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IN THIS ISSUE

MADRAS GOVERNMENT'S NEW PLAN TO HELP SMALL INDUSTRIALISTS IN THE STATE

The Director of Industries indicates the proposed scheme for import of Raw Materials

Thiru R. Pasupathi, Director of Industries and Commerce, Madras informed that the State Government is actively considering a proposal to assist the Small Scale Industrialists in a new way by pooling all small value licences for the purpose of importing their raw material requirements.

The Director of Industries and Commerce, addressing the members of the Andhra Chamber of Commerce at a luncheon meeting held on the 23rd September, 1967, observed that the Madras Government after laying the basic foundation for small scale industries during the past two decades, was now endeavouring to sustain the industries, develop them and see that they withstood the hardship arising out of recession. He stated that the State Government on the representations made by many small industrialists that they were not able to place indents for licences for small values, took up their case and a proposal was underway to assist them in importing their raw material requirements by pooling up all small value licences. The Madras State Small Industries Corporation, he said, intended to take up this work.

FINANCIAL ASSISTANCE

As regards the delay in processing of applications for financial assistance by the State Bank of India and other agencies, Thiru Pasupathi assured that the State Government would take up cases of such delays with the authorities concerned at the periodical meetings of the special co-ordination committee set up for looking into complaints of delay.

SMALL SCALE INDUSTRIES REGISTRATION

The Director of Industries and Commerce said that arrangements were being made to issue the S. S. I. Registration numbers expeditiously and if there was any delay in the allotment of S. S. I. Registration numbers, it was due to non-compliance of connected formalities by the applicants themselves.

Thiru Rasiklal M. Mehta, Vice-President of the Chamber, welcoming the Director of Industries and Commerce, pleaded for avoiding delays in sanctioning loans by the State Bank of India and other financial agencies and delay in obtaining Small Scale Industries Registration numbers. Thiru Mehta requested the Director of Industries to extend his assistance to Small Scale Industrialists having small value import licence for raw materials by urging upon the import authorities to issue supplementary or advance licences to enable them to bulk their requirements and import the same without any difficulty. He also pleaded that if any omissions or minor lapses were there in conforming to various procedural formalities certain amount of latitude be shown to the small industrialists who have the burden of observing a number of formalities under the rules and regulations in force.

Thiru P. Brahmayya, Former President of the Chamber and President of the Local Board of the State Bank of India speaking on the occasion explained the working of the Co-ordination Committee of the State Bank of India of which he was the Chairman. He called upon the small industrialists to furnish all relevant information in their applications to the State Bank for obtaining the loan. He said that in many a case the delay occurred due to want of adequate information in the applications sent by the parties.

Thiru Jayantilal P. Sanghrajka proposed a vote of thanks.

Thiru R. PASUPATHI, Director of Industries and Commerce is seen addressing the Luncheon Group of the Andhra Chamber of Commerce on 23-9-'67 at the auditorium of the Chamber. To his right is seated Thiru P. Brahmayya, former President of the Chamber and President, Local Board of the State Bank of India. Thiru Rasiklal M. Mehta, Vice-President of the Chamber is also seen in the picture

PROTECTION TO COTTAGE AND SMALL SCALE INDUSTRIES

CONTINUANCE OF GOVERNMENT PRICE PREFERENCE SCHEME

The protection granted by the Government of Madras to Cottage and Small Scale Industries by way of price preference has been ordered to be continued for a further period of three years from 1-4-1965.

The position of these industries with reference to their ability to stand on their own legs without government protection in the sale of their products to government competing with Large Scale Industries was reviewed in consultation with the Director of Industries and Commerce. The Director of Industries and Commerce felt that these industries still needed the protection of government through price preference in as much as most of them have not established themselves for a variety of reasons, especially due to the great difficulties experienced by them in the matter of procurement of raw materials.

Under the existing orders of the government a price preference (a) upto 15 per cent for the products of private Small Scale and Cottage Industries is being given over the prices quoted for the same articles by the Large Scale Industry (b) upto 10 per cent is allowed to the products of Cottage, Small Scale and Large Scale Industries within the State of Madras, against those manufactured outside this State, but within India provided the quality is comparable.

The purchasing officers have also been directed to adopt the following procedure:

(i) If the articles are available from Small Scale and Cottage Industrial Units owned by the government, purchases should be made in accordance with the instructions contained in G. O. Ms. No. 633, Industries, Labour and Co-operation (special) dated 31-3-1959.

(ii) If the articles are not available from Small Scale and Cottage Industrial Units owned by the Government, open tenders should be called for and purchases made, giving preference to products of private small scale and cottage industries, the preference taking the form of the price preference of 15 per cent over the price quoted for the same articles produced by large scale industries.

The effect of the existing price preference is as follows:

	Large Scale Rs.	Small Scale Rs.	Cottage Industries Rs.
Other States in India	100	115	115
Madras State	110	125	125

EXCLUSIVE DEVELOPMENT IN THE SMALL SCALE SECTOR

25 MORE INDUSTRIES RESERVED

The Government of India have now announced a list of 25 industries reserved exclusively for development in the small scale sector and this is in addition to the list of 47 industries announced earlier which was published in the April-June '67 issue of the Ind-com Journal

These industries are not included in the schedule to the Industries (Development and Regulation) Act, 1951, but the government consider them suitable for such reservation. The Union Government will not give assistance to units either in the medium or large scale sector seeking to set up capacity in these 25 more industries which have now been reserved exclusively for development in the small-scale sector.

The new list of 25 industries is as follows:

1. Artists' colours.
2. Builder's hardware.
. Metallic bicycle parts and accessories other than rims, chains and freewheels.
4 Chalk crayons.
5. Fountain Pens.
6. Cigarette lighters.
7. Cast iron non-pressure soil pipes and their fittings.
8. Garment buckles metallic.
9. Garment hooks and eyes-metallic.
10. Hair Clippers-metallic.
11. Hairpins-metallic.
12. Insulation adhesive tapes except plastics.
13. Locks (except for expansion in existing units in the large scale sector)
14. Measuring Tapes-Cotton
15. Mechanical Toys
16. Metal buttons and badges
17. Nail cutters
18. Paper pins and gem clips (except plastic)
19. Press buttons and snap fasteners.
20. Safety pins
21. Shoe eyelets
22. Spectacle hinges
23. Spring washers
24. Upholstery coil springs
25. Weights and Measures.

MODERNISATION OF SMALL INDUSTRIES

IMPRESSIONS OF THE APO TEAM

EMULATION OF JAPANESE SYSTEM SUGGESTED IN STUDY TOUR REPORT

The Asian Productivity Organisation Team on Functional Industrial Estates which visited Japan during April this year has, in its report, recommended the reorientation of government policies in India towards the Co-operative System, Estate Financing and Regional Planning.

The five member team consisted of Thiru T. N. Chaturvedi (Leader), Secretary to the Government, Industries, Mines, Town Planning and Local Self-Government Departments, Rajasthan, Thiru Devi Sahai, Director of Industries, Madhya Pradesh, Thiru N. Sethuraman, Additional Director of Industries, U. P., Thiru M. Krishnamurthy, Vice-Chairman, Bangalore Co-operative Industrial Estate and Thiru L. M. Menezes (Secretary), Joint Director of Industries and Commerce (Planning and Development), Government of Madras.

The team has stressed the need to accelerate modernisation of small enterprises by and through the Co-operatives and take steps for increasing productivity. There should be increased encouragement of sub-contracting to large enterprises.

Along with the modernisation of Small Enterprises, it will be necessary to lay stress on product specialisation and process specialisation. The team characterises this as "a very healthy trend" in Japan leading to increased productivity and strict quality control and urges their encouragement in India.

MARKET RESEARCH

Other recommendations are: Application of market research along with improved sales techniques; increased participation of small enterprises in export trade, especially through the Industrial Estates programme; application of Japan's Labour-Management techniques with necessary modifications; and encouragement of new entrepreneurship with special emphasis on entrepreneur technicians.

Referring to a visit to the Aichi Wooden Furniture Estate the team says that an estate organised along such lines for a conventional industry "is worthy of emulation anywhere". Except for the "assembly" all its services and processes were common right from the procurement of the logs to the sale of furniture.

Western technology had not been merely transplanted in Japan, but had been skillfully absorbed and, as a result, a special japanese technology had been evolved in various fields. This sort of absorption of technology in India should be encouraged, so that a special Indian technology, suited to Indian needs and conditions, could be evolved and popularised in various fields.

During the course of its study tour around Tokyo, Hamamatsu, and Nagoya, the team visited the Ibaragi Switch Board Industrial Estate, the Ozawawatari Industrial Estate, the Toyota Industrial Estate, and the Gifu Iron Works Industrial Estate. It also visited the parent companies connected with some of these Estates, like the Sazuki Motor Co. Ltd., the Toyota Motor Co. Ltd., as well as the Mekino Milling Machine Co., along with one or two of the sub-contractors connected with the last mentioned concern.

The team was provided with an excellent background to all these enterprises. Very enlightening discussions were held with the officials of Hamatsu City, the Hamamatsu Chamber of Commerce and Industry, the Aichi Trade Centre, the Aichi and Gifu Prefectural Governments and also with members of the various large and small enterprises.

IMPRESSIVE FACTORS

The team was struck by the extreme fluidity and adaptability of the Co-operative Concept in Japan, the strong leadership available in the field of Small Enterprise, and especially in the field of co-operatives, the high level of discipline among the small entrepreneurs in the co-operative sector, the keen competition and aggressive entrepreneurship (responsible for spectacular results), the constructive and healthy nature of the governmental policies towards small enterprises and Co-operative organisations, promotion of skills from a very early age, keenness on innovation and the desire for specialisation.

The team noted with admiration the trend towards increase in productivity in Small enterprises, emphasis on common welfare (and not on common production) facilities in Co-operative Industrial Estates, complete trust as between members of the Co-operative and its suppliers or agents, the low operational finances available and needed by the Small Enterprises, quality marking of exportable goods by the associations of the particular industries, consultations with the Co-operative Associations in the framing of Japan's industrial policy and the system of advanced regional planning.

DIFFERENCE IN CONCEPT

At the outset, the team's report makes a distinction between Industrial Estates concept in India (where it means a group of factory buildings, with common amenities and services, entirely financed and constructed by the Government) and the Japanese concept (which solely stands for a co-operative organisation).

The report adds: "No doubt, there are as many as 70 co-operative estates in India and the lessons of the study tour will be applied in a large measure to this form of Estate as also with necessary modifications, to the conventional type of Estate in India".

The report concludes with the hope that the various State Governments in India would do their best to make the maximum use of the results of the team's study.

PRODUCTION OF SYNTHETIC CRYOLITE

Cryolite is one of the important raw materials required in the production of aluminium. Every tonne of aluminium produced consumes 0·1 tonne of cryolite. Cryolite is also used in steel and ceramic industries, in insecticides and in the manufacture of enamels and opaque glasses. The cryolite for use in the aluminium industry is required to be practically free from iron and silica: the iron oxide content should not exceed 0·05 per cent and silica content not to exceed 0·04 per cent. Natural cryolite is not found in India. Its requirements are met entirely by imports.

RAW MATERIALS

1. Hydrofluosilicic acid 10 per cent.
2. Sodium hydroxide.
3. Ammonia.
4. Bauxite or Alumina hydrate.

PROCESS OF MANUFACTURE

The production of synthetic cryolite utilising indigenous raw materials, has been developed at the Central Electrochemical Research Institute, Karaikudi, utilising hydrofluosilicic acid obtained of a by-product in superphosphate manufacture as a source of fluorine. Ammonium fluoride almost free from silica has been obtained by reacting ammonia and by-product hydrofluosilicic acid under controlled PH conditions. Both clay and bauxite can be used as raw materials as source of aluminium. With bauxite as the source of aluminium, silica-free sodium aluminate is obtained by digesting it with sodium hydroxide. The sodium aluminate is then reacted with silica free ammonium fluoride in the presence of further quantity of sodium hydroxide. The ammonia liberated in the reaction is recycled for obtaining more of ammonium fluoride. When clay is the starting material, it is first converted by treatment with acids to silica-free aluminium salt such as chloride, sulphate or nitrate and then reacted with silica-free ammonium fluoride in the presence of sodium chloride, sulphate or nitrate. The corresponding ammonium salt is obtained in solution which can be used as fertilizer. Cryolite is precipitated out.

DESILICATION OF HYDROFLUOSILICIC ACID

The method consists in passing ammonia into the solution of hydrofluosilicic acid to precipitate out silica and obtain simultaneously ammonium fluoride in solution. The hydrated silica is thrown out as a bulky and easily filterable precipitate. The control of PH at an optimum value is absolutely essential for complete removal of silica, the optimum pH depends on the concentration of fluorine in solution. At low pH ranges, the precipitation is not complete and at higher pH ranges, the silica redissolves to a certain extent to form ammonium fluosilicate.

PREPARATION OF SYNTHETIC CRYOLITE BY ALKALINE PROCESS

The ammonium fluoride solution obtained was reacted with sodium aluminate in the presence of sodium hydroxide. The reaction was conducted in a mild steel vessel with facilities to collect and re-use the effluent ammonia. The temperature of the reaction was maintained at 70-80°C to ensure complete recovery of ammonia. The cryolite which was thrown out as a white precipitate was filtered, washed with 5 per cent hydrochloric acid and then with distilled water. It was dried at 200-250°C.

Sodium aluminate was prepared by digesting bauxite with 20-25 per cent caustic soda solution, care being taken to prevent any silica getting into solution. Shevaroy bauxite and bauxite from Saurashtra were used. It is possible to prevent the silica entering into solution through a controlled use of lime in this operation. However the easy and economical method of preparing Cryolite is to make use of completely silica-free sodium aluminate produced in the aluminium factories and react the same with silica free ammonium fluoride. As an alternative the alumina hydrate obtained in aluminium industry by Bayer process can also be dissolved in caustic soda to get sodium aluminate.

COST ESTIMATE

(Basis: One tonne of cryolite per day)

Capital investment

Plant and Equipment	Rs.
Storage tanks	15,000
Reaction vessels ...	15,000
Filter presses	18,000
Dryer	5,000
Fans, pumps and fittings ...	7,000
Cost of erection ...	10,000
Building	30,000
Total ...	100,000

Direct costs (per day)

Raw materials	
Sodium hydroxide 530 Kg. at 50 Ps. per Kg. ...	265
Hydrofluosilicic (10 percent solution 700 kg. at 6 Ps. per kg.)	50
Ammonia (10 per cent) 50 kg. at Re. 1 per kg.	50
Aluminia hydrate 400 kg. at Rs. 450 per ton	180

Utilities	Rs.
Steam 2,500 lb. of process steam at Rs. 8 per 1000 lb. ...	20
Auxilary power 100 KWH. at 6 Ps. per KWH. ...	6
Labour and supervision	
One Shift Engineer at Rs. 20 per shift (3 shifts) ...	60
Three operators at Rs. 3 per shift per operator (3 shifts) ...	27

Indirect costs	
Depreciation at 10 per cent ...	20
Insurance and overheads at 10 per cent	20
Interest on capital at 6 per cent.	20
Total cost of production for 1,000 kg. of cryolite	718

If the plant is located in a place where pure silica-free sodium aluminate liquor can be obtained, the cost can be considerably reduced.

The cost estimates are only tentative based on prices and conditions prevailing when the work was carried out. Further details may be obtained from the Director, Central Electro-Chemical Research Institute, Karaikudi-3.

(By the Courtesy of Council of Scientific and Industrial Research, New Delhi).

A NEW FUNCTIONAL ESTATE

The Government of Madras have approved a scheme for setting up a Functional Industrial Estate for Instrument Industry at Adyar during the Fourth Plan period. Sanction has been accorded to incur a non-recurring expenditure of Rs. 15·06 lakhs and a recurring expenditure of Rs. 1·12 lakhs for this purpose.

It may be recalled in this connection that two Functional Estates have already been set up in Madras State and are now functioning, one for Ceramics at Vridhachalam and another for Leather Goods at Madhavaram. ★

METTUR CHEMICAL ESTATE

Work has now been started in the Functional Chemical Industrial Estate at Mettur. 209·08 acres of land had already been acquired and there will be 42 developed plots which would be sold to industries on liberal terms. ★

ANCILLARY ESTATE AT TIRUCHI

The Ancillary Industrial Estate to feed the Rs. 18 crore High Pressure Boiler Plant Factory at Tiruverumbur near Tiruchirapalli is now taking shape in about 80 acres of land in the vicinity of the project. This estate has been put up by the Government of Madras at a cost of about Rs. 20 lakhs and four out of the ten units are ready for use. The other six units are expected to be completed by the end of the current calendar year. ★

MADRAS GOVERNMENT PRIZE FOR EXPORT PERFORMANCE

The Madras Government has instituted a prize for exports in consultation with the Chambers of Commerce. The award is open to all exporters in the State.

The prize will be for the exports for the period covered by the assessment years 1966 and 1967 or the participants' financial years which come up for assessment in 1966 and 1967 viz. accounting year 1964-65 and 1965-66.

Exporters seeking to be considered for the award may furnish information in the prescribed questionnaire which can be had at the office of the Sheriff of Madras. ★

RENT REDUCED IN INDUSTRIAL ESTATE

With a view to attracting entrepreneurs to start industries in the Industrial Estate at Machuwadi Village near Pudukottai, the Government has issued orders reducing the rent of the units from six paise per square foot to five paise. As a result, the rent for a G-type unit in the Estate has come down from Rs. 270 to Rs. 200 per month while that of an I-type unit from Rs. 190 to Rs. 150. In the Pudukottai Industrial Estate there are 12 units, six of G-type and remaining six of I-type. Five units have been already occupied. Three more have been recently allotted to industrialists.★

LIMESTONE FOR USE IN CEMENT MANUFACTURE

The possibility of obtaining over 70,000 tonnes of crystalline limestone suitable for cement manufacture from Gopalapuram and Narasingapuram areas in Coimbatore District has been indicated in a geological survey report.

Chemical analysis of the samples suggest the possibility of using the slightly inferior grade of Gopalapuram limestone by mixing and suitably blending it with the good grade limestone of Narasingapuram to conform to the requirements of cement manufacture. ★

CSIR LABS. TO WORK WITH INDUSTRIES' CO-OPERATION

Some of the national laboratories may soon be turned into industrial co-operative research associations in a major move to make their functioning more purposeful.

Industries may in future be enabled to take part in a co-operative effort with the Government in the programme, financing and other aspects of the working of laboratories under the Council of Scientific and Industrial Research (CSIR) according to a reliable source.

Negotiations have been initiated with industries in respect of two laboratories, the source said. CSIR is to endeavour to convert its other industry-oriented units also into co-operative research associations.

The governing body of CSIR has directed all national laboratories to give priority to and to undertake more and more research in projects sponsored by industries.

It is stated that the objective of the new move is to encourage greater participation by the industry in research activities and also to make the working of the laboratories more industry-oriented.

The Central Glass and Ceramics Research Institute is understood to be now well on its way to become the first co-operative research association. The All India Pottery Manufacturers' Association has agreed to take part in the functioning of the Ceramics section of the Calcutta institute. Talks are on with interests representing the glass industry.

Similar negotiations are in progress in respect of the Leather Research Institute with parties concerned in Madras. ★

MINERAL EXPLORATION IN MADRAS STATE

A draft plan of operation for a mineral development project in Madras State, prepared by the U. N. Development Programme in consultation with the Union and State Governments has recently been signed and steps are being taken to implement the project.

The project was originally mooted in May 1965. The U. N. Special Fund authorities sent their technical consultant to Madras in May, 1966, to study the area and scope of the proposed project. On the advice of the technical consultant, a revised scheme was submitted by the State Government in May, 1966. This was accepted by the Governing Council of the U.N. Special Fund in January, 1967.

The project aims at carrying out both extensive and intensive exploration in an area of approximately 13,000 square kilometres where deposits of ferrous and non-ferrous metals, vermiculite and phosphate are known to occur with a view to locating explorable deposits, and training Indian personnel in modern techniques of mineral deposit to evaluation.

The project site comprises portions of Salem, North Arcot and South Arcot districts. Within the prospecting area lie the Mamandur lead, zinc and copper deposits.

An air-borne magnetometer-scintillometer survey will be carried out over the entire prospecting area which in conjunction with photogeological studies, will supplement existing knowledge of the Salem iron ore and other known mineral deposits.

The duration of the project is three years The U. N. Special Fund's contribution will be \$ 1,020, 600 and that of the Madras Government Rs. 37,60,000. ★

PROMOTION OF INVENTIONS

A scheme of financial assistance for developing inventions and awards for outstanding achievements has been initiated by the Invention Promotion Board.

It is intended to be an incentive to workers, artisans, scientists and technologists working in big, medium and small scale industries. The scheme aims at pooling and co-ordinating the efforts of individual and groups in every sphere of enterprise.

Financial assistance for developing inventions will cover material and labour up to the prototype stage. Facilities will be arranged, if needed, for such development through liaison officers with any laboratory design office or any other centre, agency or enterprise equipped to handle such problems as may arise.

Awards will be given for outstanding items developed with the assistance of the Board or solely by the entrepreneur or enterprise on its own. To qualify for the award, the invention must be of an original product or process, an adaptation or improvement of an existing product or process or be a substitute for an imported item. Further details of this may be had from the office of Director of Industries & Commerce, Madras-5 or Director, Inventions Promotions Board, Ring Road, New Delhi. ★

"REPORTING SYSTEM" PLAN FOR MAJOR INDUSTRIES

A scheme of "reporting system" has been formulated for key industries, which will enable the Union Government help industrial units in the private sector overcome bottlenecks in production.

Under the scheme, the Government will receive periodically the views of top managements on the progress of major industries and prospects for the future from 300 selected major units in key industries in the private sector.

Thiru N.N. Wanchoo, Secretary to the Union Ministry of Industrial Development and Company Affairs, in a letter to the heads of 300 units has stated that such an information will help the Government to take corrective action in time to eliminate bottlenecks and achieve positive rate of balanced growth in the most vital sectors of industry.

Concerned with the recessionary tendencies in the economy, over the last two years, the Government is stated to have come to the conclusion that most of industry's problems have arisen because of a lack of communication between the Government and industry. The present scheme is expected to fill this gap.

Continuing Basis: The reporting system has been planned on a continuing basis and heads of the 300 industrial units will send quarterly statements to the Government.

Thiru Wanchoo has frankly admitted that the present form of furnishing monthly production returns do not provide for a narrative kind of reporting, which will bring to the notice of the Government the problems faced by the concerned unit in the immediate future and those that are likely to crop up in the near future.

Difficulties: The Government has also recognised that there have been difficulties in the way of establishment or expansion of production capacity.

Under the proposed scheme, besides enumerating their problems, industrial units will also furnish solutions, the manner in which such solutions can be implemented and prospects for the unit as well as for that industry.

It is thought that such reporting will help the Government take quick action and revitalise the industrial economy of the country.

TAX INCENTIVE FOR UNITS TO SHIFT FROM URBAN AREAS

The Union Ministry of Finance has announced a scheme for the grant of tax credit certificates to public companies owning industrial undertakings situated in urban areas which shift their undertakings to other areas with the prior approval of the Central Board of Direct Taxes.

Under the scheme, which has been notified in a Gazette of India extraordinary, the amount of the tax credit certificate will be calculated with reference to the income-tax which the company becomes liable to pay on the capital gains derived by it from the sale or transfer of its buildings or lands used for the purpose of the business of the industrial undertaking in the urban area in which the undertaking is situated.

The amount for which the tax credit certificate is granted will be proportionate to the amount of expenditure incurred by the company during a period of three years from the date of approval, in acquiring lands and constructing buildings for the purpose of the business in the area to which the undertaking is shifted.

In shifting its machinery and plant and other effects and transferring its establishment to the latter area in deserving cases, the Board has the power to extend the period of three years suitably.

The certificate will be issued on an application made by the company, in the prescribed form to the income-tax officer by whom it is assessed to tax.

Procedure: The scheme sets forth the procedure for implementing the provision made in the Income-tax Act for this purpose by the Finance Act, 1965.

The salient features of this scheme are:

The scheme applies to any public company owning an industrial undertaking situated in an urban area, which shifts such undertaking to any other area with the prior approval of the Board. The amount of the certificate will be calculated with reference to the amount of income-tax payable by the company on the capital gains arising from the sale or transfer of its buildings or lands used for the purpose of the business of the industrial undertaking in the urban area in which the undertaking is situated.

The tax credit certificate will be granted for an amount bearing such proportion to the amount of incometax on the capital gains as the amount of expenditure incurred by the company during a period of three years from the date of approval on acquiring lands and constructing buildings in the new area and on shifting its machinery or plant and establishment to that area bears to the amount of the capital gains. ★

GOVERNMENT ASSISTANCE TO SICK MILLS

The textile industry all over the country has been passing through a severe recession during the last two years. A number of mills in Madras State closed down and a few others are on the verge of closure, mainly owing to financial difficulties. An *adhoc* technical committee was constituted by the Government in June 1966 to make a close study of the financial and technical position of the textile mills requiring financial assistance. Based on the recommendations of the Committee, the Government offered guarantee assistance of the order of Rs. 25·85 lakhs to three mills viz. Geethanjali Mills Limited, Sankarankoil, Janardhana Mills Limited, Coimbatore District and Cambodia Mills Limited, Ondiputhur. The Geethanjali Mills Limited has since reopened making use of the guarantee and other mills are still negotiating with the Banks.

Meanwhile, as the crisis in the textile industry deepened, the new Government, as soon as it assumed charge, held a series of discussions with the managements of the textile mills and the representatives of labour to explore ways and means to help the industry.

A tripartite committee was constituted under the Chairmanship of Dr. P. S. Lokanathan, with five representatives of the managements, 5 representatives of the labour, one Chartered Accountant, one Technical expert and the Director of Handlooms, Madras as Convenor, to make a study of the working of the Cotton textile industry in Madras State with special reference to the mills which have been closed down and the mills which are in a critical position, and to recommend measures with a view to re-start the closed units and to prevent the closure of the sick units. The Committee has submitted its first two interim reports, recommending guarantee assistance to certain mills. Based on the recommendation of the Committee, the Government have issued orders offering guarantee to commercial banks giving loans to the following mills, to the extent specified :

	Lakhs
Om Parasakthi Mills Ltd., Coimbatore District	3·71
The Pankaja Mills Ltd., Coimbatore...	12·00
The Balaramavarma Textiles Ltd., Tirunelveli District	7·50
The Bhavani Mills Ltd., Coimbatore District	3·00
The Sabari Mills Ltd., Tiruchirapalli District	1·75
The Palani Sri Murugan Mills Ltd., Madurai District	2·50
The Tiruppur Cotton Spinning and Weaving Mills Ltd., Coimbatore District	0·75
The Ambal Mills Ltd., Coimbatore District	8·00
Sri Ranga Vilas Spinning & Weaving Mills Ltd., Coimbatore District ...	17·70
Cauvery Spinning and Weaving Mills Ltd., Tiruchirapalli District ...	18·70
Sarada Mills Ltd., Podanur, Coimbatore District	4·80
The Coimbatore Kamala Mills Ltd., ...	5·56
The Nagammal Mills Ltd., Nagercoil, Kanyakumari District ...	7·72
The Coimbatore Murugan Mills Limited	9·40
The Southern Textiles Ltd., Coimbatore	7·69
Total ...	110·78

Before executing the guarantee bonds for the assistance, the mills have to agree to abide by certain terms and conditions proposed to be imposed. The important conditions are that the mills should agree to nominate a representative of the Government and another of the Bank, to the Board of Directors, and also should agree to the periodical review by a techno economic body set up by the Government. The Government have authorised the Director of Handlooms, Madras to get the consent of the mills in this regard and to execute the guarantee bond on behalf of the Government. The mills have been urged on the need to take immediate steps to arrange for advances from commercial banks on the strength of the Government guarantee. ★

MANUFACTURE OF POLYAMIDE

A FRENCH FIRM OFFERS ASSISTANCE

Thiru Chemech Engineers Private Ltd., No. 6-B, Sullivan Garden Road, Madras-4, a firm of Chemical Plant Designers and Construction Engineers are acting as the Technical Associates of Thiru Petrole-Chimie Engineering Company, a French Firm of Engineering Consultants. The latter have recently made arrangements with the *organico* group, relating to the production of Polyamide-II (Rilsan) which is a Nylon type material suited for the production of Fibre and Moulded Plastics. Polyamide-II is now manufactured in large scale in France.

The raw materials needed for its manufacture are Castor Oil, Methanol and Ammonia which are either available in India, or can be made in India.

It has been reported that Thiru Petrole-Chimie Engineering Company have a proposal to make to a Government organisation or an Indian Company with respect to the installation of a plant in India for the production of Polyamide-II and they will be pleased to sell the know-how, patent etc. and also the equipments that may have to be imported from France on the following terms:

1 They will supply know-how, patent rights and also equipments required for the plant against export of Castor Oil to France.

2 Should the Indian Company find it difficult to invest immediately for a combined project for the production of both monomer and fibre, then only a plant for the production of the monomer may be installed in the first instance. Equipments and know-how, for this plant will be supplied as detailed above against Castor Oil export.

3 As and when the monomer production starts, they will be prepared to purchase the monomer and against this supply the plant for fibre production.

4 The Firm will also be prepared to have a minority participation in the scheme, if required by the Indian Company.

5 The project will be completely engineered by this French firm and engineering work in India will be done by Thiru Chemech Engineers (Pvt)Ltd.

6 A considerable portion say upto 75 % of the equipments can be made in India for which no foreign exchange will be involved.

7 For a more detailed study of the subject including investment cost, minimum economical size of the plant, economic feasibility study, selection of suitable site, etc. a Techno economic report has to be prepared. For this Thiru Petrole-Chimie will be pleased to assist any Indian Party on a nominal fee of $ 10.000·00 and on an assurance that the project work will be entrusted to them.

It is stated that Castor Oil being available in Madras and Andhra. Methanol being processed at the petrochemical complex coming up at Manali, Madras will prove to be a suitable place. Also Ammonia may be obtained from one of the fertilizer projects coming in Andhra or Mysore States or perhaps can be economically produced at Neyveli. ★

INDUSTRIAL FINANCING THROUGH CO-OPERATIVE BANKS

WORKING GROUP SET UP TO STUDY THE PROBLEMS

The Reserve Bank Governor has set up a seven member working group to study the problem of ensuring adequate flow of funds for industrial financing through co-operative banks.

The working group appointed in pursuance of the recommendation of the Standing Advisory Committee on Rural and Co-operative Credit of the Reserve Bank, and in consultation with it, is headed by Mr. P. N. Damry, Deputy Governor of the Reserve Bank.

The terms of reference of the working group are:

(1) To examine the existing situation regarding resources available to co-operative processing industries and co-operative cottage and small-scale industries from the co-operative banking structure;

(2) To identify the nature of the existing difficulties, if any, encountered by co-operative processing industries and co-operative cottage and small-scale industries in getting adequate resources from the co-operative banking structure;

(3) To suggest concrete measures necessary to ensure adequate flow of funds to co-operative processing industries and co-operative cottage and small-scale industries, on the part of the co-operative banking structure and the higher financing agencies;

URBAN CO-OPERATIVES

(4) To examine the role of urban co-operative banks in financing cottage and small-scale industries; to identify the nature of existing difficulties, if any, and to suggest concrete measures necessary to enable the urban-co-operative banks to play a positive role in financing cottage and small-scale industries;

(5) To recommend measures necessary for bringing closer interrelationship between the various types of co-operative financing agencies e. g. State and Central Co-operative Banks, Industrial Co-operative Banks and urban co-operative banks and also between the higher financing agencies and these banks in regard to the provision of resources to co-operative processing industries and cottage and small scale industries and

(6) To suggest concrete measures necessary to ensure that the State Co-operative Banks are in a position to act as promotional and financing agencies in regard to the provision of resources to co-operative processing industries and cottage and small-scale industries including the necessary working arrangements with higher financing agencies.

Besides Thiru Damry, the other members of the group are: Prof. D. R. Gadgil, Chairman of the All India Co-operative Banks' Federation, Thiruvalargal B. Majumdar, Chairman of the West Bengal Provincial Co-operative Bank, R. T. Popawala, Chairman of the All-India Industrial Co-operative Banks' Federation, Dr. P. Natesan, President of George Town Co-operative Bank, Madras, V. Subramanian, Registrar of Co-operative Societies, Maharashtra; and Dr. C. D. Datey, Chief Officer, Agricultural Credit Department, Reserve Bank of India.

Thiruvalargal V. M. Joglekar, General Manager, Maharashtra State Co-operative Bank and D. Varthamanan, Secretary, Madras State Co-operative Bank would assist the working group as joint secretaries. ★

EXHIBITION OF ISI-CERTIFIED PRODUCTS

To mark ten years of service to the industry and trade in the South, the ISI Branch office, Madras organised an Exhibition of ISI Certified Products at Rajaji Hall in Madras from 25th May to 31st May 1967. Products covering a variety such as beverages, confectionery, baby food, condensed milk, electric motors, conductors, electrical appliances, pesticides, sanitaryware and the like were displayed in the exhibition. There were 40 participants in all. This was the first time an exhibition of this character to educate the consumers on ISI-Certificate products was put up. In the prevailing conditions of short supplies and consequent tendency to market sub-standard products by opportunist manufacturers, and the buyers' blanket caution against the reliability and quality assurance given by the manufacturers, the ISI-Certified products which bear a third party guarantee in respect of quality and reliability from an Institution which exercises overall control of quality of the goods so certified, the exhibition was well received by public as a boon to consumer education and quality buying.

CONSUMER SATISFACTION

Dr. A. N. Ghosh, Director-General, Indian Standards Institution, who formally inaugurated the Exhibition elaborated the scheme of I. S. I. Certification Mark. He said ISI Mark was a guarantee of quality given by an Institution which was adequately qualified and which had no direct interest in the manufacturers - an Institution accepted by the manufacturers and consumers alike. He added that the scheme was a great advantage to the producers in that their responsibility to maintain quality of the products was shared by the Institution, thereby ISI becoming a partner in their progress and prosperity. To the consumers, every ISI marked product carried the message of the right quality assurance making his buy easy. The consumer had only to look for the ISI Mark in deciding whether the product was of the required quality. In the present day market conditions, this scheme was of immense value to consumers. He said that ultimately the consumer satisfaction was the final test of quality and if the consumers came across any ISI Marked product not to their satisfaction, they should not tolerate them, but report it to the nearest ISI Branch Office for investigation, and corrective action if needed. Dr. Ghosh observed that one thing which was lacking today was consumer consciousness and indulgence. He added it is for the consumers to demand and get quality.

4000 STANDARDS

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Thiru M. A. Arunachalam of T. I. Group of Industries who presided over the inaugural function said that Indian Standards were available for 4000 items touching all fields of activity and the industries should make the best use of them. In passing he advised that the industries should have standards and maintain them at all levels even though India had a sheltered market. He added that

Indian Standards Institution had a part to play in this process.

PESTICIDES

Dr. Sardar Singh, Plant protection Adviser to the Government of India, under whose chairmanship the Regional Conference on pesticides was held on the occasion, emphasised that in a developing country like India, it was necessary for the industry to follow national standards to build up their reputation. He appealed to the large scale and small scale manufacturers of pesticides, and the formulators to cover their product with the ISI marking scheme, to build up reliance and confidence in the buyers.

The Conference made the following recommendations:

1. Manufacturers of technical grade pesticides should come forward to take up ISI Mark in their own interest and in the interest of the formulators so that the formulators are assured of standard quality technical grade pesticides for the formulations.

2. The problems faced by the pesticides manufacturers, technical or otherwise, connected with standards, may be looked into by the ISI Directorate General and also the Pest Control Sectional Committee.

3. The pesticides industry should strive to see that all products that were sold in the market should in the long run carry ISI Mark.

4. The various State Governments and Government purchasing agencies should differentiate the products bearing ISI Mark and goods said to conform to Indian Standards, in favour of ISI Marked products.

CERTIFICATION MARKS

In pursuance of the recommendations made at the conference of the Heads of Government Departments, Municipal Corporations, State Electricity Boards, Housing Boards, State Transport and State-owned undertakings, etc., held in Madras in April, 1965 on implementation of Indian Standards and recognition of Certification Marks the Government of Madras have directed the Government Departments and State owned undertakings to

(i) issue tender notices for procurement, incorporating a condition that preference will be given to Indian Standards Institution certified goods, wherever possible to avoid or relax the inspection of Indian Standards Institution certified goods before procurement and to consider, at times, an advantage in price to the extent of 2 percent to the Indian Standards Institution certified goods of the units in the private sector over the goods not so certified, if it is not repugnant to the orders already issued in G. O. Ms. No. 1164 ILC dated 2-3-1965 and Memo No. 13437 (a) Spl. BI/66-2 Dated 21-3-66.

The Managing Director, Madras State Small Industries Corporation Limited has also been requested to adopt to the extent possible the Indian Standards Institution certification marking for the products manufactured by the units under the control of the Corporation.

MINISTER'S ADVICE

Thiru V. R. Nedunchezhian, Minister for Industries and Education, Government of Madras, who presided over the session on Consumer Problems and Quality Standards lauded the services rendered by ISI and stated that ISI was a link between consumers and producers, providing the necessary impetus to the growth of the industry on sound lines. He also suggested that Indian Standards Institution should maintain a closer tie with the consumers and educate them on the significance of standards and thereby make them buy only standard products.

USING THE ELECTRONIC BRAIN TO SOLVE TRAFFIC PROBLEMS

Traffic problems, consequent on the fact that increasing number of cars use the roads today, are a worldwide phenomena. Conventional methods of solving the problem-i.e., widening the streets-are not always practicable

Following the adoption of remote control techniques for operating a large ship, or a plant, a similar system is being tried out in Tokyo and Osaka. In the centre of Tokyo nearly two hundred thousand cars pass through the streets during the twelve hours of daytime. It is not considered economical to post a traffic policeman at each junction according to the traffic load and the time.

Consequently, the electronic brain was pressed into service as an answer to the traffic difficulties.

HOW IT WORKS

The traffic conditions of the main routes are constantly pulsed to the control room by detectors which are installed under or aboveground on the routes. This information is immediately sent to the electronic brain installed in the control room of the area for calculation.

Devising, on the basis of a prearranged programme, the most appropriate pace of time to switch the traffic signals, the electronic brain instructs the detectors to adjust each signal accordingly.

There are three systems devised to examine traffic density.

1. Pressure System: in which a circuit perceives the traffic density in the form of a pulse from an electric circuit which is installed underground and is closed each time the weight of a car is pressed on it. 2. Loop System: in which the electric current undergoes a change each time the intensity magnetic field which is installed underground is placed in disorder at the transit of a vehicle. 3. Radar System: in which the transit of a car is grasped through a wave guide.

In Japan the radar system is adopted, and when it is applied to a wide area, the result proves that the speeding-up of traffic control is effected by 15 percent.

MACHINE THAT TRANSLATES AND TALKS

Various countries are now engaged in the study of commercializing electronic computers which are capable of translating languages and speaking the translated words. In the case of Japan, VRA equipment has been developed and announced by Hitachi Ltd., the Japan Electric Co. Ltd., and the Electric Research Institute of the Ministry of International Trade and Industry. A translation machine which has proved practical has also been developed and announced by Kyushu University.

However, the new Voice Replying Apparatus announced by Fujitsu Ltd., is unique in that it not only translates but also speaks out the translated words.

A new electronic device which translates English into Japanese and also speaks the translated words has been developed recently. Called the "Voice Replying Apparatus" it was developed jointly by Fujitsu Ltd., a leading computer manufacturer, and the Engineering Department of Tokyo University.

When English words are fed into the Fujitsu computer by a typewriter, Japanese translation appears immediately on a piece of paper and, simultaneously, a voice in Japanese comes out of a synthesizing device. This devise has a memory core which divides the Japanese language in 107 monosyllables and is capable of composing 8,000 Japanese words and 2,000 sentences used in daily conversation. These words and sentences are recorded on magnetic tapes in memory core. The signals sent from the translating machine arrange the monosyllables into a certain fixed pattern and change them into Japanese words. This is called the "Monosyllabic recording formula".

At present, the word "uttered" from the machine is not exactly like that of a human voice because the intonation and accent are rather flat. However, depending on future improvements, the VRA can no doubt be utilized in various fields most effectively.

For example, it may be able to give the accurate number of goods in stock as well as replies concerning stock exchange quotations or even answer questions on the number of reserve seats available at theatres.

The FACOM 230-20, which incorporates this "Voice Replying Apparatus" is now being exhibited at the World Exposition in Montreal, Canada.

DEODORISING LIGHT

A special light that is effective in eliminating bad odours has been developed by a Japanese firm.

The molecules of bad odours are generally made of atoms of hydrogen, carbon, nitrogen, oxygen, sulphur and other chemical elements. The ultraviolet rays contained in the light which are emitted by a fluorescence-type Deodorite lamp can destroy these molecules. Aside from its deodorizing power, the light also has germicidal properties and its pale blue colour can also be utilized for illumination purposes.

Ultraviolet rays range in wavelength from 100 to 3,800 Angstroms, and their properties vary according to the wavelengths. For example, the energy created by the intensity of radiation of ultraviolet rays of about 2,000 Angstroms had been known to have effective deodorising and germicidal properties, but because it was difficult to produce a bulb which could effectively apply the light for the elimination of bad odours, no such device had hitherto appeared on the market.

A Japanese firm has succeeded in commercializing this deodoriser after three years of research and development. The apparatus was first installed in the washrooms of the super-express trains operating on the new Tokaido Trunk Line of the Japanese National Railways.

Because of the excellent results achieved, the firm developed improved models of the deodoriser, strengthening its deodorisings as well as germicidal power and produced models which were suitable and easy to use in ordinary households. Two types of ultraviolet rays are emitted from the "Deodorite." One is of 2,537 A and the other 1,849 A (in the ratio of 10:2) The 2,537 A ultraviolet rays have the power to reduce the molecules of odour by decomposition, composition and oxidation. The 1,849 A ultraviolet rays contain ionization and ozonization properties. The negative ions created in large volume as a result of the decomposition reaction combine with the molecules of odours and, by adhering to dust and walls, their deodorising power is accelerated.

The germicidal power of the Deodorite, according to the manufacture, is 28 times more effective than the sun's rays. For example, whereas it takes 64 minutes for the sun's rays to sterilize 99·9 per cent of a dish of water full of colitis germs, it takes only two and half a minutes for a 6-watt Deodorite placed at a distances of 50 centimeters from the dish to do the same job.

Deodorite lamps can be installed in the same manner as a fluorescent lamp. The life of the lamp is 4,000 hours.

APPLICATIONS FOR IMPORT OF RAW MATERIALS COMPONENTS AND SPARES FROM THE ACTUAL USERS

The Government of India, Ministry of Commerce have released the Import Trade Control Policy for the licensing period April 1967/ March 1968 on 1st May 1967. The highlights of the current year's policy are indicated below for the information of the actual users

1. The Industries have again been grouped into prioity and non-priority, the list of priority industries remaining unchanged i. e. it is the same list as announced in connection with the import liberalization policy last year.

2. The priority industries are eligible to send their import licence applications for 6 months requirements; they can also ask for supplementary licences later. On each application the licensing authority may grant a licence upto 50% of the value of the initial licence for raw materials, components and spares issued to the units for the period April 1966—March 1967. The non-priority industries are to apply for their annual requirements.

3. Old units i. e. those units which got an import licence during the year 1966-67 whether on the priority or on the non-priority, should apply direct to the Regional Officers of the Chief Controller of Imports and Exports. New Units i. e. those who did not get any licence for the period 1966-67 and who have got the requisite machinery installed on the priority should apply through the Director of Industries and Commerce.

4. New units (as defined at (3) above) on the non-priority should apply through the Directorate of Industries and Commerce to the regional officers of the CCIE.

5. Old units on the priority can apply for import licences for raw materials, components and spares after utilising the previous set of licences (i. e. for 1966-67) to the extent of 90% by way of opening of letter of credit or 60% by way of actual importation and should produce evidence in the form of original or photostat of the Exchange control or customs copy of the licences as the case may be. The requirements of raw materials, components and spares for such priority industries will be met on the continuing basis and after they have utilised the first licence issued for the year 1967-68 by opening a letter of credit to the extent of 90% or by actual importation to the extent of 60% they can apply for subsequent licences.

6. The new units on the priority industries should, for subsequent licences, apply with documentary evidence of utilisation of earlier licences direct to the Regional Licensing Authorities and need not go through the Director of Industries and Commerce.

7. There is no last date for applications either for the priority industries units or for the non-priority units whether old or new.

8. The validity of import licence will be 12 months in all cases. The import licence application fee is Rs. 50/- irrespective of the value of the licence applied for.

9. The period of validity of Income-tax verification certificate has been enhanced from two financial years to three financial years. Therefore, the IVC expiring on the 31st March 1967 will be valid automatically upto 31st March 1968.

The Actual users in the Small Scale Industries sector who are new comers for imports are therefore advised to go through the above instructions and file their import applications in form B in triplicate together with necessary documents, with the Assistant Director of Industries and Commerce/Regional Deputy Director of Industries and Commerce, Administrative Officer, Industrial Estate/ Industrial Colony etc. for considering the issue of recommendations for the issue of an import licence. ★

POLYESTER FIBRE IMPORT BAN GOES

The Union Government has permitted the import of polyester fibre under the incentive scheme for woollen goods exports.

Hitherto, import of non-cellulosic materials, other than polyester only was allowed under the incentive scheme with a view to nurturing the indigenous polyester fibre manufacturing industry.

Exports of mixed fabrics have shown a steady upward trend. In 1966, hosiery goods worth about Rs. 1·7 crores and fabrics of Rs. 85 lakhs, were exported. During the last five months, the industry is stated to have improved upon this performance. The liberalisation of the incentive scheme is expected to give a fillip to exports of mixed fabrics. ★

IMPORT LICENCES:

TO BE EXTENDED TO SMALL INDUSTRIES

The issue of import licences against tied credits and under rupee payment agreement, now being made to major industries will be extended to small industries due to paucity of free foreign exchange, said Thiru P. D. Kasbekar, Chief Controller of Imports and Exports, while addressing the Andhra Chamber of Commerce on 27-7-67.

The delay in the issue of import licences for actual users, both in the priority and non-priority category, he said, had been due to the arrangements the department had to make for connecting the various credits and the import needs of the country. The necessary instructions had been given to all the Port Licensing authorities in this regard and all the licences would be issued shortly.

Thiru. Kasbekar said that applications for changing the import licences from one credit to another might be permitted if genuine difficulties were felt. He announced that the need for having an office of the Joint Chief Controller of Imports and Exports in Hyderabad had been accepted in principle and an office was expected to be opened there before the end of this year. ★

INNUMERABLE USES OF FIBREGLASS

Fibreglass, with more than 30,000 known applications is one of the most versatile substances. Its strength, corrosion resistance and almost imperishable quantities, even under conditions of fire or extreme cold make it invaluable in many diverse fields.

FILAMENTS

Fibreglass can be made both in textile and wool forms. Textile form of fibreglass are produced from continuous filaments. The filaments are only 10 microns in diameter and they are collected into slivers, usually containing 204 filaments. From slivers, varying numbers of strands are wound parallel to make rovings. When chopped and bounded with a chemical binder, they form chopped strand-matt. This is used in the fibreglass reinforced plastics industry.

FIBREGLASS YARN

Slivers are also twisted and piled into yarns which can be supplied to weavers for the manufacture of industrial fabrics. Fibreglass yarn is also produced with PVC coating. This is used exclusively for the manufacture of fibreglass insect screening, which has numerous advantages over metal insect screening materials.

WOOLLY FIBRES

For insulation purposes, fine woolly fibres are used. These are made by flowing molten glass into a high speed centrifuge which spins it into a 'wool' composition. These fibres are then resin-impregnated and formed into a blanket. By empressing and forming this blanket to specific thickness and density, a range of materials is made for general building insulation against heat and sound. These include low density materials faced with vapour barriers of kraft bitumen paper or aluminium foil which effectively prevents entry of moisture into the insulation. Low density fibreglass insulation materials are usually available in boards.

High density applications include rigid boards for use both as insulation and ceiling lining boards. The rigid decorative ceiling panels possess excellent insulation properties and are faced with dirt-resistance, washable plastic film.

For thermal insulation pre-fabricated standard and non-standard rigid pipe section can also be made usually covering from half-an-inch to eighteen inches diameter and half-an-inch to five inches thickness. Other rigid fibreglass products include pre-fabricated duct systems. These are normally made in flat forms for quick assembly for jobs. Various fibreglass boards are also made for insulation of tanks, chillers and cold storage rooms or for other specific applications. 'Dust Stop' fibreglass air filters for general air-conditioning, paint spray booths, film processing etc. can also be made.

Both the textile and wool forms of fibreglass are now extensively produced in Australia and exported to the Philippines, Thailand, Malaysia and Singapore.

A summary of important points of interest brought out in the Reports of Indian Government Trade Representatives is published below for the information of the general public

Extract from Economic and Commercial Reports for the months of February and March, 1967 from the Embassy of India, Baghdad

B. REVIEW OF SPECIFIC COMMODITIES

PAPER & PAPER PRODUCTS, CARDBOARD, ETC.

Iraq does not yet produce any kind of paper and cardboard. All requirements are imported, the main countries of export in order of volume, being Sweden, Norway, Finland, Yugoslavia, Austria, Holland, Czechoslovakia and for some qualities U. K., U. S. A. and now Peoples' China and Spain.

Details of imports as far as available from the Iraqi Statistics, for the years 1962 to 1965 are as follows:

QUANTITIES IN TONS. VALUES: C. & F. BASRAH IN THOUSANDS OF IRAQI DINARS

1962		1963		1964		1965	
Tons	Value	Tons	Value	Tons	Value	Tons	Value
(a) Paper & Paper Board in Rolls or Sheets:							
15,565	1,464	21,019	1,734	25,324	2,053	28,362	2,556
(b) Paper & Paper Board Corrugated:							
1,205	120	907	85	—	—	—	—
(c) Paper & Paper Board, Waxed or Ruled:							
997	162	410	68	957	80	1,203	128

1962		1963		1964		1965	
Tons	Value	Tons	Value	Tons	Value	Tons	Value
(*d*) Cigarette Paper in Stripson Rolls:							
182	52	368	95	—	—	—	—
(*e*) Blotting Paper:							
1,410	183	1,562	252	2,033	324	1,280	252
(*f*) Registers, Exercise Books, Note Books:							
433	346	111	71	—	—	—	—
(*g*) Boxes, Bags, Packing Sheets (of Kraft Paper)							
2,237	356	2,951	421	1,523	230	1,501	255
(*h*) Cardboard & Articles:							
125	45	154	32	152	42	769	104

Note: Column left blank, in the years 1964 and 1965, are due to lack of complete details in the statistics. The Detailed statistical publication for 1964/65 has not yet been published.

Imports from India: In the statistical statement given above, the share of Indian exports was (group-wise):

(A) in 1965: 59 Tons Value ID. 5,000

(E) in 1962: 1 Ton Value ID. 1,000

in 1965: 1 Ton Value ID. 1,000

In other Iraqi statistical Bulletins (issued in cyclostyle) the commodity-wise details of overall imports of paper products, for the years 1962 and 1963 are as follows:

	1962		1963	
Item	Quantity Tons	Value ID.	Quantity Tons	Value ID.
Newsprint	1,024	1,446	66,333	88,717
Paper Board Plain	987	69,765	3,631	274,493
„ „ Corrugated ...	782	77,420	99	10,773
Kraft Paper	5,248	414,505	9,041	567,763

Although figures, later than 1965, are not yet available in the Iraqi publications, the following figures, as gleaned from the Indian "Statistics of Foreign Trade", are gratifying.

Printing Paper	...	July	1966	—	Rs. 55,685
	...	August	„	—	„ 72,084
	...	September	„	—	„ 89,014
Tissue Paper	...	March	„	—	„ 2,398
Paper Board	...	January	„	—	„ 4,795

The price as well as the qualities of the Indian papers, were quite fairly comparable with those of the normally exporting Scandinavian countries, although China's prices, as for all other Chinese goods, were said to be unbeatable. The only and serious complaint on the Indian paper was on the very poor packing, the contents of the bales being too heavy for the flimsy outer wooden strips of the bales. Most of the bales were said to have been received in open condition.

Some of most recent prices (C & F Basrah), as seen from the invoices in possession of the Importers, were:

(a) White Printing Paper, packed in bales of about 150 Kg. gross:

in size 17″ × 27 × 60 grams @ £ 110 per ton. The same price for size 16″ × 26″.

Kraft Paper, the most popular item, after white paper, was priced at £ 94-5-0 to £ 96-0-0 per ton C & F Basrah. The size required is 70 cm x 100 cm.

The latest (1966 January / February) market wholesale prices were:

White Glazed Swedish Paper 27″ × 17″ per Ream	ID. 1/100 to ID. 1/150
„ „ others „ „ „	ID. 1/050 to ID. 1/100
White Abnormal size 100 × 70 cm 60 grm. weight	ID. 2/500 to ID. 2/750
„ „ „ „ „ 65 „	ID. 2/900 to ID. 3/100
„ „ „ „ „ 70 „	ID. 3/250 to ID. 3/400
„ „ „ „ „ 60 grm. 2nd Grade	ID. 2/250 to ID. 2/500
News print paper	ID. 1/100 to ID. 1/150
Kraft paper swedish	ID. 1/450 to ID. 1/500
Cartridge paper white 114 grams	ID. 5/500 to ID. 5/750
„ „ Brown „	ID. 4/500 to ID. 4/750

Extract from the Monthly Report on Economic and Commercial Condition in Saudi Arabia for the months of January and February, 1967 received from the Embassy of India, Jeddah

B. REVIEW OF SPECIFIC COMMODITIES

(1) *Cuff-Links & Tie-Clips:* Cuff-links are imported in this country in a substantial quantity. Their being no indigenous industry in this Kingdom, this item also is supplied from abroad like U.S.A., England, Germany, France, Belgium and Italy etc. in European countries. The stuff supplied by Japan and Hong Kong is cheaper in comparison to European countries, but in quality it is not much inferior to European goods. For this reason, Japan and Hong Kong products are more popular. To give an idea about the price range, quotations from Hong Kong are being furnished below:

Cuff-Links and Tie Clip Set			*CIF Jeddah*	
1 pair cuff-links and 1 piece tie-clip made to set, made of brass, embossed designs, some decorated with a stone or plastic, colour in gold or chrome plated.	Loose-packing.	... ...	Sh. 23/10	Dozen
do	(Individual-box)	... ...	,, 26/10	,,
do	(Loose-packing)	... ...	,, 25/—	,,
do	(Individual-box)	... ...	,, 28/—	,,
do	(Loose-packing)	... ...	,, 25/—	,,
do	(Individual-box)	... ...	,, 28/—	,,
Cuff Links				
Brass cuff-links, with embosed designs, some decorated with stone or plastic, colour in gold or chrome plated.	Loose-packing	...	,, 16/3	,,
do	Individual-box	...	,, 18/4	,,
do	Loose-packing	...	,, 17 6	,,
do	Individual-box	...	,, 19/10	,,
do	Loose-packing	...	,, 17/6	,,
do	Individual-box	...	,, 19/10	,,
Neck-Tie-Clips				
Brass cuff-clips, with embossed designs, some decorated with stone or plastic, colour in gold or chrome plated.	Loose-packing	...	,, 7/6	,,

Packing

(*A*) Loose-packing-each pair padded on card, then, in a polybag,

5/10 dozen with an outer box,

200/500 or 600 dozen to a shipping case.

There is no restriction on the imports of cuff-links and tie-clips. However, Customs duty is levied which ranges between 15% to 25% ad-valorem according to the material of the goods. Other miscellaneous expenditure on release of such goods is estimated from 5% to 8% of the customs value.

(*ii*) **Key-Chains**—Key-chains, made in various designs and shapes, are very commonly used in this country. These are purchased not only for personal use but also for presentation purposes. Although European countries supply these in special designs for publicity of their products, yet from general sale as merchandize it is supplied by Japan and Hong Kong in assorted designs. In the absence of any statistical figures of consumption, it is very difficult to find out the exact demand, yet, seeing the trend of local sale, it can well be assessed that there is good demand for the supply of this item in the local market. Given below are some CIF Jeddah prices of Hong Kong products.

		CIF Jeddah	
		Shilling	Dozen
Fancy key chains, with transparent plastic inside fresh small sea living animal and sea hocks, Size, Rall (Two perties) 23 mm Keyring, ball chain, Chrome		5/8	do
do	Gilt or silver	7	do
Fancy key chains, with artist transparent freezing plastic inside alphabet (assorted colour) Size Gall. 25 mm keyring, 3·2 mm snake chain. Chrome		6/10	do
do	Gilt or silver	7/10	do
Fancy key chains, with artist transparent plastic inside fresh small sea living animal (Shrimpot crab) and art flower, size square, 25 mm keyring, 3·2 mm snake chain. Chrome		7	do
do	Gilt or silver	8/3	do

			CIF Jeddah
Fancy key chains, with artist transparent freezed plastic inside eastman colour solide view style photo. Size, Elliptical 25 mm keyring. 3/2 mm snake chain. Chrome		7/4	do
do	Gilt or silver	8/6	do
Fancy key chains, with artist transparent freezed plastic inside eastman colour solide style in nudity (6 fashion) Size: artistical 23 mm keyring, dall chain. Chrome		9/2	do
do	Gilt or silver	10/2	do
Fancy key holder, with the above pendant but both end with 23 mm, 25 mm, keyring attached, Chrome		9/2	do
do	Gilt or silver	10/2	do

Packing: Each doz. on card, 6 doz. per box, 600 doz. in a strong wooden case.

There is no restriction on the imports of key chains. However, customs duties are levied at the rate of 15% ad-valorem. Generally, other incidental expenses are estimated between 5 to 8% of the customs duty on taking delivery of consignments from customs.

This market is quite promising for such items. Indian products may have a good market in this country if their prices are competitive and quality at par with other imported goods.

LIST OF IMPORTERS DEALERS IN CUFF-LINKS AND KEY-CHAINS

1. Nuri Abu Zinadeh, POB 46, Jeddah.
2. Jameel Hasan Abul Ainain, POB 22, Jeddah.
3. Ahmed Mohammed Ba-Naifa, POB 517, Jeddah.
4. Mohammed Makkio Tashkandi, POB 1093, Jeddah.
5. Mojammed Hadi Baghlaf and Bros., POB 1148, Jeddah.
6. Abdul Ahed Abdul Hamad Khan, POB 1353, Khaskish, Jeddah.
7. Ali Saied Bukair, POB 621, Jeddah.
8. Mohammed Amin Mohammed Saddiq Al-Maimani, POB 1699, Jeddah.
9. Mohammed Noor Salah Jamioom, POB 12, Jeddah,
10. Shamsul Hasan Attar, POB 982, Jeddah;
11. Abdus Subhan Jowherjee, Bank Street, Mecca;
12. Soonti Stores, Sharaie Muddia, Mecca.
13. Salamet Ali Khap, POB 117, Al-Khobas
14. Mahamood Hasan El-Ghabbashi, POB 723, Jeddah;
15. Amrullah Maimani, POB 40 Medina: Commission Agents.
16. Trade Links, POB 1503, Jeddah Commission Agents.

Extract from the Report on Economic and Commercial Conditions in Aden for the month of April, 1967, from the Commission of India, Aden

B. REVIEW OF SPECIFIC COMMODITIES

Spices: India continues to retain the dominant position in regard to export of spices to Aden. There was an increase in import of this commodity in 1966 compared to the previous year in spite of the confusion in the local market for some months after the devaluation of the Indian rupee.

Tanzania, Indonesia, UAR, Pakistan and Ceylon are the other main exporters of spices to this territory. Statistics of import of spices into Aden are given below. It will be seen therefrom that India's share of total export of spices to Aden comes to over 50%.

	Total Imports £	India's share £
1964	982,701	529,787
1965	990,844	515,282
1966	1,275,841	657,328

Regarding the export of cardamom, Gautemala is the main competitor. Last year there have been various complaints regarding the supply of inferior quality cardamom by the Indian exporters. They did not quote the AG mark specifications. Importers here have been advised to insist on the AG mark specifications from the Indian exporters.

B. REVIEW OF SPECIFIC COMMODITIES

THE TOTAL IMPORTS OF TEA INTO LEBANON DURING 1963, 1964 and 1965

	1963 Value(LL)	Quantity(KGS)
Packing of One Kilo and less		
Total	261,843	59,448
Chief Suppliers		
U. K.	224,248	48,984
Ceylon	27,657	8,383
India	5,083	1,123
Others, exceeding One Kilo		
Total	1,246,026	502,802

	Value(LL)	Quantiy(KGS)
	1963	
Chief Suppliers		
U. K.	59,320	23,397
Ceylon	1,319,064	399,795
Formosa	41,915	23,265
Algeria	32,160	11,340
	1964	
Packing of One Kilo and less		
Total	258,430	61,291
Chief Suppliers		
U. K.	230,519	53,842
Ceylon	7,204	2,103
People's China	665	162
Formosa	360	93
India	8,177	2,278
Others, exceeding One Kilo		
Total	1,512,797	607,804
Chief Suppliers		
U. K.	40,620	15,257
Ceylon	1,358,994	583,653
People's China	35,498	19,753
Formosa	20,998	11,577
India	3,390	2,516
	1965	
Packing of One Kilo		
Total	507,822	72,799
Chief suppliers		
U. K.	464,311	65,450
Ceylon	30,521	5,562
India	5,652	854
Others, exceeding One Kilo		
Total	21,295,644	685,642
Chief Suppliers		
Ceylon	2,108,916	613,023
Formosa	34,191	14,959
China	23,468	12,939

C & F Price of TEA in Lebanon

Indian Tea: Pence 36 to 50 per lb. depending on the quality of tea.

Ceylon Tea: Pence 30 to 44 per lb. depending on the quality of tea.

Chinese Tea: Pence 30 per lb.

Import duty

Labanese Piastres 120 per lb. - for packing of One Kilo or less.

Lebanese Piastres 60 per kilo - for packing exceeding One Kilo.

Quay Tax $2\frac{1}{2}\%$ ad-valorem

N. B: Lebanese Piastres 100 = L. L. 1 (One Labanese Pound)

L. L. 42·00 = Rupees 100·00

NAMES & ADDRESSES OF IMPORTERS OF TEA IN LEBANON

Societe Ahmed Bissat, Foch Street, Beirut.

Hoss & Negea, Foch Street, POB 430, Beirut.

Said Boubess & Co., Foch Street, POB 1582, Beirut.

Jamil Moustapha Jaafar, Marseillaise Street, POB 336, Beirut.

Toufic Mansour Farah, Foch Street, Beirut.

Toufic Arida, Foch Street, POB 493, Beirut.

Rifki El Mujtahed, Foch Street, POB 1048, Beirut.

Wehbe Tamari, Uruguay Street, POB 1533, Beirut.

Mustapha Jadshes & Cie, Syria Street, POB 1491, Beirut.

Izzat Hambali, More Cellas Street, POB 981, Beirut.

Hng Dibbani & Sons, Abdel Malek Street, POB 363, Beirut.

Salme Zami Abdallah & Sons, Uruguay St., Beirut.

Abdul Salam Sebai, Foch Street, POB 5227, Beirut.

Abdul Salam Zanubi, Foch Street, POB 743, Beirut.

Lati Nathan & Cie, Fakhry Bey Street, Beirut.

Ali Barrage & Cie, Foch Street, Beirut.

Mohamed Sinno, Foch Street, Beirut.

Levant Supply Co. (Supplico), Byblos Bldg, Beirut.

Sinno Moughciddine Misbah, Foch Street, Beirut.

INDONESIA

Feasibility studies for joint ventures between India and Indonesia.

There is scope for Joint ventures in the following industries in Indonesia:

(*a*) Jute Goods Factory.

(*b*) A Paper Factory.

(*c*) Fruit canning Factory.

(*d*) Cycle Factory.

(*e*) Machine Tools Factory.

The "Foreign Investment Law" of Indonesia is reproduced below for the information and guidance of the interested firms.

Act No. 1 Year 1967

RE-FOREIGN CAPITAL INVESTMENT

Considering

(a) that potential economic potencies, which as the reward of Almighty God are abundantly found throughout the territory of the fatherland have not been exploited yet to be used as real economic potencies, among other things are due to lack of capital, experience and technology.

(*b*) that Pantjasila as the ideal basis to construct Indonesian economic system and which has always to be re-effected in every economic policy.

(*c*) that economic development means to exploit potential economic potencies to become the real economic potencies through capital investment, utilising technology, up-grading knowledge, increasing the technical know-how, up-grading the organization and management, capability.

(*d*) that the surmonting of economic decline and the further development of economic potencies should be based on the capability and the willingness of the Indonesian people themselves.

(*e*) that meanwhile the principle to rely only on one's own capability and willingness may not create reluctance to utilize potencies, capital, technology and skill available from foreign countries, as they are really devoted to the economic interest of the people, without causing the dependability on foreign countries.

(*f*) that foreign capital should be maximally utilised to speed up the Indonesian economic development and to be used in the fields and sectors which within the near future cannot be executed by Indonesia's own capital.

(*g*) that it is necessary to make clear provisions to meet the demand on capital for national development, besides to avoid doubts in the part of foreign capital parties.

With a view to:—

1. Article 5 paragraph (1), article 20 paragraph (1), article 27 paragraph (2) and article 33 of the constitution.
2. Edict of Provisional People's Consultative Congress of the Republic of Indonesia No. XIII/MPRS/1966 re-Renewal of Policy on Economy, Finance and Development.
3. Note I/MPRS/1966 re Foreign Policy based on Pantjasila:
4. Act No. 5 year 1960 re Basic Regulation on Mainpoints of Agrarian Affairs.
5. Act No. 37 Prop. year 1960 re Mining, and Act No. 44 Prop. year 1960 re Mining of Oil and Natural Gas.
6. Act No. 32 year 1964 re Foreign Exchange Traffic Regulation.

HAS DECIDED

To lay down:

ACT RE-INFOREIGN CAPITAL INVESTMENT

CHAPTER I

THE CONCEPTION OF FOREIGN CAPITAL INVESTMENT

Article 1

The conception of foreign capital investment in this Act only cover foreign capital investment directly invested according to or on the basis of provisions stated in this Act and which is used to operate enterprises in Indonesia in the sense that the owner of the capital shall directly bear the risk for the said capital investment.

Article 2

The conception of foreign capital in this Act shall be:

(*a*) Foreign exchange not constituting the part of Indonesia's foreign exchange assets, which with the approval of the Government is used to finance enterprises in Indonesia.

(*b*) equipment for enterprises, including new inventions of the foreigners' property and materials imported from abroad to the Indonesian territory, as long as these equipment are not financed from the Indonesia's foreign exchange assets.

(*c*) The part of the enterprise proceeds which based on this Act is allowed to be transferred, but to be used to finance enterprise in Indonesia

CHAPTER II

JURIDICAL FORM, PEACE OF DOMICILE AND AREA FOR UNDERTAKING OPERATION

Article 3

1. Enterprise referred to in article 1 entirely operated or for the most part is operated in Indonesia as a separate enterprise unit should have the form of Corporate Body according to the Indonesian Law and domiciling in Indonesia.
2. The Government shall determine whether an enterprise is entirely or for the most part to be operated in Indonesia as a separate enterprise unit.

Article 4

The Government shall determine the area of undertaking operation for foreign capital enterprises in Indonesia, by observing the national as well as regional economic development the kinds of enterprises, the amount of the capital invested and the wishes of the owners of the capital, in accordance with the National and Regional Economic Development programme.

CHAPTER III

THE FIELDS OF UNDERTAKING OPERATION FOR FOREIGN CAPITAL

Article 5

1. The Government shall determine the specifications of sectors of under taking operation open for foreign capital according to the order of priority, and stipulates requirements which should be fulfilled by foreign capital investment in every sector of the said operation.
2. The specifications according to the order of priority shall be determined each time the Government shall compose medium and long term development plans, by observing the economic and technological development.

Article 6

1. The fields of operation closed to foreign capital investment are sectors which are important for the State and controlling the life of the majority of the people as follows:
   (*a*) harbours,
   (*b*) producing, transmitting and distributing electrical power for the public.
   (*c*) telecommunication.
   (*d*) Shipping lines.
   (*e*) aviation.
   (*f*) drinking water.
   (*g*) public drains.
   (*h*) generating atomic energy.
   (*i*) mass media.
2. Sector holding the important role in the defence of the State, a.c. the production of weapons, ammunitions, explosives and war equipments are strictly forbidden for foreign capital.

Article 7

In addition to those sectors stated in article 6 paragraph (1) the Government may determine certain sectors of undertaking operation, where foreign capital may no longer be invested.

Article 8

1. The investment of foreign capital in the sector of mining shall be based on a co-operation with the Government on "karya" contract basis or in other forms in accordance with the effective legislation regulations.
2. The system of co-operation on "karya" contract basis or in the other forms can be executed in the sectors of other operations which shall be determined by the Covernment.

CHAPTER IV

MANPOWER

Article 9

The owners of foreign capital shall have full authority to determine the management of the enterprises, where their capital are invested.

Article 10

Foreign capital enterprises shall be obliged to fulfil the demand on manpower with Indonesian citizens, except for cases stated in Article 11.

Article 11

Foreign capital enterprises shall be allowed to bring or employ foreign citizens for management staff and staff of experts to hold position which cannot yet be filled by manpower of Indonesian citizens.

Article 12

Foreign capital enterprises shall be obliged to regularly and hold directly and/or provide training and schooling facilities in the home country and/or abroad for Indonesian citizens designated to gradually replace foreign citizen staff by the Indonesian employees.

Article 13

The Government shall supervise the implementation of provisions stated in articles 9, 10, 11 and 12.

CHAPTER V

ON USING LAND

Article 14

Foreign capital enterprises may be given land for their purposes, with the building designated right operating designated right and using right, according to the effective legislation regulations.

CHAPTER VI

RELIEFS ON TAXES AND OTHER LEVIES

Article 15

Reliefs on taxes and other levies shall be granted to foreign capital enterprises as follows:

Exemption from:

1. Corporate Tax on profit for a certain period of time, which is not more than 5 (five) years counted as from the said undertaking starts producing.
2. Dividend Tax on the part of the profit paid to the share-holders, as far as the said profit is obtained within, the period of time not more than 5 (five) years as from the paid undertaking starts producing.
3. Corporate Tax on profit referred to in Article 19 sub a, which is re-invested in the enterprise concerned in Indonesia for a certain period of time that is not more than 5 (five) years counted as from the period of their investment.
4. Import duty on the period of the entry of the permanent equipment goods into the Indonesian territory, such as machines, working tools or instruments needed to operate the said enterprise.
5. Capital Stamps Duty on placing the capital originating from the investment of foreign capital.

b. Alleviation:

1. On the charging of Corporate Tax with a proportional tariff, maximally fifty percent for the period of time not more than 5 (five) years as from the period of exemption referred to in point 1 above.
2. By ways of calculating the loss suffered within the period of exemption as referred to in letter a point 1, with the profit which should be charged with tax after the period of time stated above.
3. By permitting the quickened depreciation on the permanent equipment tools.

Article 16

1. Reliefs on taxes levies granted as stated in Article 15 shall be carried out by observing the priority in the sectors of operation as referred to in Article 5.
2. Besides the granting of reliefs on taxes and other levies as stated in paragraph (1) of this Article, through Government Regulation additional reliefs may still be granted to a foreign capital enterprise which is much needed for the economic growth.

Article 17

The implementation of provisions stated in Article 19 and Article 16 shall be stipulated by the Government.

CHAPTER VII

THE PERIOD OF TIME FOR FOREIGN CAPITAL INVESTMENT, THE RIGHT ON TRANSFER AND REPATRIATION

Article 18

In each permit for foreign capital investment, there shall be stipulated the period to validity which is not more than 30 thirty) years.

Article 19

1. Foreign capital enterprise shall be granted with the right to transfer in the original currency from the capital on the basis of exchange rate, which is effective for:

(a) profit obtained by the capital after being deducted with taxes and other payment obligations in Indonesia.

(b) costs related with foreign employees employed in Indonesia.

(c) other costs to be further stipulated;

(d) depreciation on the permanent equipment tools;

(e) compensation in case of nationalization.

2. The execution of the transfer shall be further stipulated by the Government.

Article 20

Transfer having the character of repatriating the capital cannot be permitted as long as reliefs on taxes and other levies referred to in Article 15 are still effective. Further implementation shall be regulated by the Government.

CHAPTER VIII

NATIONALIZATION AND COMPENSATION

Article 21

The Government shall not take measures to nationalize/ revoke the property right in the overall way on foreign capital enterprises or to take measures which shall curtail the right to administer and to manage the enterprise concerned, except if through Act, it is declared that such measures are required for the interest of the State.

Article 22

1. If measures as stated in Article 21 are taken, the Government is obliged to give compensation, of which the amount, kinds and ways of paying are approved by the two parties, in accordance with the effective principles in the international law.

2. If between the two parties, agreement did not reach concerning the amount, kinds and ways of the paying of the said compensation, arbitrage shall thus be made, of which the decision shall bind the two parties.

3. The arbitrage body shall consist of three persons, chosen by the Government and the owner of the capital, one person respectively, and the third person as the Chairman shall be jointly elected by the Government and the owner of the capital.

CHAPTER IX

CO-OPERATION OF FOREIGN CAPITAL AND NATIONAL CAPITAL

Article 23

1. In the sectors of undertaking operation open to foreign capital, co-operation may be held between foreign capital and national capital, by observing the provision stated in Article 3.

2. The Government shall further stipulate the fields of undertaking operation, forms and procedures of holding co-operation between foreign capital and national capital by utilizing foreign and skill in the sectors of export and production of goods and services.

Article 24

Profits obtained by foreign capital enterprises as the outcome of co-operation between foreign capital and national capital, as referred to in Article 23, after being deducted with taxes and other obligations which should be paid in Indonesia, shall be permitted to be transferred in the original currency of the capital concerned in balance with the portion of the foreign capital invested.

Article 25

Provisions stated in this Act concerning tax reliefs and guarantee on nationalisation as well as the granting of compensation shall also be effective for foreign capital referred to in Article 23.

CHAPTER X

OTHER OBLIGATIONS FOR FOREIGN CAPITAL INVESTORS

Article 26

Foreign capital enterprises shall be obliged to manage and direct their enterprises in accordance with the principles of enterprise economy, by not harming the interest of the state.

Article 27

1. Enterprises referred to in Article 3, the capital of which is entirely of foreign capital shall be obliged to give chance for national capital to participate effectively after a certain period of time and in accordance with the balance to be stimulated by the Government.

2. If the participation stated in paragraph (1) of this article is carried out by selling shares already existed, the proceeds of the said sale can be transferred in the original currency of the foreign capital concerned.

CHAPTER XI

OTHER PROVISIONS

Article 28

1. For the implementation of provisions stated in this Act, co-ordination should exist among the Government's Bodies concerned to assure the consistency of the Government policy on foreign capital.

2. Ways to execute the said co-ordination shall be further stipulated by the Government.

Article 29

Provisions stated in this Act shall be effective for the investment of foreign capital made after the coming into effect of this Act, both in new enterprise as well as in the existing enterprises destined for the expansion and/or renewal.

CHAPTER XII

TRANSITIONAL PROVISIONS

Article 30

Matters not yet regulated in this act shall be further stipulated by the Government.

CHAPTER XIII

CONCLUDING PROVISIONS

Article 31

This Act shall be effective as from the date of promulgation.

In order that everybody may know, it is instructed to promulgate this Act by the Insertion in the Official Gazettee of the Republic of Indonesia.

CORRIGENDUM

Sub: Lists valid upto 31st March, 1968 of industries in respect of which applications for licences under the Industries (Development and Regulation) Act, 1951, may ordinarily be rejected without reference to the Licensing Committee and of industries for which applications will be considered on Merits.

In the lists attached to Circular No. 2(3) Lic. Pol./67 dated 1st May, 1967 on the above subject, the following amendments may be carried out:—

List No. I-Rejection List.

(A. ENGINEERING INDUSTRIES)

On page 4—for item No. 78 "Steel wire".

please read:—

"78. Steel wire (except wire thinner than 18 gauge and special wires)"

On page 4—for item No. 79 "Stranded wire (except wire thinner than 18 gauge and special wires)"

Please substitute:—

"79. Stranded wire".

List No. III—Merit List.

(B. NON-ENGINEERING INDUSTRIES)

On page 13—Existing entry No. 18 "Reclaimed Rubber" may be deleted.

LIST OF LICENCES ISSUED UNDER THE INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951 DURING—MARCH AND APRIL, 1967

Name and full address of the undertaking (and location)	Articles of manufacture and capacity (type of licence i.e. NU/SE/NA/COB/shifting)	Licence No. and Date
Schd. Ind. No. 5 (1)—Equipment for Generation, Transmission and Distribution of Electricity Including Transformers.		
M/s. United Electrical Industries Ltd., Pallimukkan, P. B. No. 87, Quilon (South India) (Kerala)	1. Flame proof starters 2. Push button starters 3. Auto transformer starters 4. Ordinary start Delta starters 5. Contractors 6. Oil immersed starters (Capacity to the determined) S. E.	L/5 (1)-127-EEI/66 29-8-66
Schd. Ind. No. 5 (2)—Electrical Motors.		
M/s. Kirloskar Electric Co., Ltd., P. B. No. 1017, Bangalore-3, (Bangalore, Mysore State)	per annum (1,80,000 H.P.) Flame proof motors upto 60MW, inclusive of multispeed motors, Wardleonard sets etc. N. A.	L/5 (2)-30-EEI/67 10-3-67
Schd. Ind. No. 8 B (4)—Mixers and Reactors—Kneading Mills Turbo Mixers and the like.		
M/s. Marshall Sons & Co., (Manufacturing) Ltd., Marshall Building, 9, Second Line Beach, Madras-1 (Ambattur, Madras State)	Annual capacity nos. 1. Power finisher P.F. 45 — 33 2. Power finisher P.F. 90 — 16 3. 15/20 ton mixing & drying plant — 32 4. 22/33 ton mixing & drying plant — 16 5. Drying and mixing plant — 48 6. Bitumen heating units — 178 7. Direct-from-drum cold bitumen sprayer — 120 8. Crushers for stone, coal & coke (various sizes) ranging from 4 tons to 150 tons/hr. — 168 9. Mobile & portable crushing plants — 6 10. Fixed quarry plants — 6 11. Auxiliary & complementary equipment — 300 N. U.	L/8B (4) 1/67-LEI (A) 13-3-67

(Continued)

(Continued)

Name and full address of the undertaking (and location)	Articles of manufacture and capacity (type of licence i.e. NU/SE/NA/COB/ shifting)		Licence No. and Date
Schd. Ind. No. 10 (1)—Agricultural Machinery: Tractors, Harvestors and the like.			
M/s. Hyderabad Allwyn Metal Works Ltd., Sanathnagar, Hyderabad-18, Andhra Pradesh (Hyderabad, Andhra Pradesh)	9 H. P. "ISEKI" hand tractor model KPH 60, fitted with diesel engine model No. KD 101	Nos. per annum 12,000	L/10 (1) (1)/67 A. E. Ind. (II) 13-3-67
Schd. Ind. No. 27 (4)—Food Processing Industries: Flour.			
M/s. Sree Venugopal Flour Mills Sultanpet, Bangalore-2 (Mysore), (Bangalore, Mysore State)	Wheat products (C. O. B.)	tonnes p. a. 11,400	L/27 (4) (7)/66-LI (1) 3-4-67
Schd. Ind. No. 15 (2)—Industrial Instruments: Indicating Recording and Regulating Devices for Pressure Temperature, Rate of Flow, Weights, Levels and the like.			
The General Manager Instrumentation Ltd., Kotajhalawar Road, Kota (Rajasthan) (Pudusser, Palghat, Kerala)	Item Description of items	Annual capacity in pieces	L/15 (2)/1/67-LEI (A) 6-3-67
	Pressure, vacuum consumation and level measuring and controlling instruments		
	1. Pressure and vacuum indicating gauges, draughts and pressure gauges, pneumatic level indicators, recording gas thermographs ...	1,00,000	
	2. Differential membranee pressure gauges with electrical induction transmitter, flow-meters and rotameter, pneumation cokpensqtion transmitters, differential pressure gauges	30,000	
	3. Floating level controllers, and matters	10,000	
	4. Electric level controllers ...	10,000	
	Total ...	1,50,000	
	II. Automatic hydraulic instruments.		
	1. Impulsers with balanced bellows. Impulsers with low-pressured membrane ...	2,000	

(Continued)

(Continued)

Name and full address of the undertaking (and location)	Articles of manufacture and capacity (type of licence i.e. NU/SE/NA/COB/ shifting)		Licence No. and Date
	2. Straight-type regulating hydraulic units. Two-way crank hydraulic sermomotors.	4,000	
	3. Single stage hydraulic amplifiers. Control desks for automatic controllers ...	8,000	
	Total ...	14,000	
	III. Automatic pneumatic instrumemts.		
	1. Secondary recording instruments, secondary indicating instruments	8,000	
	2. Regulating units, programme settlers, converters and signal indicators ...	20,000	
	Total ...	28,000	
	IV. Complementary outfits to instruments.		
	1. Synchro-hydraulic transmitters 2. Signal receivers 3. Hydraulic Isodromes 4. Control Programme devices 5. Adjustment mechanisms 6. Remote controlled valves (blocking) 7. Separating & equalising 8. Condensation vessels, valves, rods	4,000	

(Continued)

(*Continued*)

Name and full address of the undertaking (and location)	Articles of manufacture and capacity (type of licence i.e. NU/SE/NA/COB/ shifting)	Licence No. and Date
	9. Bellows of stainless steel & seme-tomleac, single layer, double layer, five layer & berillium or ouze ... 10,00,000	
	10. Bellows for level controller. 10,000	
	11. Bellows for small size recording instruments ... 90,000	
	12. Membrane of stainless steel and berillium bronze ... 2,30,000	
	13. Membrane boxes ... 40,000	
	Total ... 13,74,000	
	V. Bourdeon tubes ... 5,00,000	
	VI. Experimental works } 4% of the total for the plant as required	
	VII. Spare parts }	
	Grand total ... 20,66,000	
	N. U.	

STATEMENT SHOWING LETTERS OF INTENT ISSUED DURING — MARCH AND APRIL, 1967, TO PARTIES WHO HAVE APPLIED FOR LICENCES UNDER THE INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951

Name and address of the undertaking (and location)	Articles of manufacture and capacity	Letter of Intent No. and Date
Schd. Ind. No. 1 A—Metallurgical Industries: Ferrous.		
M/s. The Indian Steel Rolling Mills Ltd., 'Oriental Buildings' Armenian Street, G. T. Madras-1 (Madras State)	M. S., H. C. and special steel billets (Capacity to be determined) N. U.	A (1) (219)-LC/64 30-3-67
Schd. Ind. No. 5—Electrical Equipment.		
M/s. Metal Lamp Caps India (P) Ltd., Post Bag No. 2, Ulsoor, Bangalore-8 (Mysore)	Million nos. p. a. Starter switches for fluorescent tubes ... ... 1.5 N. A.	7-(5) 66-LEEI 13-3-67
M/s. Transformer and Electricals Kerala Ltd., Angamally (P.O.) Ernakulam, (Kerala)	Capacity p. a. (in nos.) (*i*) Circuit breakers (66/33/22 KV) ... 75 (*ii*) Circuit breakers (11 KV) ... 300 (*iii*) P. T. and C. T. (11/22/33/66 KV) ... 1,500 N. A.	
M/s. W. S. Insulators of India Ltd., 'Dhun Building' 175/1, Mount Road, Madras (Madras State)	Nos. Lightning arrestor pellets ... 5,00,000 N. A.	EEI-B (25)/66 27-2-67
Schd. Ind. No. 7—Transportation.		
M/s. Mopeds India Ltd., Palaniswamy Naidu St., Avanashi Road, Coimbatore-1 (Madras State)	Nos. p. a. Flay-wheel magnetos ... 12,000 N. A.	7 (208)/65-A. E. Ind. (1) 23-2-67

(*Continued*)

(*Continued*)

Name and address of the undertaking (and location)	Articles of manufacture and capacity	Letter of Intent No. and Date
Schd. Ind. No. 15—Industrial Instruments.		
M/s. International Instruments (P) Ltd., 140, Hosur Road, Adugodi (Post), Bangalore-11 (Mysore)	Nos. p. a. Pressure gauges, temperature gauges revolution counters and stroke counters and tractor hour meters etc., ... 3,00,000 S. E.	LEI (A)-17 (53/65 10-3-67
Schd. Ind. No. 19—Chemicals (Other than Fertilisers).		
Sri P. Govindaswamy, C/o. Century Chemicals, 330, Thambu Chetty St., Madras-1 (Madras State)	BHC (Technical) ... Tonnes p. a. ... 3,000	A & I.-32 (31)/65 20-2-67
Schd. Ind. No. 35—Cement and Gypsum Products.		
Sri S. Sulaiman, Cuddapah Asbestos Cement Products, 3/86, Trunk Road, Cuddapah (Andhra Pradesh)	Asbestos cement Tonnes p. a. ... 30,000	6-1/66-CEM 3-3-67

STATEMENT SHOWING CHANGES EFFECTED IN THE NAMES OF OWNERS/ UNDERTAKINGS DURING THE MONTHS OF MARCH AND APRIL, 1967

NIL

STATEMENT SHOWING THE LICENCES REVOKED/SURRENDERED DURING THE MONTHS OF MARCH AND APRIL, 1967

Licence No. and Date	Name of the Party	Articles of Manufacture
L/5 (1)-90/EEI/63 16-9-63 (N. U.) (Madras State) (Surrendered)	M/s. Sethuram Thiagarajan & Co., Madras	Circuit Breakers
L/23 (1)/614/63-Tex (B) 18-11-63 (N. U.) (Madras State) (Surrendered)	M/s. Central Studios (P) Ltd., Coimbatore	Cotton waste yarn

EDITED AND PUBLISHED BY THE DIRECTOR OF INDUSTRIES AND COMMERCE, GOVERNMENT OF MADRAS AND PRINTED AT THE PRESS BRANCH, MADRAS STATE SMALL INDUSTRIES CORPORATION LTD. INDUSTRIAL ESTATE, GUINDY, MADRAS-32.

M S S I C. - P.B. - J. 285 - C 650 / 13-12-67