

not be segregated in the available financial statements. And, comparable data are not available for all companies for the entire period.

Most of the pharmaceutical manufacturing business in Maharashtra carried on by private limited companies is under foreign control, mainly American, British and Swiss. Most of the companies are Indian owned but these are mostly small trading enterprises and include many with accumulated losses.

The proportion of Indian directors in foreign controlled companies is fairly high.

About 73 per cent of the share capital of the sample companies is owned by foreign companies and individuals. Indian companies hold 14 per cent, and the rest is owned by Indian individuals, led by Gujarati-speaking communities.

Total foreign investment in the sample amounted in 1964 to Rs 26 crores, comprising paid-in cash share capital Rs 7 crores, bonus and non-cash share capital Rs 4 crores, reserves Rs 13 crores and unsecured loans Rs 2 crores.

Retained profits have become more important as a source of finance between 1958 and 1964 and the proportion of fixed to total assets has risen consistently. During this period, only about one-half of gross total funds raised were, however, fixed investment and working capital absorbed the balance.

In 1964, 47 companies (excluding those wholly Indian owned with accumulated losses) were earning after tax 24 per cent on net worth and 10 per cent on sales. The wholly foreign owned companies were earning a cash profit (profit after tax before depreciation) which would fetch their investment back within two years. The foreign majority companies were taking a little more than four years to do so. The profitability of this sample compares favourably with that of companies in the Reserve Bank samples of public and private companies.

Gross fixed assets increased about 5 times between 1958 and 1964, the highest growth being in foreign majority companies. There was a spurt in investment in 1958-60. The growth of both investment and sales has remained impressive since 1960.

#### LIST OF PHARMACEUTICAL COMPANIES, 1964

##### (A) WHOLLY FOREIGN OWNED

- (1) Abbott Laboratories.
- (2) Boots.
- (3) British Drug.
- (4) Burroughs Wellcome.
- (5) Franco Indian.
- (6) Glaxo.
- (7) May and Baker.
- (8) Pfizer.
- (9) Raptakos Brett.

##### (B) FOREIGN MAJORITY, INDIAN MINORITY

- (1) Anglo French Drug.
- (2) Bayer India.
- (3) Boehringer Knoll.
- (4) Ciba.
- (5) Cilag Hind.
- (6) Cynamide.
- (7) Evans Medical.
- (8) German Remedies.
- (9) Johnson and Johnson.
- (10) Merck, Sharpe, Dohme.
- (11) Parke Davis.
- (12) Roche.
- (13) Sandoz.
- (14) Wyeth.
- (15) W T Suren

##### (C) INDIAN MAJORITY, FOREIGN MINORITY (INCLUDING 50:50)

- (1) Alta.
- (2) Excel Industries.
- (3) Geoffrey Manners.
- (4) Hoechst.
- (5) Francis Klein.