chocolate was low. The Development Wing, however, stated that it had examined the indigenous covering chocolate in its laboratory and was satisfied that there had been considerable improvement in the quality. The Central Food Technological Research Institute, Mysore, observed that though there had been considerable improvement in the quality, there was yet scope for further improvement.

10.2. The question was discussed at the public enquiry. Representatives of Sathe Biscuit and Chocolate Co. stated that they had installed a tempering plant with a view to improving the keeping quality of their covering chocolate and had also taken steps to raise the butter content of their product. They claimed that their product now-a-days was in no way inferior to the imported covering chocolate. They also stated that although no standard had been prescribed by the Indian Standards Institution, the Indian Confectionery Manufacturers' Association had laid down certain minimum specifications for covering chocolate and that they had been following a much higher standard for their products.

10.3. There was no complaint against the quality of indigenous cocoa powder.

10.4. We have carefully considered the matter and are satisfied that the quality of Sathe's covering chocolate compares favourably with that of the imported product. Nevertheless, we are of the view that for an edible article like chocolate and cocoa powder, there should be continuous efforts to improve the quality and food value by the application of better techniques of production, careful selection of raw materials and the adoption of improved recipes. We realise that the resources available to the indigenous industry at present are much too limited for the upkeep of an up-to-date research laboratory. It will therefore have to depend for some time to come on the researches done in other countries. We recommend that domestic producers should keep themselves informed of all technological developments that may take place from time to time in other countries in the manufacture, storage and transport of covering chocolate and cocoa powder and make use of them to the maximum extent possible. We also consider that the Indian Standards Institution should take steps to lay down standard specifications for cocoa powder and chocolate at an early date.

11.1. Cocoa powder and chocolate other than confectionery are classified under Serial No. 72 Part IV of the **Import control policy and imports** Import Trade Control Schedule. During the years 1954, 1955 and 1956 licences were granted to the extent of 5 per cent. of half of their best year's imports. Since the licensing period July-December 1955 milk crumbs (also sometimes known as chocolate or cocoa crumbs) have been allowed to be imported against quota licences; in addition, some imports of milk crumbs by manufacturers of chocolate having the necessary processing equipment have been allowed on an *ad hoc* basis in consultation with the Development Wing. Lastly, with effect from the January-June 1956 period provision has been made for issue to established importers, on application, of additional licences for imports of chocolate covertures equal to the value of their quota licences. Apart from the above, chocolate covertures in $\frac{1}{2}$ lb. slabs can be imported under Serial No. 70 Part IV of the Import Trade Control Schedule.

11.2. The industry represented that while it had no comments on the policy for established importers, the issue of actual users' licences, sometimes for considerable values, had operated to its serious detriment in the past. The representative of the Development Wing admitted that recommendations had been made on certain recent

occasions for the grant of licences to actual users when it was represented that cheaper supplies were available from abroad. We discussed the matter at the public enquiry. The cheapness of foreign supplies may be due to a variety of factors, such as, inferior quality of the products, the use of cheaper hydrogenated palm kernel oil in place of more expensive cocoa butter in the manufacture of covering chocolate, etc. As the greater portion of the present installed capacity has been lying idle, we see little justification for spending foreign exchange on an item like cocoa powder and covering chocolate in the present state of our balance of payment position merely on the ground of cheapness. Further, when Messrs. Cadbury-Fry (India) Private Ltd. go into production early next year, there will be sufficient internal competition as regards quality and prices. In the circumstances, we trust that Government will consider the desirability of stopping the import of covering chocolate and cocoa powder by actual users in future.

11.3. Imports of cocoa powder and chocolate since 1954 were as follows :

| <i>Year</i> | <i>Qty. in tons</i> | <i>Value lakhs in of Rupees</i> |
|-------------|---------------------|---------------------------------|
| 1954 | 240.2 | 11.12 |
| 1955 | 34.25 | 1.78 |
| 1956 | 94.65 | 4.55 |

(Jan./July)

12. Cocoa powder and chocolate, other than confectionery are at present assessed to duty under Item No. 18 of the First Schedule to the Indian Tariff Act of 1934. The rates of duty applicable to this item under the notification of the Government of India in the late Ministry of Commerce and Industry No. 12(3) TB/54 dated the 7th September, 1954, are as follows :

| Item No. | Name of the article | Nature of duty | Standard rate of duty | Preferential rate of duty if the article is the produce or manufacture of | | | Duration of protective rates of duty |
|----------|--|----------------|-----------------------------------|---|------------------|--------------------------------|--------------------------------------|
| | | | | The U. K. | A British Colony | Burma | |
| 18 | Cocoa and Chocolate other than confectionery | | | | | | |
| (a) | Cocoa powder. | Protective. | 31½ per cent. <i>ad valorem</i> . | .. | .. | 10 per cent. <i>ad valorem</i> | December 31st, 1957. |
| (b) | Chocolate other than confectionery. | Do. | 50 per cent. <i>ad valorem</i> . | .. | .. | Do. | Do. |

13. We have examined the data compiled by our Cost Accounts Officer regarding the costs of production of cocoa powder and milk and plain covering chocolate produced by Sathe Biscuit and Chocolate Company. The Cost Accounts Officer has ascertained the actual costs of production during the year ended 31st March, 1956 and prepared estimates of future costs on the basis of the data for that period. In estimating the future costs, the annual output has been taken at 35 tons of plain covering

chocolate, 40 tons of milk covering chocolate, and 28 tons of cocoa powder. Any higher rates of production will not be consistent with the prevailing trend of the market and the growth of competition in the future. In fixing the above rates of production, we are also influenced by the consideration that the firm is not left with any surplus cocoa butter. Cost of cocoa beans has been taken at Rs. 1.495 per lb. as against Rs. 2.48 per lb. in 1955-56. The cost of cocoa powder has been estimated on the basis that such powder will be manufactured from cake containing 25 per cent. butter. Interest on working capital has been allowed at $4\frac{1}{2}$ per cent. on three months' cost of production and return has been allowed at 10 per cent. on the original value of the block. As the Company desires that the details of its cost should be treated as confidential, we are sending the Cost Report as a separate enclosure. The actual cost of production in 1955-56 and the fair selling prices estimated for the future are given below:

| | Actual costs in 1955-56 | | | Estimates for future | | |
|------------------------------|-------------------------|--------------------|--------------|----------------------|--------------------|--------------|
| | Milk chocolate | Covering chocolate | Cocoa powder | Milk chocolate | Covering chocolate | Cocoa powder |
| Production in tons | 42 | 25 | 33 | 40 | 35 | 28 |
| | Rs. per lb. | Rs. per lb. | Rs. per lb. | Rs. per lb. | Rs. per lb. | Rs. per lb. |
| Material cost | 2.952 | 2.537 | 1.232 | 1.987 | 1.648 | 0.761 |
| Conversion charges. | 0.828 | 0.812 | 0.654 | 0.781 | 0.767 | 0.709 |
| Total cost of production. | 3.780 | 3.349 | 1.886 | 2.768 | 2.415 | 1.470 |
| Less credit | 0.586 | 0.362 | 0.028 | 0.370 | 0.233 | 0.028 |
| Net cost of production. | 3.194 | 2.987 | 1.858 | 2.398 | 2.182 | 1.442 |
| Interest on working capital. | ... | ... | ... | 0.025 | 0.023 | 0.014 |
| Return on block. | ... | ... | ... | 0.291 | 0.291 | 0.291 |
| Fair ex-works price. | ... | ... | ... | 2.714 | 2.496 | 1.747 |

To the above prices, a margin of Re. 0.100 per lb. is added towards freight disadvantage of the indigenous product as in the last enquiry. Thus the prices for comparison with the c.i.f. prices will be:

| | | |
|--------------------------|-------|---------------------------------|
| Milk chocolate | ... | Rs. 2.814 or Rs. 2-13-0 per lb. |
| Plain covering chocolate | ... | Rs. 2.596 or Rs. 2-9-6 per lb. |
| Average for chocolate | | Rs. 2-11-3 per lb. |
| Cocoa powder | | Rs. 1.847 or Rs. 1-13-7 per lb. |

14. A statement showing the recent c.i.f. prices and landed cost of covering chocolate and cocoa powder furnished by the Collectors of Customs and certain importing firms is given in Appendix III. At the public enquiry the representative of Cadbury-Fry (India) Private Ltd., stated that the latest quotations received by him for covering chocolate varied between Rs. 1-10-0 and Rs. 1-14-0 per lb. for plain chocolate, and Rs. 1-15-0 and Rs. 2-0-0 per lb. for milk chocolate. Quotations for bulk packing of cocoa powder varied between Rs. 1-6-0 and Rs. 1-7-0 per lb. We have adopted the average of the lowest c.i.f. prices of milk and plain covering chocolates (Rs. 1-10-0 and Rs. 1-15-0) for purposes of comparison with the average fair ex-works price of Sathe Biscuit and Chocolate Co. Ltd., Poona, determined by us. As for cocoa powder we have taken the lowest c.i.f. quotation.

15.1. The landed costs, ex-duty, of the imported products are compared below with our estimates of fair ex-works prices inclusive of freight disadvantage of the indigenous products :

| Measure of protection | Rs. per lb. | |
|---|--------------|--------------------|
| | Cocoa powder | Covering chocolate |
| (a) C.i.f. price | 1-6-0 | 1-12-6 |
| (b) Clearing charges | 0-0-6 | 0-0-6 |
| (c) Landed cost without duty | 1-6-6 | 1-13-0 |
| (d) Fair ex-works price inclusive of freight disadvantage.. | 1-13-7 | 2-11-3 |
| Difference between (d) and (c) | 0-7-1 | 0-14-8 |
| Above difference shown as percentage on c.i.f. | 32.2% | 50% |

It will be seen from the above figures that the domestic industry is still in need of protection. As regards the quantum of protection, the rates of duty required to equate the landed cost of imported products with the fair ex-works prices of indigenous products work out to 32.2 per cent. in the case of cocoa powder and 50 per cent. in the case of covering chocolate. This estimate has been made on the basis of the cost of production of the Sathe Biscuit and Chocolate Co. Ltd., Poona, and takes no account of the factor of consumer's prejudice. In our last Report we did not make any provision for this factor in the case of cocoa powder but loaded the fair ex-works price of indigenous chocolate with a margin of 15 per cent. We discussed the question of consumer's prejudice at the public enquiry and were informed that it was so deep-rooted that tariffs alone would not be a satisfactory means of protecting the industry as at present constituted and that a combination of tariffs and other measures was necessary to develop the industry on sound lines. There is much to be said in favour of this view. On the whole, we consider that the fair ex-works price as determined by us need not be loaded at present to take account of consumer's prejudice. We also consider that the difference between the rate of duty determined by us and the current rate of duty applicable to cocoa powder is much too small. The industry did not also complain that the present rate was inadequate.

15.2. There is, however, one point in this connection which deserves to be considered, namely, competition from cheaper varieties of chocolate produced with hydrogenated palm kernel oil, or other

substitutes for cocoa butter. We were told at the public enquiry that such chocolate was inferior in quality and that it was sometimes passed off as real chocolate prepared with cocoa butter. We have obtained from the Indian High Commission, London, the latest f.o.b. quotations for such chocolate and they range from 1sh to 6d. to 2sh to 3d. per lb. Allowing for insurance and freight at 12½ per cent. of f.o.b. quotations, the c.i.f. prices of the products would come to between Rs. 1-2-0 and Rs. 1-11-0 per lb. and their landed cost, ex-duty, between Rs. 1-2-6 and Rs. 1-11-6. At the current *ad valorem* rate of 50 per cent. of the c.i.f. price of Rs. 1-2-0 the landed cost (inclusive of duty) of the cheapest variety would come to Rs. 1-11-6 which will be cheaper than the fair ex-works price of the domestic product estimated by us by Re. 0-15-9 per lb. We were told at the public enquiry that competition from such chocolate had not yet become appreciable owing to current import restrictions. We realise that in the present state of balance of payments position, there is little chance of quantitative restrictions on chocolate being relaxed in the near future. Nevertheless, we feel that the temptation to import cheaper chocolate prepared with hydrogenated palm kernel oil or other substitutes for cocoa butter should be curbed. After careful consideration we recommend that an alternative specific duty of Re. 1 per lb. should be imposed with immediate effect on covering chocolate. This will increase the incidence of duty on standard chocolate from Re. 0-14-3 to Re. 1 per lb., while it will raise the landed cost, inclusive of duty, of the cheapest variety to Rs. 2-2-6. We realise that even then it would be cheaper than the fair ex-works price of indigenous chocolate determined by us by Re. 0-8-9 per lb. Nevertheless, we feel that the reduction in the margin from Re. 0-15-9 to Re. 0-8-9 per lb. would discourage imports of inferior chocolate. We recommend, therefore, that the protective duty on import of "chocolate other than confectionary" should be 50 per cent. *ad valorem* or Re. 1 per lb. whichever is higher and that on "Cocoa powder" 31½ per cent. *ad valorem* and that both these rates should be inclusive of surcharge. The protective duties should remain in force up to the 31st December, 1958.

16.1. If our recommendation to impose an alternative protective duty at a specific rate on covering chocolate is accepted by Government, the relevant item in the Customs Tariff Schedule should be amended as under :

| Item No. | Name of article | Nature of duty | Standard rate of duty | Preferential rate of duty if the article is the produce or manufacture of | | | Duration of protective rates of duty |
|----------|------------------------------------|----------------|---|---|------------------|-------|--------------------------------------|
| | | | | The U. K. | A British Colony | Burma | |
| 18 (a) | Cocoa powder. | Protective. | 31½ per cent. <i>ad valorem</i> . | .. | .. | .. | December 31st, 1958. |
| (b) | Chocolate other than confectionery | Do. | 50 per cent. <i>ad valorem</i> or Re. 1 per lb. whichever is higher | .. | .. | .. | Do. |

The preferential rates of duty applicable to imports from Burma should be determined in accordance with the provisions of the relevant agreement.

16.2. The above calculation has been made on the basis that the import of cocoa beans is duty-free. Since these beans have no other use than the manufacture of cocoa powder and covering chocolate, we recommend that the concession of duty-free import of cocoa beans should continue.

17.1. At the public enquiry it was urged that statistics of imports of chocolate and cocoa powder should be exhibited separately in future in the Accounts relating to the Foreign Trade (Sea, Air and Land) of India. This is a reasonable request and we recommend that arrangements should be made to record separately in future the import of "Cocoa powder" and "Chocolate other than confectionery".

17.2. It has been suggested that domestic manufacturers of covering chocolate should declare on the container the composition of their product. We were told at the public enquiry that Sathe Biscuit and Chocolate Co. would have no objection to declaring on the cover the broad composition of the product, namely, whether it contains cocoa mass, cocoa powder, milk crumb or skimmed or full cream milk but not the actual recipe. Further, as observed in paragraph 15.2., indigenous products are also facing competition from inferior chocolate manufactured with hydrogenated palm kernel oil, though such competition has not yet assumed serious proportions. We had no means of determining whether such chocolate is harmful but we do regard it important that a person buying covering chocolate should know whether he is buying standard or sub-standard product. We recommend therefore that Government should consider the question of prescribing that all covering chocolate should at the time of its importation into or sale in the country display on the container its composition, that is, whether it contains cocoa butter, hydrogenated palm kernel oil or any other substitute.

18. Our conclusions and recommendations may be summarised as follows :

Summary of conclusions and recommendations

(1) Cacao plantation in Madras and elsewhere, to be of value, should be developed in closest collaboration with the domestic cocoa powder and chocolate industry. Expert advice should also be obtained from the U.K. Colonial Development Corporation and the chief cacao growing countries as to how best such plantations could be developed in this country. In addition, the Indian Council of Agricultural Research might consider the question of enlarging the terms of reference of the delegation, whom it proposes to depute to Ceylon shortly in connection with spices, so as to cover a detailed study of cacao plantation in that island and the extent to which her methods can be adopted in India.

[Paragraph 5]

(2) The current demand for cocoa powder and covering chocolate taken together is estimated at 300 tons per annum. It may go up to 500 tons a year in the next three years [Paragraphs 6.]

(3) The rated capacity of the industry for the manufacture of cocoa powder and chocolate is 275 tons and 790 tons respectively per year on a single shift basis. Actual production of cocoa powder by the industry during the last three years was 52.8 tons in 1953, 32.2 tons in 1954 and 29.3 tons in 1955 and that of covering chocolate during those three years was 102.3 tons, 78.7 tons and 69.6 tons respectively. Consumption of chocolate and cocoa powder being the result of an acquired taste, more active salesmanship and propaganda is called for on the part of domestic producers to promote sales of their products. [Paragraphs 8 and 9]

(4) Considerable improvement in the quality of covering chocolate has taken place since the last enquiry. The domestic industry should, however, keep itself abreast of all developments that may take place from time to time in other countries in the technique of production, storage and transport of cocoa powder and covering chocolate and make use of them to the maximum extent possible. [Paragraph 10.4]

(5) The Indian Standards Institution should lay down standard specifications for cocoa powder and covering chocolate at an early date. [Paragraph 10.4]

(6) Since the installed capacity of the domestic industry is considerably in excess of current or potential demand for cocoa powder and covering chocolate and a large part of the capacity is also lying idle, Government might consider the desirability of stopping the import of covering chocolate by actual users. [Paragraph 11.2]

(7) The protective duty on cocoa powder should be maintained at the existing rate of 31½ per cent. *ad valorem* (including surcharge). As regards covering chocolate, the protective duty should be 50 per cent. *ad valorem* or Re. 1 per lb. (including surcharge), whichever is higher. These rates of duty should remain in force up to the 31st December, 1958. Cocoa beans should continue to be exempted from payment of import duty. [Paragraphs 15.1, 15.2, 16.1 and 16.2]

(8) Imports and exports of cocoa powder and covering chocolate should be recorded separately in Foreign Trade Statistics. [Paragraph 17.1]

(9) Government should consider the question of prescribing that all covering chocolate should at the time of its importation into or sale in the country display on the container its composition, that is, whether it contains cocoa butter, hydrogenated palm kernel oil or any other substitute. [Paragraph 17.2]

19. We wish to express our thanks to the producers, importers and consumers who furnished us with valuable information and gave evidence before us at the public enquiry.

Acknowledgements

K. R. DAMALE,
Chairman.

B. N. ADARKAR,
Member.

S. K. MURANJAN,
Member.

J. N. DUTTA,
Member.

RAMA VARMA,
Secretary.

BOMBAY,
Dated the 15th December, 1956.



APPENDIX I

[Vide Paragraph 3·1]

List of producers, importers and consumers to whom the Commission's Questionnaires were issued and from whom Replies were Received.

(*Those who replied.)

(a) *Producers :*

- *1. Sathe Biscuit and Chocolate Co., Ltd., 820, Bhawani Peth, Poona-2.
- *2. Cadbury-Fry (India) Private Ltd., Cadbury House, Bhulabhai Desai Road, Bombay-26,
- *3. Parrys Confectionery Ltd., Managing Agents : Parry & Co. Ltd., Dare House P. O. Box No. 12, Madras-1.
- *4. Dr. D. Writer & Co., Bhavani Shankar Road, Dadar, Bombay-28.
- *5. Pure Products & Madhu Canning Private Ltd., Dr. Annie Besant Road, Worli, Bombay-18.

(b) *Importers :*

- *1. Nestle's Products (India) Ltd., 7, Hare Street, Calcutta-1.
- *2. Grahams Trading Co. (India) Private Ltd., 16, Bank Street, Bombay-1.
- *3. Baker & Co. Private Ltd., Opp. Crawford Market, Oomrigar Building, Bombay-3.
- *4. F. D. Mehta & Co., Standard Building, Dr. Dadabhai Naoraji Road, Bombay-1.
- *5. Cadbury-Fry (India) Private Ltd., Cadbury House, Bhulabhai Desai Road, Bombay-26.
- 6. Herbertsons Ltd., 11-13, Elphinstone Circle, Bombay.
- 7. T. T. Krishnamachari & Co., Bombay Co-operative Insurance Building, 5th Floor, Sir P. M. Road, Bombay-1.

(c) *Consumers :*

- 1. Army & Navy Stores, Hornby Road, Bombay.
- 2. Eros Restaurant, Churchgate, Bombay.
- 3. Magnolia Dairy Products Ltd., D-2, Hide Street, Calcutta.
- *4. Marosa & Co. Ltd., 13, Meadows Street, Bombay.
- *5. J. J. Sprung, 41, Forbes Street, Fort, Bombay.
- *6. Mongini Private Ltd., 45-47, Churchgate Street, Bombay-1.
- *7. Monita Baking Corporation, Sewree, Bombay-15.
- *8. G. G. Industries, Agra.

(d) *Association :*

- *Indian Confectionery Manufacturers' Assn., India Exchange, Calcutta-1.

APPENDIX II

[Vide Paragraph 3·2]

List of Persons who attended the commission's Public Enquiry on 19th November 1956

Producers :

- | | | | | | |
|----------------------------|---|---|---|--------------|---|
| 1. Shri G. R. Sathe | } | . | . | Representing | Sathe Biscuit and Chocolate Co., Ltd., 820, Bhawani Peth, Poona-2. |
| 2. Shri M. G. Sathe | | | | | |
| 3. Mr. W. S. G. Nelson | . | . | . | Do. | Cadbury-Fry (India) Private Ltd., Cadbury House, Bhulabhai Desai Road, Bombay-26. |
| 4. Shri M. K. Commissariat | . | . | . | Do. | Dr. D. Writer & Co., Bhavani Shankar Road, Dadar, Bombay-28. |

Importers :

- | | | | | | |
|------------------------|---|---|---|-----|---|
| 1. Mr. Medows | . | . | . | Do. | Nestle's Products (India) Ltd., 7, Hare Street, Calcutta-1. |
| 2. Shri Minoo F. Mehta | } | . | . | Do. | F. D. Mehta & Co., Standard Building, Dr. Dadabhai Naoroji Road, Bombay-1. |
| 3. Shri A. M. Mehta | | | | | |
| 4. Shri J. C. Shah | . | . | . | Do. | Baker & Co., Private Ltd., Opp. Crawford Market, Oomrigar Building, Bombay-3. |

Consumers :

- | | | | | | |
|------------------------------|---|---|---|-----|---|
| 1. Mr. J. J. Ribeiro | } | . | . | Do. | Marosa & Co. Ltd., 13, Meadows Street Bombay. |
| 2. Mr. Francisco Mascarenhas | | | | | |
| 3. Shri C. M. Vyas | . | . | . | Do. | J. J. Sprung, 341, Forbes Street, Fort, Bombay. |
| 4. Mr. B. G. Sequera | . | . | . | Do. | Monita Baking Corporation, Sewrec, Bombay-15. |

Association :

- | | | | | | |
|------------------|---|---|---|-----|--|
| Shri G. R. Sathe | . | . | . | Do. | Indian Confectionery Manufacturers' Assocn., India Exchange, Calcutta-1. |
|------------------|---|---|---|-----|--|

Government Departments :

- | | | | | | |
|---------------------|---|---|---|-----|--|
| 1. Shri V. A. Mehta | . | . | . | Do. | The Development Wing, Ministry of Heavy Industries, New Delhi. |
| 2. Dr. P. Abraham | . | . | . | Do. | Indian Council of Agricultural Research, New Delhi. |
| 3. Shri M. N. Nair | . | . | . | Do. | Defence Canteen Stores Department, Adelphi, Queens Road, Bombay. |
| 4. Shri M. F. Kanga | . | . | . | Do. | Collector of Customs, Bombay. |

APPENDIX III

[Vide Paragraph 14]

Statement showing the c. i. f. prices, customs duties, clearing charges, landed costs and selling prices of a covering chocolate and (b) cocoa powder

| (Per lb.) | | | | | | | | | | | | | |
|---|-------------------------------------|------------------|-----------------|--|--------------|--------------|------------------|-------------|---------------|---|--|--|--|
| Sl. No. | Source of information | Origin of import | Date of import | Type and Specification | C.i.f. Price | Customs Duty | Clearing Charges | Landed Cost | Selling Price | Remarks | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | |
| Rs. As. P. Rs. As. P. Rs. As. P. Rs. As. P. | | | | | | | | | | | | | |
| (a) Covering Chocolate | | | | | | | | | | | | | |
| (50 %) | | | | | | | | | | | | | |
| 1. | The Collector of Customs, Madras. | U. K. | 6-2-56 | 7 lbs. Blocks | 2 12 11 | 1 6 6 | 0 0 3 | 4 3 8 | .. | | | | |
| 2. | The Collector of Customs, Calcutta. | U. K. | December, 1955. | 12½ lbs. Blocks | 1 13 9 | 0 14 11 | 0 0 3 | 2 12 11 | .. | | | | |
| | | Holland | Do. | 5 Kilos Blocks 11 lbs. (approx.) | 2 0 0 | 1 0 0 | 0 0 4 | 3 0 4 | .. | | | | |
| 3. | The Collector of Customs, Bombay. | U. K. | December, 1955. | Covering chocolate in 20 lbs. Block— | | | | | | | | | |
| | | | | (i) M. 9 | 2 1 6 | 1 9 0 | *0 3 4 | 3 5 7 | .. | *The clearing charges include town duty of 6½% on c.i.f. value. | | | |
| | | | | (ii) L. S. 110 | 2 1 0 | 1 0 6 | *0 3 4 | 3 4 10 | .. | | | | |
| | | | | (iii) M. 25 | 2 4 6 | 1 2 3 | *0 3 8 | 3 10 5 | .. | | | | |
| | | | | (iv) M. 110 | 2 1 6 | 1 0 9 | *0 3 4 | 3 5 7 | .. | | | | |
| | | U. K. | October, 1955. | (i) M. 110 | 2 9 6 | 1 4 9 | *0 4 2 | 3 2 5 | .. | | | | |
| | | | | (ii) N. 24 Full cream milk covering chocolate. | 3 2 6 | 1 9 3 | *0 5 1 | 4 0 10 | .. | | | | |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|-----|---|---------|-----------------|---|------------|------------|------------|------------|------------|---|
| | | | | | Rs. As. P. | Rs. As. P. | Rs. As. P. | Rs. As. P. | Rs. As. P. | |
| | U K | | April, 1956 | M. 25 in 20 lbs. Blocks | 2 12 0 | 1 6 0 | *0 7 0 | 4 9 0 | .. | |
| | Do. | | Do. | L. S. 110 Plain sweetened covering chocolate in 20 lbs. blocks. | 2 3 0 | 1 1 6 | *0 5 3 | 3 9 9 | .. | *The clearing charges include town duty of 6½% on c.i.f. value. |
| | Holland | | August, 1956 | Milk chocolate covertures in plain 11 lbs. blocks. | 1 13 6 | 0 14 0 | *0 4 5 | 3 0 8 | .. | |
| | Do. | | September, 1956 | Sweetened full cream covertures in 2 lbs. slabs "Dejonkar" brand. | 1 15 2 | 0 15 7 | *0 4 8 | 3 3 5 | .. | |
| 4. | Nestle's Products (India) Ltd., Calcutta. | U. K. | 11-1-55 | 3½ lbs. Blocks | 3 5 0 | 1 10 6 | 0 0 3 | 4 15 9 | 5 8 0 | Selling price includes free delivery. |
| | Do. | | 17-1-55 | Ditto | 3 5 0 | 1 10 6 | 0 0 3 | 4 15 9 | 5 0 | |
| | Do. | | 19-2-55 | Ditto | 3 5 0 | 1 10 6 | 0 0 3 | 4 15 9 | 5 8 0 | |
| | Do. | | 20-12-55 | Ditto | 3 5 0 | 1 10 6 | 0 0 3 | 4 15 9 | 5 8 0 | |
| 5. | F. D. Mehta & Co., Bombay. | Denmark | 7-10-55 | Milk covering chocolate in 4 lbs. Slabs. | 2 3 7 | 1 9 10 | *0 3 5 | 4 0 10 | 4 8 0 | |
| | | | | (b) Cocoa Powder | | | | | | |
| | | | | (31½%) | | | | | | |
| 71. | The Collector of Customs Madras. | U. K. | 11-2-56 | Tins of ½ lb. | 2 8 4 | 0 12 7 | 0 0 3 | 3 5 2 | .. | |

| | | | | | | | | | | | | | | | | | |
|----|---|--------------------|---|---|----|----|---|----|----|----|---|---|---|----|----|-------|--|
| 2. | The Collector of U. K. Customs, Calcutta. | March, 1956. | Tins of 1 lb. . . | 2 | 12 | 10 | 0 | 14 | 0 | 0 | 0 | 5 | 3 | 11 | 3 | .. | |
| 3. | The Collector of U. K. Customs, Bombay. | October, 1955. | "Rowntrees" cocoa in tins of $\frac{1}{4}$ lb. | 2 | 9 | 8 | 0 | 13 | 0 | *0 | 4 | 2 | 3 | 10 | 10 | .. | *The clear- ing charges include town duty of 6 $\frac{1}{4}$ % on c.i.f. value. |
| | Do. | Do. | Rowntrees cocoa in tins of $\frac{1}{4}$ lb. | 2 | 9 | 2 | 0 | 12 | 10 | *0 | 4 | 1 | 3 | 10 | 1 | .. | |
| | Do. | December, 1955. | 'Brown Ville' cocoa powder in tins of 1 lb. | 2 | 11 | 4 | 0 | 13 | 7 | *0 | 4 | 4 | 3 | 13 | 3 | .. | |
| | Do. | February, 1956. | Unsweetened cocoa powder in bags of 1 cwt. | 2 | 1 | 6 | 0 | 10 | 6 | *0 | 3 | 4 | 2 | 15 | 4 | .. | |
| | U. K. | July, 1956 | "Rowntrees" cocoa powder in tins of $\frac{1}{4}$ lb. | 2 | 10 | 8 | 0 | 13 | 4 | *0 | 5 | 7 | 3 | 13 | 7 | .. | |
| | Do. | August, 1956. | Unsweetened cocoa powder in 1 cwt. bags. | 1 | 11 | 9 | 0 | 8 | 8 | *0 | 4 | 8 | 2 | 9 | 1 | .. | |
| | Do. | October, 1956. | "Rowntrees" cocoa powder in tins of $\frac{1}{4}$ lb. | 2 | 10 | 8 | 0 | 13 | 4 | *0 | 5 | 7 | 3 | 13 | 7 | .. | |
| 4. | Cadbury-Fry (India) Ltd., Bombay. | 1955 | Cocoa powder . . | 2 | 2 | 0 | 0 | 10 | 8 | *0 | 2 | 4 | 2 | 15 | 0 | .. | |
| | Grahams Trading Co. (India) Private Ltd., Bombay. | January, 1956 | Tins of $\frac{1}{4}$ and $\frac{1}{2}$ lb. . | 2 | 6 | 9 | 0 | 12 | 1 | *0 | 3 | 4 | 3 | 6 | 2 | 4 0 0 | |



सत्यमेव जयते