

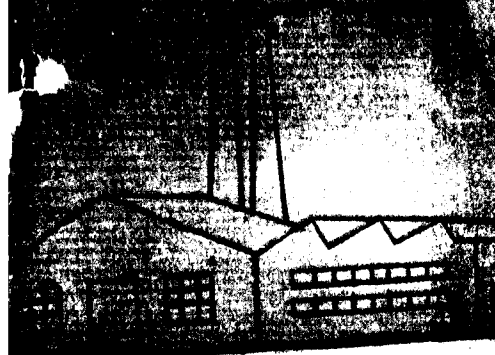
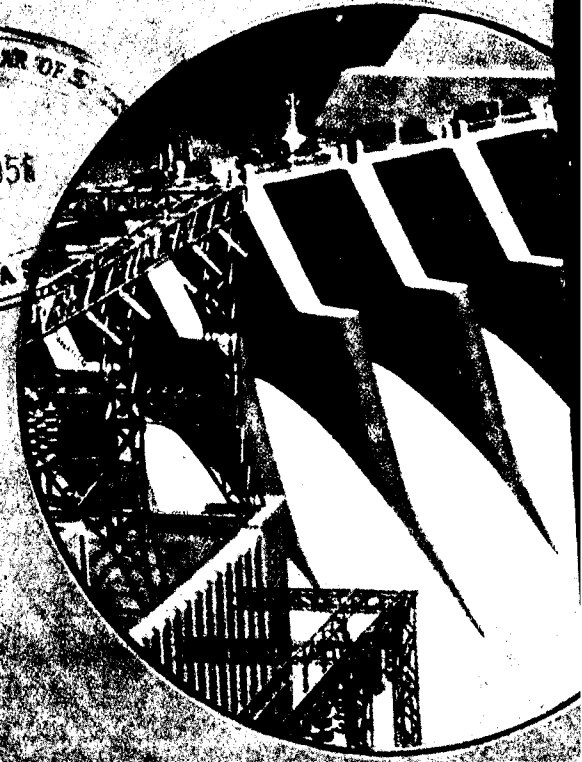
MAGAZINE OF
THE SMALL SCALE INDUSTRIES ASSOCIATION, MADRAS-1

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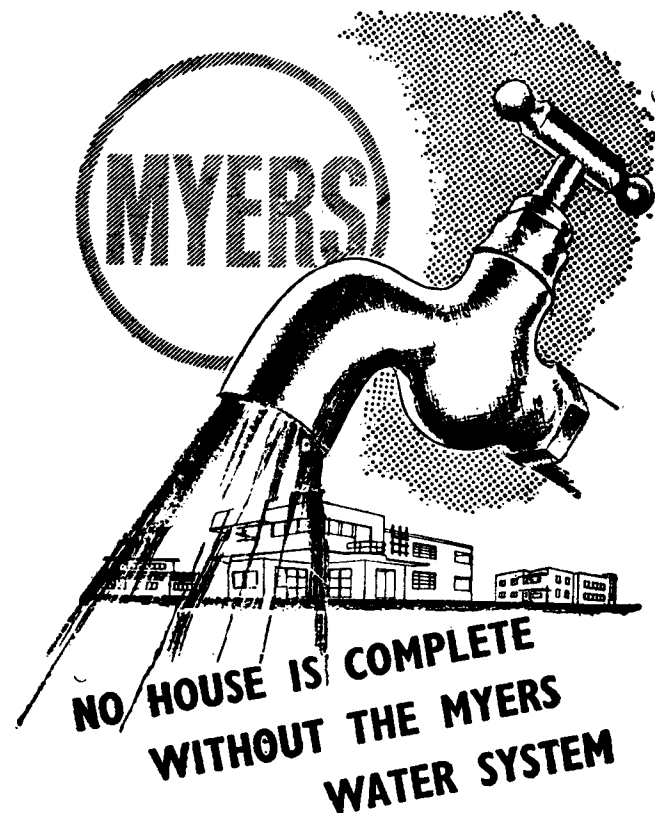
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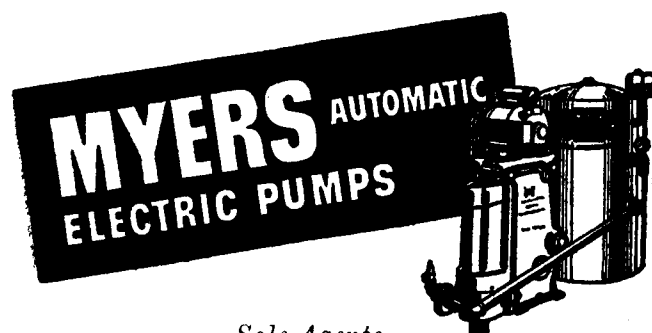
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Glimpses of the German Economy

By **ALFRED F. KICKBUSCH**

(Trade Commissioner, Federal Republic of Germany, Madras.)

I will have to start these remarks with a word of apology. Within the scope of a brief article, it will be impossible to give an overall picture of the German economic structure. An ample literature filling several shelves is already in existence on this subject, and I shall therefore confine myself to pointing out a few salient features.

Before dealing with the purely economic aspects a brief review of the history of the last few years will be appropriate, since it has a special bearing on the present economic setup. In 1937 Germany had 69.3 million inhabitants on an area of roughly 185,000 sq. miles. At the end of the war, Russia and Poland, Germany's eastern neighbors, annexed about 44,500 sq.m. of this territory. At the Potsdam Conference held in 1945 after the unconditional surrender of the German Armies, the Big Four, that is the USA, the U.K., France and Russia, decided to place what remained of Germany under military administration and to this end they split it up into four different occupation zones, each under a military governor. A central German Government was non-existent and only the local authorities were operating in a rather haphazard and hesitant way, greatly hampered in their activities by constant interference of the military authorities and the lack of trained personnel.

Gradually, greater powers and responsibilities were vested in the local bodies and States were formed with responsible governments. The magnitude of the problems facing both the occupation powers and the State Governments worked toward a closer integration and after a beginning had

been made with the economic coordination of the US and UK occupation zones, the French zone followed suit, and the part of Germany under the control of the western Powers was in 1949 constituted as the German Federal Republic. Although during the first few years of its existence, a number of restrictions were maintained, the bases were laid for an independent and democratic development. Economic, political, and military restrictions were gradually removed and by a number of international agreements concluded and ratified last year, the Federal Republic has attained full freedom of action within the scope of her international obligations.

When the Allied Powers occupied Germany after the unconditional surrender of the German Armies, they found an economy which had originally been geared to war-time needs but which had been completely upset by incessant air raids, heavy fighting on German soil, the breakdown of the transportation system and the lack of even the most essential raw materials. Its reconversion to peace-time requirements got under way only gradually and hesitantly. The greater part of able-bodied men were behind barbed wire as prisoners of war and they were only gradually returned to their homes. Add to this the millions and millions of German refugees who had to flee or been expelled from the countries where they had been born and you will appreciate the magnitude of the task facing the powers then governing Germany. There were five major tasks that had to be tackled:

- (1) Feeding the population. In this connection, it has to be remembered that for the last decades Germany

had never been self-sufficient in the agricultural sector and that due to the lack of fertilizers, manpower, and farm equipment, food production had appreciably decreased.

- (2) Reconstructing the German economy after the ravages of the war. This task was rendered particularly difficult by the policy of the Occupation Powers who did not only maintain practically all the war-time controls but added a few of their own.
- (3) Integration the large number of refugees and expellees, feeding and placing them.
- (4) Absorbing and rehabilitating millions of prisoners of war released by the Western Powers and later also by Russia.
- (5) Organizing a stable and responsible government that would be able to deal with these problems ably and competently.

The material needs were tackled first and the solution had two aspects. Strict rationing of foodstuffs and other necessities was maintained and belts had to be tightened considerably. After a certain time, when conditions had become more settled, there were large American shipments of foodstuffs on credit to make up the balance that could not be obtained from local production or imports. Grateful acknowledgement must also be made to such organizations as C.A.R.E. and many thousands of charitably-minded persons overseas whose gifts helped stave off wholesale starvation. Reconstructing the German economy seemed a superhuman task. The factories were destroyed, the shops had no stocks, and roads and railways had suffered heavy damage and were just getting out of the war-time bog. Inflation was rampant. The circulation of money greatly exceeded the amount

of goods, and since the backlog of requirements could not be immediately satisfied, prices went skyrocketing. A rehabilitation of the economy was therefore predicated on a stabilization of the currency. On June 21, 1948, all the currency was withdrawn from circulation and converted at the rate of 10 to 1.

Total war damages to the German economy amounted to approximately 20 to 25%. It has to be taken into consideration, however, that in most of the densely populated and industrial centers, damage was usually higher and frequently amounted to 40 and 50%.

To repair the damages which had been wrought in the countries under German occupation, the Allied Powers asked for so-called reparations. Whole factories were dismantled and shipped to other countries. In frequent cases, such equipment had only scrap value, since factories are compact units and cannot be dismantled and set up at will some place else. Although eminent economists in the USA and elsewhere pointed out the problematic value of reparations in this form, the last plants were dismantled as late as 1951 when the Korean War was already well under way and the American war effort needed the assistance of all countries of the Free World.

In spite of all these handicaps, the German economy slowly started on its way to recovery. I have already mentioned American food shipments which kept the population alive when domestic production was insufficient and imports practically nil due to the complete lack of foreign exchange.

Another stimulus which must be mentioned in this connection is the Marshall Plan Aid which encouraged production and acted as an initial primer for making the wheels go round. Another factor which deserves

consideration was the large demand for goods and commodities of every description. The market was there and its demands had to be satisfied. Between the beginning of World War II in 1939 and the currency reform in 1948, production of goods had dwindled to a small trickle which was totally insufficient to meet even the most elementary requirements. The 50-million population was therefore a profitable market with an almost unlimited capacity for absorbing goods. And once the start had been made, industrial production gained momentum. The last restrictions imposed by the Allies were removed. The Korean War proved another boon since it created a large demand for merchandise and thus encouraged exports.

Even the destruction and dismantling of German factories proved to a certain extent a blessing in disguise, for when these plants were built up again, they were equipped with the most modern machinery. With due modesty, I may claim that German goods have always found a ready market all over the world. And when the wheels of industrial production started revolving again and a constant flow of manufactured goods of every descriptions came off the assembly lines, German manufacturers resumed their former relations with their markets overseas and a steady stream of exports began to flow from Germany to other countries.

Whereas in 1950 imports still exceeded exports, the foreign trade in the following year was almost balanced, and ever since that time the balance of trade has been favorable toward Germany. West Germany is a member of the European Payments Union, and due to the favourable development of her trade, she has been a creditor to the Union for a considerable period, with the result that

the reserves of the Central Bank in foreign exchange and gold now total about Rs. 19 million. (132)

The Federal Republic of Germany covers an area of roughly 96,000 sq. miles, that is a little more than the United Kingdom with North Ireland. This territory housed in 1939 a population of 39 millions. Refugees total approximately 11 millions, whereas the natural increase of the population accounts for 4 millions. Deduction war casualties, both military and civilian, in the amount of 4.5 million, the present population of Germany is roughly 50 million.

The average population per sq. mile is 535 persons. An analysis of occupations shows that 82% live on industry, commerce, and the public services, whereas only 18% depend on agriculture and related pursuits for their livelihood. Over 120 years of constant industrialization have turned Germany into one of the most highly industrialized countries of the West. But even so, agriculture has not been neglected. Farming is highly mechanized, for farm labor is scarce and costly. Although only 18% of the population are engaged in agricultural pursuits, they produce about 63% of the food consumed in Germany, and the average production per acre is even higher than in the United States.

Since the currency reform in 1948, about 4 million persons have entered employment. By the summer of 1956 the number of those in dependent positions had risen to 18.4 million, of whom a third were women, and only 430,000 were unemployed. Full employment has, therefore, now been attained in the Federal Republic; since the figures of unemployed persons no longer cannot a genuine labour reserve.

A breakdown by categories of gainfully employed persons shows the following picture:

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	(Census of 1950)
Industry and handicraft	8,350,000
Land cultivation and stock-raising	5,150,000
Commerce and transport	3,620,000
Administration and law	1,432,000
Domestic economy, health and public welfare	1,397,000
Technical occupations	582,000
Intellectual and artistic occupations	452,000
Miscellaneous	1,102,000
Total	22,085,000

Coal and iron are the bread and butter of a modern economy, for without them, the wheels cannot go round. Here are the production figures for 1954:

Hard coal	128 million tons
Lignite	89 million tons
Iron ore	13 million tons
Mineral oil	3 million tons

West Germany has become the greatest steel producer after the United States and Russia, with an output of 24 million tons of steel in 1955. This tops even the production of the U.K. But these figures also reveal that a large percentage of the iron ore required for the production of iron and steels has to be imported.

The complicated mechanism of a modern economy cannot live without

an efficient transportation system which quickly distributes the goods to the places where they are needed. Although the Federal Republic has a rather dense network of railways, road transport shows imposing figures. In 1954 there were 1,255,000 passenger cars, 2 million motorcycles and scooters, 22,000 buses and almost 500,000 trucks and lorries.

Foreign trade also depends on carriers and adequate facilities for shipping, handling and clearing the merchandise, either imported or exported. About two thirds of the German merchant marine were destroyed in World War II and the remaining third was almost totally confiscated by the Allies. Furthermore, ship-building after the end of the hostilities was hampered by severe Allied restrictions and the rebuilding of the German merchant fleet got under way rather slowly. In 1948, there was a total tonnage of 249,000 tons. With the relaxation and removal of the restrictions shipbuilding proceeded at a faster pace, and at present the German merchant fleet has reached a figure of 2.5 million tons.

In 1954 the German sea ports handled over 45 million tons of cargo. From this figure Hamburg alone accounted for more than 20 million tons. Figures are still rising.

(To be continued)

A German Engineering firm able to procure and supply motor and machines e.g., for manufacturing carpets, toys, tools etc. Electric tools such as electric hand-drills, electric grinders etc., and other tools wishes to contact Indian firms interested in importing these articles. Representation is also offered.

In the event that any of our member firms are interested in this proposition, please write to:

"THE INDO-GERMAN CHAMBER OF COMMERCE"

P. O. Box 1688, Bombay.

Machinery for Tomorrow's Needs

*By HELMUTH VOLLRATH

Throughout the countries of southern Asia small industrial units appeared to be handicapped by the lack of private financial backing. The Governments are stepping in and providing whatever assistance is possible by the procurement of suitable production equipment, arranging for supplies of raw materials, together with advice on manufacturing techniques and market possibilities. In some cases small industrial units are being persuaded to join forces on a co-operative basis but, although certain progress has been realized, it is likely to be some time before a marked improvement will be noted. With the present pattern of demand for consumer goods, it is essential that these small manufacturing units should thrive. By so doing they will leave the way clear for the larger concerns to get down to rational, large-scale production and so bring about a healthy balance between wages and purchasing power.

The solution to local unemployment is also frequently to be found by the establishment of small, essential industrial units. For instance, it can only be to advantage if the large manufacturing plants are relieved of the responsibility of producing such items as nuts, screws and bolts—a simple example but it explains the point.

By encouraging the small industrial firms, a great deal must also be done to train the necessary labour. This will often call for local technical instruction at educational institutions which, in turn, is dependent on the availability of suitable teaching staff. And from a casual view it would appear that long-term planning of light industries and the smaller type of factory will, in the end, provide the only

tangible solution to the immense problem of local unemployment and under-employment. It will, it is considered, be one of the most effective methods of raising the general standard of living, create greater purchasing power and thus a receptive market for higher grade consumer goods.

These thoughts will not have escaped the attention of the planners in southern Asia and no doubt they will have formed their own ideas on the most realistic means of implementing them. It would be a great pleasure to Germany's industrial concerns, backed by many years' technical and practical experience, to assist their friends across the seas in any way possible, to lend them a helping hand towards the achievement of their ultimate goal.

* (The author of this article, was the leader of a three-man delegation sponsored by the Federal Ministry of Economics, (West Germany). His impressions of conditions and prospects in light industry will be of particular interest. It may be remembered that he has also addressed a Meeting of the members of the Small Scale Industries Association on 5th May 1956.)

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The National Small Industries Corporation

(Continued from page 17 last issue)

Government Purchase Division

The Government Purchase Division was set up primarily to help the small scale units in securing Government contracts both by a system of the Corporation taking prime contracts from Government Purchasing Agencies and getting the same executed by small scale units by issue of sub-contracts and also by helping them to get direct contracts from such Purchasing Agencies. Inadequacy of finance, inefficient methods of production and weak organization in the small scale units on the one hand and the rules and regulations in force in the Directorate General of Supplies & Disposals (the main Central Government Procurement Agency) on the other made the task extremely difficult. After continuous negotiation, it was however possible to lay down in consultation and with the approval of the D.G. S. & D. a procedure which allowed a certain amount of relaxation in the rules so far as purchase from small industrial units was concerned. Under the arrangement, the D.G. S. & D. agreed to reserve a reasonable percentage of any of the indents in which the Corporation indicated interest and to place a contract for the quantity on the Corporation after negotiation of price based on the result of the tenders received from the Trade against the indent. The procedure in actual practice, as will be seen from the details given in Appendix "A", has not proved satisfactory, as it has led to protracted correspondence with small units on the one side and the D.G. S. & D. on the other. It has also

been found that it takes a long time in coming to a definite decision in each case.

The American Example

It has become increasingly clear that, under the present arrangements it would be extremely difficult, if not impossible, for the Corporation to give on sub contract work to more than a fraction of the existing small units in the various parts of the country, though a very large number can undertake this work. The Corporation therefore while allowing the informal arrangement with the D.G. S. & D. to continue, has been trying all the time to evolve a better formula which would meet the primary objective for which the Corporation was established. It is probably not very widely known that in the U.S.A. the Small Business Programme, which also includes assistance to small scale units in obtaining Government contracts, has developed considerably during the last 14 years. In an endeavour to profit, if possible from the experience of the U.S.A. in this regard, the Government of India secured the services of Mr. Kennard Weddel, Chief of the Small Business Programme in the U.S.A. Air Force Purchase Organization, temporarily through the courtesy of the Ford Foundation. His report has been submitted to the Government of India and a major policy decision is expected to be taken very shortly. A summary of the recommendations made by Mr. Weddel is contained in Annexure "B".

ANCILLARIES

The development of small scale units as ancillary to large scale units is also the responsibility of the Government Purchase Division. This work is being implemented with the active assistance and co-operation of the Regional Small Industries Service Institutes. For the sake of convenience, the work has been divided into two sections. The first section will deal with the development, where possible, of a number of small scale units around a large unit as perpetual feeders of components and parts to the large unit. The prerequisite for development of such small units would be the prior agreement of the large unit to enter into long-term contracts with the satellite small scale units assuring a minimum annual off-take at pre-determined prices to enable the small units to run economically. It would also be necessary for the large unit to supply to the small units the correct raw material required for the fabrication of the components and also the technical know-how.

The second section would cover such stores for which ample capacity already exists and the large scale unit would not be agreeable to purchase from one particular source at pre-determined prices and would prefer to place orders with the lowest bidder in every individual case.

Dealing with the first section, it may be mentioned that since the last meeting of the Small Scale Industries Board held at Srinagar, in May 1956 it has been possible for the Corporation to obtain the agreement in principle from the following large scale units to the establishment of small scale ancillary units round their factory for supply of components on the terms indicated above:—

1. Messrs. Sen-Raleigh Industries of India, Calcutta.
2. „ Jay Engineering works, Ltd, Calcutta.

3. „ India Cycles Mfg. Co., Ltd., Calcutta.
4. „ National Machinery Manufacturers, Bombay.
5. „ Premier Automobiles Ltd., Bombay.
6. „ Union Co., Madras.
7. „ Amalgamations Ltd., Madras.
8. „ Mysore Kirloskars Ltd., Harihar.
9. „ Cooper Engineering Ltd., Satara Road.

Each of the above cases is being followed up by the Director of the Small Industries Service Institute concerned, and it is expected that concrete results will be achieved shortly.

The work in the second section, in its turn, has again been split up into parts. The dealings with large scale units in the private sector would come in the first part. The second part would cover the large scale units in the public sector.

Agreement from Large Scale Units

For our dealings with the large scale units in the private sector; the directors of the Institutes have been requested to use their good offices and obtain the agreement of as many large scale units as possible in their respective areas to the following procedure of work:

- (a) To supply to the Directors of the Small Industries Service Institutes on request a complete list of components and parts purchased by them from the market. Specifications and drawings to which such supplies are to conform are also to be supplied with the list.
- (b) To accept from the Directors of the Small Industries Service Institutes names and particulars of small scale units which are, in his opinion,

capable of manufacturing the components and parts mentioned above.

- (c) Enquiries for supply of such items should also be sent to small scale units recommended by the Directors of Small Industries Service Institutes. A copy of the enquiry along with the list of firms to whom it has been sent should be forwarded to the Director of the Small Industries Service Institute of the region.
- (d) Other things being equal, preference should be given to the small scale units (recommended by the Institute) in placing the order. A copy of the contract so placed should invariably be endorsed to the Director of the Small Industries Service Institute for further follow up action either by the Small Industries Service Institute or the National Small Industries Corporation for its successful execution.
- (e) Where the large scale unit is hesitant to place order on the

successful small scale bidder (recommended by the Institute) due to any doubt about its competency to execute the contract in time, the large unit should first ask the Corporation either to underwrite the contract or to take the contract itself at the quoted price before placing the order with another large scale unit.

State Industrial Concerns

In order to lay down a procedure of work to cover the direct purchases made by the State industrial concerns, the Ministry of Commerce & Industry, at the request of the Corporation, has approached the Ministry of Production for issue of a circular to industrial concerns under its control practically on the same lines as suggested above for the private sector. The only exception in this case is that State concerns in addition have been asked to give a price preference up to 15% in favour of small units in the case of items which can be manufactured by both the small scale as well as by other large scale units. The decision of the Ministry of Production in the matter is awaited.

(To be continued)

We Wish to inform our readers that we have made arrangements to get regular news regarding Small Scale Industries from BOMBAY, CALCUTTA, DELHI, LUCKNOW, PATNA, NAGPUR, BANGALORE, KARACHI, LAHORE, DACCA, COLOMBO, etc. and the same will be published in "SMALINDUSTRY".

Kindly mention 'SMALINDUSTRY' when writing.

**List of cases of indents negotiated by the Government
Purchase Division with the D.G.S. & D.**

<i>Discriptions of Store</i>	<i>Quantity</i>	<i>Descriptions of Store</i>	<i>Quantity</i>
1. Boots Ankle against Defence Requirements.	22,000 Pairs.	18. Boot Polish Black, Blanco Web Khaki	12,729 Tins. 9,664 Cakes
2. Olive Green Vests	75,000 Nos.	19. Felt.	4,810 lbs. 125 lbs.
3. Brass Padlocks against Postal Requirements.	1,27,650 Nos.	20. Shoes Black leather, shoes canvas white Rope sole.	4,784 pairs. 2,121 pairs.
4. Shackle Pins for Screw Coupling for Railway	16,285 Nos.	21. Axle Box Dust shields.	17,795 Nos.
5. Shoe Black Leather (Derby Pattern)	7,200 pairs. or R/c basis.	22. Tins round and square	29,800 Nos.
6. Metal Badges for the Army	52,705 Nos.	23. P & T shoes Chrome leather black with laces & Chappals peshawari black chrome leather.	1,916 pairs. 2,210 pairs.
7. Scale Weighing Weights.	11,237 sets. 9,300 sets. 11,269 Nos.	24. Ankle Boots	4,600 pairs.
8. Chappals Black Chrome Lined Uppers.	18,000 pairs. R/c basis.	25. Boots Ankle Black	950 pairs.
9. Vests, Cotton Knitted Sleeveless White.	11,950 Nos.	16. Boots Ankle	2,063 pairs.
10. Ankle Boots Plain Toe against Civil demands.	3,228 pairs.	27. Leather Cash Bags various sizes; record Bags etc.	23,781 Nos.
11. Belt Leather.	5408 Nos.	28. Caps Serge	48,000 Nos.
12. Rivets Snap Heads of Sizes.	771 cwts.	29. Water Proof Bags.	14,200 Nos.
13. Chappals frontier with black chrome grained uppers.	12,404 pairs.	30. Safety Matches,	Rate Contract
14. Boots Ankle.	1,30,296 pairs.	31. Vests Cotton Knitted Sleeveless O.G. Size I & II	1,10,000 Nos. 94,000 Nos.
15. Belt Leather Brown.	5,705 Nos.	32. Locks Pad, Galvanised Iron.	23,810 Nos.
16. Brass Padlocks.	88,320 Nos.	33. Supply of Bolts & Nuts.	588 cwts.
17. Shoes Black Leather.	1,480 pairs.	34. Brass Padlocks.	5,740 Nos.

Our Readers are informed that interesting news about Small Scale Industries from Germany, Japan, London, and New York will be published in "SMALINDUSTRY"

Kindly mention 'SMALINDUSTRY' when writing.

**THE SMALL SCALE INDUSTRIES ASSOCIATION, MADRAS
"Rustom Mahal", 2nd Line Beach, Madras-1**

NOTICE TO ALL MEMBERS:

There will be a meeting of the Small Scale Industries Association at 5 P. M. on Monday 26-11-56 at "Rustom Mahal" behind G. P. O. 2nd Line Beach, Madras-1.

Mr. P. Sabanayakam, I. A. S., Joint Development Commissioner, (Small Scale Industries) and Deputy Textile Commissioner (Handlooms) has kindly consented to be present.

This is an excellent opportunity for all the Members to meet our distinguished Joint Development Commissioner and discuss problems connected with the Small Scale Industries.

We cordially invite wide participation.

V. V. NATHAN,
Hony. General Secretary.

THE SMALL SCALE INDUSTRIES ASSOCIATION, MADRAS

TO ALL MEMBERS:

In the interest of the Members of the Association and in order to see how far the Small Scale Industrialists could meet the requirements of Government, Railway, Defence Departments and other Quasi Government Departments and other institutions and to facilitate answering their queries, it will be appreciated that all the Members of the Association furnish the following particulars.

I. The items that are being manufactured at present and their out put
and

2. the items which could be manufactured by them.

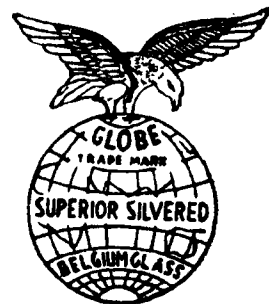
An early reply is solicited.

V. V. NATHAN,
Hony. General Secretary.

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Mr. Kiyotaka Segami on Indo-Japan Trade

A meeting of the Small Scale Industries Association was held on Saturday the 10th November, 1956, at Rustom Mahal, Second Line Beach, Madras-1.

The Leader Mr. Kiyotaka Segami, President of the Japan Wood Working Machinery Association, and eight other members representing Japanese Manufacturers of Wood working machinery, saw-mill machinery and Veneer and Plywood machinery who were on a tour of 12 South Eastern Countries including India visited our Association. Mr. Kiyotaka Segami addressed the gathering in Japanese language which has been translated into English by a member of the mission.

He explained various types of machines available in Japan, and gave some of the specifications to the Association. He wanted the Association to Address them in detail all the problems, difficulties in different trades, process of manufacture etc. He promised to reply them and gave all the information needed for members. He assured the gathering that the purpose of the mission is to promote good relations between Japan and India and cater to the needs of the Small Industrialists in particular and assured the members that they would manufacture any particular machines that are required by small industries in India and supply them. He also suggested that if any of the members are interested to take advantage of the exhibition organised in Japan next year, may visit it and study by themselves the various manufacturers in Japan. Upon questions being put to him he said that on contract basis different industrialists manufacture different machines to meet the demands of the trade and manufacture. He said that in Japan, Government give help in manufacturing organising sales, and

exporting them to India and other countries. He said he was extremely glad to meet the Small Industrialists at the association meeting.

Mr. Alfred F. Kickbush, Trade Commissioner Consulate of the Federal Republic of Germany, Mr. Erich Beyrodt, German footwear Expert and other officials of the Industries Department were also present. Mr. D. Ramarayanan varu, Vice President of the Association welcomed the distinguished Japan Visitors and introduced them to the gathering.

Mr. V. V. Nathan, Honorary General Secretary, proposed a vote of thanks.

Light refreshments were served on the occasion.

The following are the members of the Japan woodworking Machinery Trade Mission:

1. Mr. Kiyotaka Segami, Managing Director of Fuji Seisakusho, Ltd.
2. Mr. Koitsu Kodama, President of Chugoku Kikai Seisakusho Co. Ltd.
3. Mr. Noriyuki Nagaoka, Managing Director of Taipei Machinery Works Ltd.
4. Mr. Teiji Okamoto, Managing Director of Uroko Co. Ltd.
5. Mr. Akira Tanaka, President of Tanaka Machine Works.
6. Sadajiro Katch, Director Plant Manager of Taiyo Manufacturing Co. Ltd.
7. Mr. Kiyoshi Makayama, Export Manager of Kikukawa Iron Works, Inc.
8. Mr. Shozo Tanijiri, General Manager of Akimoku Wood working Machinery works (Div. of Akita Lumber Co. Ltd.)
9. Mr. Suematsu Sakamoto, Managing Director of the Japan Woodworking Machinery Association.

Small Scale Industrialist II

In the last issue we discussed about the Artisan type of Industrialist who, if brave enough to venture to start an industry in preference to lucrative employment, succumbs to circumstances as a fly in a cobweb and eventually walks into the lap of a merchant or major industrialist for financial succour. This merchant who gets interested invariably will be one dealing in raw materials concerning the industry or the finished products. Human nature being what it is, his main intention is to expand his trade and increase the profits, if possible, not staking the money he invests as in a gamble. So naturally he safeguards his position to the utmost, securing his money in all possible ways which are bound to be detrimental to the interest of the artisan, though apparently it works as if the investor has come as God-send to relieve the distressed artisan-industrialist out of his financial muddle. As long as the industry progresses without any set-back, which is impossible in these days of uncertainties, when neither the product, nor the producers nor the consumers nor the Governments have any set standards or fixity of ideas and views, the merchant artisan relationship continues to be good.

But once a hitch comes in artisan goes to dust, himself not having enough funds to be a litigant, himself not having stamina to stand and fight for his rights, himself having deprived himself of his sacred rights of 'employee' and himself having become a partner - employer responsible for losses and setbacks, which will be realised only at the time of collapse or crash and not earlier when the industry is going good.

In such of these cases one can easily understand the extra advantages gained by the merchant-investor who can retain in usual trade business and the concerned profits and angle for fishing further profit from the producer, derive the advantages and aids conferred by the Governments to Small Scale Industrialists in the name of the artisan. This is mainly the reason why there is a scramble to start a number of small scale industries by hereditary merchant class either in their own name or in the name of their close relatives who got themselves moderately educated but not having enough capacity to work independently or serve somebody out of all prestige. They can straightaway become heads of organisations, employers, maintaining their status, creating avocation for

themselves during day-time hours without getting the stigma of 'rich idlers'. Some of the executives, who have earned substantially in major commercial organisations and who have acquired a confidence that all the profits earned by their employers are only due to their capacity and intelligence are also coming forward to start on their own and gather what they can in this venture. Of course there are also some ex-government employees, who feel that they have enough energy and that their great influence and knowledge of the various textures of red-tape are getting unnecessarily wasted, are also coming forth to wipe the tears of the artisan-industrialist, themselves shedding crocodile tears mainly to earn on cashing influence.

Capitalists, big or small, must have change of heart. They must be sincere, honest and straight forward in thought and action. The professed sympathy for the underprivileged must be genuine and it should continue to be humane even in adverse circumstances. In America the Small Scale Industrialists is many times bigger than our major Industrialist. They are called Small-Presidents who run practically all the ancillary and feeder industries to the major assembly plants and projects. They wield substantial power both with their clients and government and they cumulatively employ more labour than others. Their resources are greater. They are invariably set up under the Patronage or major industries and so they have less worry for finances or

marketing the goods. Their output is practically under-written. For such conditions to come in India, it will take a long time. Our major industrialists have confidence in themselves only. They will rather buy up the Small Scale Industry and run it themselves than help the industry in the form of finance and other needs and encourage them.

Unless the attitude of all concerned undergo through changes for the better, unless the real need of Small Scale Industry is realised fully on the basis of their absolute necessity rather than as a charitable institution requiring the sympathetic doles, real benefit cannot be reaped by them. This type of philanthropy comes only in bursts occasionally just to acquire the goodwill of the public and governments and this good-will also will be cashed at the earliest opportunity for personal benefits.

It is the birth right of every able-bodied man to work and earn his fair wages to live a decent standard of living, meeting atleast the barest necessities of family life. So it is criminal on the part of the society and the peoples Governments if opportunities for employment or not fully created and if they do not alleviate the sufferings of the distressed unemployed. It is to bridge this gap of employed and unemployed, the haves and have-nots, contented pot bellied and the starving empty stomachs, that these Small Scale Industries should come into existence in large numbers but for no other considerations.



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Advisory Council for Industries

The Central Advisory Council of Industries has been re-constituted with the Minister for Home Affairs and Heavy Industries as Chairman. The Council advises the Central Government on the development and regulation of industries scheduled under the Industries (Development and Regulation) Act.

The Council consists of 28 members besides the Chairman. The following will represent the interests of owners of industrial undertakings in scheduled industries: Messrs. Lakshmi Pat Singhania (President of the Federation of Indian Chambers of Commerce and Industry); B. M. Birla; Arvind N. Mafatlal; Babubhai M. Chinai; O. T. Jenkins; J. C. Burns; Shri Ram; P. A. Narielwala; Biren Mookerjee; K. C. Mahindra; Ravi L. Kiroloskar; P. R. Ramakrishnan; D. P. Goenka; Vikram A. Sarabhai and N. Dandekar.

The following will represent the interests of employees: Messrs. S. R. Vasavada; Michael John and S. A. Dange.

To represent the interest of consumers of goods manufactured or produced by scheduled industries, the following have been nominated to the Council: Mr. B. C. Ghose, M.P., Mrs. Raksha Saran; Mr. R. Venkataraman, M.P., Mr. Asoka Mehta, M.P. and Dr. K. S. Krishnan, Director, National Physical Laboratory.

The following will represent other interests including primary producers: Mr. A. Ramaswami Mudaliar, M.P.; Mr. R. M. Deshmukh, M.P.; Mr. Guru Govinda Basu; Dr. V. K. R. V. Rao, Director, Delhi School of Economics, and Dr. R. Balakrishna, Professor of Economics, University of Madras.

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News & Views

Loans totalling Rs. 70 lakhs have been sanctioned by the Union Ministry of Commerce and Consumer Industries to three State Governments for providing credit to Small Scale Industries both for long-term as well as working capital requirements.

Uttar Pradesh has been granted a loan of Rs. 40 lakhs. Punjab Rs. 20 lakhs and Delhi State Rs. 10 lakhs.

With these loans, the Centre has sanctioned Rs. 3.66 crores as loans to small industries since the scheme of financial assistance to small industries was initiated last year. Different State Governments have made a provision of about Rs. 1.5 crores, making a total of nearly Rs. 5.2 crores for providing credit to small industries.

Under the scheme, loans are given on easy terms up to 75 per cent of the value of the security offered including assets created out of the loan. A nominal interest of three per cent is charged on the loans to individual entrepreneurs while in the case of industrial co-operatives the rate is further reduced to 2½ per cent. In the case of loans below Rs. 2,000 only personal bonds are taken.

A majority of the State Governments have accepted the general principle of the scheme.

Technical assistance and credit facilities are the two main requirements of small industries. Technical guidance is now being extensively provided through the network of Regional Small Industries Service Institutes in Bombay, Calcutta, Delhi and Madras. Branches of these Institutes and their field staff.

While credit is now being provided from Government sources these may have to be replaced by credit from banks and similar institutions. The State Bank of India is now working on an experiment in nine Pilot Project Centres to draw up a co-ordinated programme for credit facilities to small industries through banking institutions. The Centres are Delhi, Agra, Ludhiana, Bombay,

Surat, Kolhapur, Madras, Coimbatore and Vijayawada.

Extension Centres are being set up in a number of industrial towns in the country by the Ministry of Commerce and Consumer Industries to provide technical assistance to small scale industries.

The Extension Centres, which will work under the guidance of the Regional Service Institutes for small Industries, will render advice on the introduction of improved technique, reduction in the cost of production and organisation of industries. The Centres will also be equipped with workshops for common service facilities or testing laboratories for raw materials for the use of small manufacturers.

Extension Centres for sports goods are being set up at Jullundur and Meerut. An Extension Centre for scientific glassware is being set up at Ambala, at Batala for foundries and agricultural implements, at Ferozabad for pressed glassware and bangles, at Roorkee for surveying and drawing instrument, at Kanpur for bicycle parts and bicycles, at Trichur for footwear and at Khanapur for cups and saucers. A centre will be set up at New Delhi also.

It has also been decided in principle to open more extension centres in a number of towns.

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Readers Forum

STATE BANK OF INDIA WRITES:

The loan application a copy, of which has been furnished on page 7 of the Journal, is to be used only by small industrialists carrying on manufacture in the three "pilot" centres viz., Madras, Coimbatore and Vijayavada.

On page 13. under the heading "Reader's Forum" 'A sufferer' has remarked that impossible conditions are imposed for the grant of credit facilities by the State Bank of India etc. and that their rules require amendment before the scheme could be implemented. In this connection, we may refer to the proceedings of the meeting of the Small Scale Industries Association held on the 11th September last in "Rustom Mahal" when our Secretary & Treasurer addressed the members and answered some questions. He made it clear than what types of business we undertake and what types we do not. He further informed the gathering that if any applicant was not satisfied with the replies received, it was open to him to have further discussions in the matter with the Bank officials. We have already granted some advances to the Small Scale Industrialists and we continue to get more applications.

In the light of foregoing, it will be observed that the "sufferer" has attempted only to make some baseless allegations in your Magazine.

Stores Purchase from Small Industries Sector

Reservation of Items & Price Preferential

"The Second Five-Year plan makes provision for a development programme for small industries on a considerable scale. One of the means to bring this about obviously is to help the small units in securing a reasonable share of Government contracts. A National Small Industries Corporation was set up in the Ministry of Commerce and Consumer Industries with this as one of its main objectives.

"The Government have had also under consideration for some time the procedure to be prescribed for the purpose of assisting small-scale industries in participating in the Central Government's stores purchase programme. Government have now decided to follow here-after the following procedure.

"All items of Government purchases are to be broadly divided into four groups,

"Group I will consist of items which can be purchased only from large-scale units.

"In Group II will be items which can be purchased only from large scale units, but where it is possible for the large units to sub-contract ancillaries and components to small-scale units. The National Small Industries Corporation and the Regional Small Industries Service Institutes will assist large-scale units in finding suitable small-scale units to whom they may sub-contract lesser components and ancillary equipment for manufacture under their guidance to ensure the requisite quality, the responsibility for which will continue to rest on the

large-scale manufacturers with whom the contracts have been placed. When the contract is completed, it is Government's intention also to obtain reports from large-scale manufacturers on the extent to which sub-contracting has been possible.

"Items in the Group III will be divided into two sections. In the first section tenders will be invited from all parties and small industries may be accord a suitable and reasonable price preferential up to a maximum of 15 per cent, the actual quantum being decided in each case on merits. In the second section a portion of the indent would be reserved for the Small Industries Corporation and on the un-reserved portion the normal procedure for tenders would be followed.

"In the reserved portion, small industries nominated by the Small Industries Corporation will be eligible for a price preferential on the same terms as above. The prices to be fixed for the reserved portion in respect of the stores offered by the Small Industries Corporation nominee will depend on the results of the tender to be opened.

"Group IV will consist of items entirely reserved for procurement from small industries.

"The National Small Industries Corporation will in consultation with the State Directors of Industries, compile a list of small units which have attained a sufficient degree of competency to fulfill Government orders. Tender sets and specifications,

Small Scale Industries and Handlooms

REORGANISATION OF SET-UP

The work relating to the development of small-scale industries and handlooms has been combined and put under the charge of one officer at the regional level with effect from the first of this month.

The Regional officer, who will be designated as Joint Development Commissioner *cum* Deputy Textile Commissioner (Handlooms), will work under the administrative control of the Development Commissioner in regard to small-scale industries and under the control of the Textile Commissioner and Chairman of the All-India Handloom Board in respect of handlooms. He will be assisted by two deputies, one for small-scale industries and one for handlooms.

The country has been divided for this purpose into six regions. The Southern Region, with headquarters at Madras, will have jurisdiction over Madras, Kerala and Mysore States. The South-Eastern Region with headquarters in Hyderabad will cover Andhra and Orissa, the Western Region with headquarters in Bombay will have jurisdiction over Bombay State. The Central Region with headquarters in Indore will have jurisdiction over Madhya Pradesh and Rajasthan. The Eastern Region, with headquarters in Calcutta will have jurisdiction over West Bengal, Bihar, Assam, Manipur and Tripura and the Northern Region with headquarters in New Delhi will have jurisdiction over Uttar

Pradesh, Punjab, Himachal Pradesh, Jammu and Kashmir and Delhi State. Mr. P. Sabanayagam, I.A.S., now Deputy Textile Commissioner (Handlooms), will be the Joint Development Commissioner *cum* Deputy Textile Commissioner (Handlooms) for the Southern Region. Mr. A. G. Sivaramakrishnan, who was till recently a Scientific Officer in the Ministry of Defence, has taken charge as Deputy Development Commissioner, Southern Region.

For prompt disposal of Schemes under small-scale industries an *ad hoc* Committee will be constituted to scrutinise all the State Government schemes and recommend them to the Ministry for sanction. The Committee will consist of the Joint Development Commissioner, the Regional Director of the Small-Industries Service Institute and the Director of Industries of the State Governments concerned. The Joint Development Commissioner will assist the State Governments in implementing these schemes.

A subsidiary Corporation of the National Small Industries Corporation, whose headquarters is in Delhi, will also be set up in each of the six Regions. The Joint Development Commissioner will be the Chairman of the Board of Directors of the subsidiary Corporation, which will carry out the work relating to hire-purchase of machines, marketing and all the other functions of the primary Corporation in so far as they relate to the Region according to the directions given by the primary Corporation.

other than certain priced specifications such as those of the Indian Standards Institution and Indian Railways, would be supplied free of charge to such small units through the Small Industries Corporation. Tenders would also be accepted from such units whose competency is certified by the Small Industries Corporation without security deposit.

"Where Government decides that in the larger interests, it is necessary that in respect of specified items in Groups III and IV the purchases should be confined to the small scale products, the Directorate-General of Supplies and Disposals will arrange to purchase them from this sector in consultation with and through the Small Industries Corporation wherever possible.

"A special organisation will be set up in the National Small Industries Corporation to implement this programme and also for affecting necessary liaison between the Central Government purchasing departments and the small industries."

Business Contacts desired by German Firms

List A

Representation offered for:	Ref. No.
Flat or straight knitting machines	R. 1
Building accessories (union iron and other sheets, bib cocks, pillar cocks, taps for bibet, battery for baths etc.)	R. 2
Printed cotton and spun rayon textiles	R. 3
Imitation Jewellery made of anodised aluminium (Eloxal)	R. 4
Tractors and earth-moving equipment	R. 5
Gravity mixing plants (counter-current speed mixer and counter-current mix-kneader)	R. 6
Machines for the rubber and plastic industry (laboratory mixing mills, production mixing mills, rubber extruders hydraulic vulcanizing presses, plastic extruders)	R. 7
Motor scooters and cycles (one cylinder two-stroke engines with kick starter)	R. 8
Imitation jewellery, medals and metal goods	R. 9
Diesel Tractors of various types and other agricultural machinery. Representative specially for West-East-, and South-India	R. 10

List B

Goods offered:	Ref. No.
Thin shirting material, specialized for the tropics	O. 1
Multiple disc clutches, electromagnetic clutches, electromagnetic disc clutches, spring clutches periflex couplings	O. 2
Quality wooden tons for the food, fruit and chemical industry	O. 3
Steel doors and windows for industrial buildings, steel stands for bicycles and Motor cycles, buildings of steel and corrugated sheet iron	O. 4

Goods offered: Ref. No.

Cotton & wool baling presses, generating sets, printing presses, paper cutting machines, all kinds pipes and tubes, wire ropes Sundries: Stationery, household articles, general consumer articles, hardware, tools, sanitary equipment etc.

Basket type striding machines multispeed vertical wire-covering machines, winding jacks type HA 24, single block wire-drawing machines for rough and medium steel, cooper, brass and aluminium wire, any combination for multi-pass operation etc.

List C.

Other enquiries received: Ref. No.

German importer of oil-cake looking for offers	E. 1
Buying agent in Germany offering his organisation to Indian firms interested in purchasing goods through an intermediary	E. 2
Manufacturers of scales for the agricultural industry, special scales for railways, sliding weight scales etc., offers to erect a factory in India in partnership with an Indian firm.	E. 3
German textile engineer looking for employment in Indian textile mills for five to ten years. Necessary references on request.	E. 4

(By kind Courtesy "Indo-German Chamber of Commerce")

For further particulars, please write to the Hony. Gl. Secy. The Small Scale Industries Association furnishing full details about business standing and experience with Bank and other references kindly also Quote the reference Number.

List of Small Scale Industries

(Continued from page 8 last issue)

'E'

Electric lamp holders.
Electric lighting accessories like brackets etc.
Electric iron.
Electric muffle furnace.
Electric room heater.
Electric stoves.
Electric call bell.
Electric buzzers.
Electric vulcanising appliances.
Electric cables and wires.
Electrical and mechanical railway signal equipment.
Electric switches and switch board equipment.
Electric fuse plugs.
Excess voltage production devices.
Electric wiring materials.
Electric insulating materials.
Electric damp and fire proof fittings.
Electric incandescent lamps.
Enamelled and stainless steel utensils of all kinds.
Electric hand lamps.
Electric light fittings.
Electric cooking stoves.
Electric cooking ranges.
Electric motors.
Electro plating and metal polishing.
Essences of all kinds.
Educational projectors manufacturing.
Educational films, striping and recording.
Electric resistance.
Electric cables and wires.
Essence extracting machinery.
Embroidery and knitting machines.
Enamelware.
Enamel jewellery apparatus manufacturing.
Electro plating machinery.
Enamel paints.
Envelope making machinery.

'F'

Fitter presses.
Foot valves C. I.
Fountain pens.
Factory safety equipment.
Fire brigade supplies.
Forged pipe flanges.
Fish plate bolts.
Files.
Flexible metal hose.
Flourescent light tubes.
Flourescent light fittings.
Foundry supplies.
Furniture locks and fittings of all sorts.
Forged nails.
Flooring nails.
Forks all sorts.
Flower vases.
Fruit stand.
Food and fruit products manufacturing plants.
File cutting.
Fibre making machinery.
Fancy boxes and cases.
Fancy chains.
Fishing nets and hooks.
Foundaries and Fabricators.
Fractional H. P. Motors manufacturing.
Flour Mill Machinery.
Filter presses.
Fire alarm systems.
Fire Brigade supplies.
Fruit canning and preservations.
Frames and funline of all kinds.
Fire buckets.
Fire extinguishers.
Fire proof paints.
Fire proof stoves manufacturing.
Footwear of all kinds.
Fertiliser mixing plants.
Finishing, and Bleaching machinery.
Fur making equipment.

'G'

Gem clips.
Gluing and gumming machines for paper and card board.
Garding tools and implements.
Garden sheers.
Grape fruit bowl.
Goblet
Glassware of all kinds.
Gear wheels and cutters manufacturing.
Glue presses.
Gluing machine.
Gums and adhesives of all kinds.
Glass beads making equipments.
Gymnasium goods.
Gold and silver threads.
Garden toder.
Glass bangles.
Glass fancy ware of all kinds.
Glass fiber.
Gas plants.
Grinding and polishing machines.

'H'

Hair pins and hair clips.
Hinges.
Hydraulic accumulators.
Hold fast M. S.
Hinges of all sizes.
Harness leather.
Hacksaw and Cold saw frames.
Hand vices.
Hooks and dies, buckles.
Hooks and eyes.
Harrows and parts thereof.
Hand operated pumps for demestic water supply.
Hand cream separators.
Hook screws and screw eyes.
Hoes.
Hatchet or draw.
Household articles of all kinds.
Honing.

Hardware materials.
Height lifts.
Humudification plant.
Hospital and Sanitaryware.
Hats and caps.
Hosiery manufacture and machines.
Honing stone.
Honing materials.
Hydraulic shock absorbers & Brakes.
Hand drilling and grinding machines.
Horse shoe & nails.
Hardmetal drawing & Pressing machinery.
Hand tools & Domestic necessities.

'I'

Iron and steel wire for special purpose.
Iron castings.
Iron and steel bolts.
Independant chucks.
Insulating tubes.
Insecticides.
Ice cream freezers and machinery.
Iron step ladders.
Ice Goblet.
Ice pale.
Ice manufacture.
Implements of all sorts.
Irrigation and water supply equipment.
Inter office communicating telephones.
Iron (hoop iron) packing.
Insolation materials.
Ice candy machines.
Incandescent bulbs.

'J'

Joiners' and Carpenter's tools.
Juice coiling pans.
Juice crushers.
Jointing machines.
Juice boiling pans.
Juice essences (artificial).
Jag Pattern cutting.
Jacquard machinery.

(To be continued)

Manufacture of Machinery Scope Analysed

An idea of the scope for the manufacture of industrial machinery in the country can be had from the fact that the value of annual imports of machinery is between Rs. 80 and 100 crores.

In a memorandum prepared by the Union Ministry of Heavy Industries, for guidance to the British and Soviet teams invited to advise the Government of India on the setting up of plants for manufacture of heavy machinery equipment, a comprehensive picture is given of the capacity to produce the machinery needed by different industries and the development, which can be expected on the basis of the existing plans.

Although the indigenous production of manufacturing equipment is going up, requirements in this field are increasing faster with the result that in the recent months, in the value of imports has shown a marked increase.

It is also policy of the Government to produce machinery for any industry only after it is firmly established.

It is pointed out that India is practically self-sufficient in regard to machinery required for tea industry. On the other hand, the production of machinery for cotton textiles amounted to Rs. 4 crores only in 1956 and would have gone up, but for the restrictions imposed by Government on installation of new looms.

Part of the requirements of jute, sugar and cement industries is being met by indigenous production, but imports will have to be continued in view of the growing tempo of industrialisation in the country until India is able to produce most of the machinery she requires.

Textiles Machinery

It is learnt that in regard to textiles machinery, schemes have already been approved which provide for stepping up manufacture of carding engines, spinning ring frames and looms. Blow-room machi-

nery will also be manufactured before the end of the second Five-Year Plan and thus it is expected that by 1961, India would be able to produce textile machinery worth about Rs. 17 crores.

Despite this, there is practically no indigenous capacity for the manufacture of building press, drying range, calender machine and combing plant. These aspects of textile machinery should be kept in view in future development.

As regards machinery for sugar industry, licences have been issued or under issue to four firms for the manufacture of eight complete sugar plants per annum. By the end of the second Plan, it is proposed to attain self-sufficiency in the matter of manufacture of equipment for sugar mills. As most of the present projects are concentrated in West Bengal and Bombay, it is stated that scope exists for allowing an additional unit for sugar mill machinery in the southern region.

The position of providing equipment for jute mill industry is, however, quite different as even under the third Plan, it might not be possible to reach self-sufficiency. The Government of India have already approved of three schemes, which are designed to facilitate production of spinning ring frames, carding engines and drawing frames.

Complete Cement Plants

It is understood that a scheme for manufacture of complete cement plants on the basis of the British technical and financial collaboration, is under consideration. It is pointed out that 42 standard cement plants of a capacity of 500 tons per day would be necessary for achieving an increased cement production of 7.5 million tons during the second Five-Year Plan period. It is estimated that during the next five years, Rs. 13.21 crores worth of cement-making machinery would be required.

Analysis of other items of machinery which are being manufactured or have to be manufactured is also given in the memorandum. For instance, it is stated that while manufacture of locomotives and Lancashire boilers has already been established in the country, the bulk of requirements would be for high pressure boilers.

Diesel Engines

While the production of diesel engines below 10 h.p. intended mainly for agricultural sector, has been established under the first Five-Year Plan production of diesel engines of heavy ratings are required for diesel power stations, locomotives, merchant marine and naval ships. The railways have a programme of dieselisation of sections of railways under consideration, while the Hindustan Shipyard also requires heavy diesel engines for their ships. Nursery power stations proposed to be established also require diesel engines.

The Government of India recently approved of a scheme for the manufacture of Paxman engines developing 100 to 1,000 h.p. in the speed range of 600-1,250 r.p.m. The plant will have an initial capacity of 100 engines of per annum, the value of which will range between Rs. 30 lakhs and Rs. 90 lakhs. In view of this project as well as the one for manufacture of low speed marine diesel engines, under the second Five-Year Plan, the anticipated demand for heavy diesel engines upto 40,000 h.p. exclusive of the demand for diesel locomotives, is expected to be met from domestic supplies by 1960-61.

As for diesel engines of lower h.p., the production of which is valued at about Rs. 3.55 crores, the plants in the private sector either in existence or proposed to be erected would meet the demand.

Electrical Equipment

In the field Electrical equipment. It is pointed out that while items of electrical equipment of higher ratings will be produced in the heavy electrical equipment factory at Bhopal there is considerable demand for medium and lower category machine in consumer industries, power distribution stations and small industries. The expansion of their production has been assigned

to the private sector. By 1960-61, the production of electric motors will be of the value of Rs. 7.5 crores, while that of transformers will be Rs. 8.5 crores. The value of the output on the entire electrical machinery industry in the private sector by 1960-61 is estimated at Rs. 20 crores.

India has also much scope for development of manufacture of special types of pumping machinery. Similarly, scope exists for extra capacity to produce heavy compressors.

As regards machine tools it may be mentioned that the industry is largely of war-time development. Since the advent of freedom. A state-owned factory was established at Bangalore, but the range of manufacture covers only a small portion of India's total requirements of machine tools.

A striking development has occurred in the manufacture of engineering goods. While at one time an expert committee was appointed to devise ways and means of meeting idle capacity, the situation has suddenly changed for the better. There is now no dearth of orders. The main difficulty is one of getting adequate quantities of iron and steel to keep them supplied with their raw material needs.

There are quite a number of foundries, forges and structural shops in the country. A substantial addition to the structural capacity has also been finalized in the private sector to meet the increased needs of railways for wagons and other purposes. There is however, considerable dearth of capacity for undertaking heavier jobs. Imports have to be made for industries which need heavy castings of either iron or steel. The manufacturers of diesel engines also find it difficult to get crank-shafts because the forging capacity in the country is inadequate. Considerable development is also envisaged in the field of fabrication of heavy structurals.

Application form for allotment of factory space in the Industrial Estate in Madras State

- | | |
|--|--|
| <p>1. Name of the applicant</p> <p>2. Address</p> <p>3. In which estate do you want factory space: Guindy/Virudunagar/Palghat/ Erode?</p> <p>4. In case factory is not available in the estate applied for by you, are you prepared to accept allotment elsewhere? and if so, in which estate or estates.</p> <p>5. In the case of existing industry:—</p> <p>(a) Is your factory in an industrial or non-industrial area?</p> <p>(b) What is the nature of your industry and what type of articles are produced?</p> <p>(c) What is the capital invested—
Building, Rs.
Machinery, Rs.
Working capital, Rs.</p> <p>(d) What is your turnover per year Rs.</p> <p>(e) How many workers are employed?</p> <p>(f) What is the space now required in square feet—
For office
For factory
For stores</p> <p>(g) Is there any expansion programme and if so, furnish details indicating the additional workers you propose to employ?</p> <p>(h) What is the type of factory building required and how many units in the type is required—
A type/B type/C type: 1 unit/2 units?</p> <p>(i) Is any modification or improvement required in the standard type design; and if so, furnish details.</p> | <p>(j) Do you require steam/compressed air/gas to your industry.</p> <p>(k) Do you want any arrangements in the structure of the building to take a crane? If so, particulars of the crane proposed to be installed may be furnished.</p> <p>(l) On what basis will you take the factory buildings—
Rental/rental purchase/outright purchase/own construction?</p> <p>(m) Have you sufficient funds to carry on the industry?</p> <p>(n) Do you propose to apply for State aid; and if so, furnish details—
Buildings, Rs.
Materials, Rs.
Working capital, Rs.</p> <p>(o) General remarks</p> <p>6. New industry—</p> <p>(a) If you have selected an estate other than the one adjacent to you, what are the reasons?</p> <p>(b) What is the industry, you propose to start and what articles are proposed to be manufactured?</p> <p>(c) What is your experience in this line?</p> <p>(d) Have you got a complete scheme ready?</p> <p>(e) Has the scheme been technically found feasible; and if so, by whom?</p> <p>(f) What is the progress you have made in implementing this scheme?</p> <p>(g) Have you sufficient finance to start that industry?</p> |
|--|--|

- | | |
|---|---|
| <p>(h) Do you Propose to apply for State aid; and if so, how much—
Building, Rs.
Machinery, Rs.
Working capital, Rs.</p> <p>(i) What is the turnover you expect per year, Rs.</p> <p>(j) How many workers you propose to employ?</p> <p>(k) On what basis you propose to take factory buildings—
Rental/rental purchase/outright purchase/own construction?</p> | <p>(l) What is the type of building required and how many units in that type is required—
A type/B type/C type: 1 unit/2 units?</p> <p>(m) Is any modification or improvements required in the standard design; and if so, furnish details.</p> <p>(n) Do you require steam/compressed air/gas for your industry?</p> <p>(o) General remarks</p> |
|---|---|

Note:—At the time of actual occupation, the following amounts are payable in advance:—

- | | | |
|-----------------------|--------|--|
| (1) Rental | | Two months' rental. |
| (2) Rental purchase | | 25 per cent of the cost of the land and building. |
| (3) Outright purchase | | Actual cost of land building and betterment value. |

I agree to abide by the rules and conditions that will be laid down by the Estate Authority for the proper maintenance, use, etc., of the estate building and also to enter into an agreement before taking possession of the building.

PLACE
Date

Signature of the applicant.

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SMALINDUSTRY

Government of India Stationery Office, Calcutta

TENDER NOTICE

1. Sealed tenders are invited by the Chief Controller of Printing and Stationery, for supply during the financial year 1957-58 of the undermentioned classes of stores and in respect of clearance and handling of paper and stationery goods. Tenders will be received by the Controller of Stationery (to whom all enquiries should be addressed) at 3, Church Lane, Calcutta, upto 12 O'clock noon on the dates mentioned in the last column against each head of the tender.

2. Serial Nos. 1 to 15 pertain to stores chiefly of Indian manufacture and are intended for manufacturers and dealers in India.

3. Particulars of various articles grouped under each tender head in column 2 of the table below and the price of tender form for each group may be had free on application from the Deputy Controller, Stationery, Calcutta. The tender form with the conditions of tender and specifications of stores will be supplied to the tenderers on payment of requisite price for each group of tenders.

4. Serial Nos. 4 to 16 are for rate contracts only.

5. No correspondence or reference in respect of any tender should be made prior to the dates mentioned against each in Column 3.

N. B. RAO,
Chief Controller of Printing & Stationery.

Sl. No.	Description of stores.	Date from which tender forms will be available for sale from Stationery Office.	Last date of submission of tenders at Stationery Office.
1.	Ink and Sealing wax.	23-10-56	23-10-56
2.	Stationery stores chiefly of Indian manufacture, e.g., pencils, pen-holders, pen nibs, chalk pencils, glassware stationery, pins, punches, cutlery, call bell, gum liquid, paste, China ware, book-binding cloth, brushes, tags & laces, gum arabic (picked), rubber stamp pad, erasers, files of sorts, etc. etc.	29-10-56	29-10-56
3.	Manufactured stationery, e.g. manufacture of envelopes, files of sorts, exercise books, blank books etc.	8-10-56	5-11-56
4.	Helio type Ammonia Process sensitized paper, similar to Ozalid or Azo print paper and its developers	9-10-56	7-11-56
5.	Dazo paper and tracing cloth or similar with developers	9-10-56	7-11-56
6.	Durotype stencils	9-10-56	7-11-56
7.	Straw (Hay) and saw dust	9-10-56	7-11-56
8.	India rubber pad	9-10-56	7-11-56
9.	Correcting fluid for stencils	9-10-56	7-11-56
10.	Cabinet and Card Index	23-10-56	12-11-56
11.	Blank card Railway tickets	23-10-56	12-11-56
12.	Rubber stamps	23-10-56	14-11-56
13.	Map mounting paste	23-10-56	14-11-56
14.	Monotype paper spools	23-10-56	14-11-56
15.	Kalamazoo or similar loose leaf binders	23-10-56	14-11-56
16.	Clearance and Handling of paper and stationery goods	23-10-56	15-11-56

N.B.— 1. Tenders must be submitted by 12 noon on the dates given in column 4.
2. Tender forms will not be available for sale on Sundays and on holidays on 20-10-56 & 1-11-56.

The Visit of Srimathi Kamaladevi and Sri Srinivasa Malaya to the Factory in the year 1955



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-56