SALIENT FEATURE

State Administration

Report.

1966-67

Dept. of Industries and Commerce.

STATE ADMINISTRATION REPORT

1966 - 67

SALIENT FEATURES

★

DEPARTMENT OF INDUSTRIES AND COMMERCE

MADRAS-5

STATE ADMINISTRATION REPORT

1966 - 67

SALIENT FAETURES

DEPARTMENT OF INDUSTRIES AND COMMERCE
MADRAS

INTRODUCTION

The Department of Industries and Commerce is one of the important departments of the Government of Tamil Nadu, concerned as it is, with the development of industries in the State.

2. LARGE AND MEDIUM SCALE INDUSTRIES
CENTRAL SECTOR

In the field of Large Scale Industry, public undertakings in the Central Sector figure prominently. It has been estimated that more than Rs. 200 crores have been invested by the Government of India in these undertakings. These projects besides producing valuable products, much in demand, have also been responsible for the growth of small industries as ancillary industries in the State.

(*i*) Neyveli Lignite Corporation, Neyveli

This is the largest of the Government of India projects with an investment of about Rs. 160 crores. 2·457 million tonnes of lignite were mined, 1,262·45 million units of power were generated, 60,157 tonnes of urea and 48,292 tonnes of Carbonised Briquettes were produced.

(*ii*) Integral Coach Factory, Perambur

Investment in this project was a little more than Rs. [illegible] crores with a capacity to manufacture 700 coaches per annum. During 1966-67, 684 shells and 539 furnished coaches were manufactured.

(*iii*) Surgical Instruments Project, Nandambakkam

The capital investment in this project was Rs. 4 crores with a capacity to produce 2·5 million pieces. During 1966-67 the unit produced 2,45,944 instruments and sold 15,969 instruments.

(*iv*) Hindustan Teleprinters, Guindy

Total investment in the project was of the order of Rs. 4·20 crores. During 1966-67, 2701 Z. N. units were produced and plant offered employment to about 800 persons.

(*v*) Hindustan Photo Films Manufacturing Company, Ootacamund

This unit started commercial production with cine film positive (black and white) in January, 1967.

(*vi*) High Pressure Boiler Plant, Tiruchirapalli

This is another of the Government of India Projects with an investment of Rs. 22·46 crores. During 1966-67, 3,000 tonnes of boiler components for an approximate value of Rs. 3 crores were produced.

Other Government of India Projects like Heavy Vehicles Factory, Avadi and Small Arms Factory at Tiruchi were making good progress. Preliminary works for Madras Refineries and Madras Fertilisers were taken up during 1966-67.

STATE SECTOR

1. Madras Continuous Steel Casting Plant, Arkonam

This is a project for the manufacture of steel billets required by the Rerolling Mills. Land was acquired and construction of factory building was in progress.

2. Tamilnad Cements, Alangulam

The plant involves a capital outlay of Rs. 6 crores. Land was acquired and construction work was in progress.

3. Small Scale Cement Plant, Dalmiapuram

This Pilot Cement plant was set up at Dalmiapuram. The total capital investment on the plant was Rs. 24 lakhs.

CO-OPERATIVE SPINNING MILLS

There were 12 Co-operative Spinning Mills in the State. During the year under review, the new Co-operative Spinning Mills faced a serious financial crisis due to the increase in their capital cost. There was also an unprecedented power cut in July 1966. The mills had therefore to limit their production to the availability of power. To enable the mills to tid over the financial crisis, a loan of Rs. 70 lakhs was sanctioned to the eight new spinning mills.

CO-OPERATIVE SUGAR MILLS

There were 6 Co-operative Sugar Mills in the State. Till 1966-67, the Government had contributed a sum of Rs. 157·5 lakhs towards the share capital of these mills. A new Co-operative Sugar Factory was coming up at Thimmanahalli near Dharmapuri.

PRIVATE SECTOR

Considerable progress has been achieved in the State in the field of Metallurgical Industries, Consumer Industries, Mechanical, Electrical and Chemical Industries.

25 large scale industries including Textiles were licensed during 1966-67 and 29 letters of intent were issued in respect of Large Scale Industries during 1966-67. 5 Medium Scale Industries were registered during 1966-67. The number of medium scale industrial undertakings registered with the Directorate General of Technical Development was 29.

3. SMALL SCALE INDUSTRIES

All industrial units whose total investment in plant and machinery alone does not exceed Rs. 7·5 lakhs, irrespective of the number of persons employed, are treated as Small Scale Units. In respect of industrial units manufacturing ancillaries and components, the capital cost is extended upto Rs. 10 lakhs. Before 1960, there were not many Small Scale Industries. Between 1960 and 1967 more than 10,000 industrial units have registered themselves as Small Scale Units and at the end of the period under review, there were 10,835 registered Small Scale Industries Units in the State. While this heartening development s due to the initiative and enterprise of the entrepreneurs, yet the active role played by the State Government in such development can hardly by exaggerated.

From a mere Rs. 2·76 lakhs in the First Plan, the expenditure on Small Scale Industries rose to Rs. 589 lakhs and Rs. 1,120 lakhs respectively during the Second and Third Plan periods. Under the Plan Schemes, assistance has been provided in different forms such as technical advice in better utilisation of tools and machinery, provision of credit and training facilities, supply of raw materials, service facilities etc.

Under the plan schemes, servicing centres like Tool Room Shops Forge and Heat Treatment Shops, Common Lease Shops, General Purpose Engineering Workshops and Training Centres have been set up in different parts of this State. Though the production units like the Tool Room etc.

were transferred to the control of the Tamil Nadu Small Industries Corporation Ltd., the servicing units like the Common Lease Shops, General Purpose Engineering Workshops and the Training Centres like the Technical Training Centre continued to be administered by the Department.

COMMON LEASE SHOPS

These shops offer facilities which an average small industrialist cannot afford to provide for himself individually. Such shops have been established at Guindy, Ambattur, Pettai, Madurai, Tiruchirappalli and Coimbatore.

1. COMMON LEASE SHOP, GUINDY

This unit started functioning from 1958 at the Industrial Estate, Guindy with the gift machines received under T. C. M. aid to afford service facilities. A sum of Rs 72,570 was collected as hire charges on the 816 jobs undertaken. Though the shop has no production programme of its own, job orders on the manufacture of components and fixtures required by the Defence units at Avadi were undertaken by the unit to substitute imported components to save foreign exchange.

There is no stipendiary scheme. Only 6 unpaid apprentices were trained each year. Polytechnic students are also admitted for in-plant training on the requisition of the principals of the respective institutions.

2. COMMON LEASE SHOP, AMBATTUR

This shop commissioned on 1-8-66, functions in the Industrial Estate at Ambattur. A sum of Rs. 22,545·76 was collected as charges for services rendered. An anodizing section has also been attached to the shop.

3. COMMON LEASE SHOP, PETTAI

This has been set up in the Industrial Estate at Pettai near Tirunelveli. During 1966-67, a sum of Rs. 37,475·45 was collected on the 94 jobs undertaken.

4. COMMON LEASE SHOP, MADURAI

The shop at Madurai has been equipped to offer service facilities to the Spinning Mills established in and around Madurai. During 1966-67, 45 jobs were undertaken and a sum of Rs. 39,342·75 was collected.

5. COMMON LEASE SHOP, TIRUCHI

This shop, commissioned in July, 1964, functions in the Tiruchi Industrial Estate. During 1966-67, a sum of Rs. 16,482·25 was collected towards services rendered.

6. COMMON LEASE SHOP, PODANUR

This shop was commissioned in September, 1964. During the year, a sum of Rs. 26,896·81 was collected towards services rendered.

The particulars in respect of other units of the Department are given below.

GENERAL PURPOSE ENGINEERING WORKSHOP, KANCHEEPURAM

Six acres of land were acquired, construction of factory was completed and machines were erected at the end of the period.

TRAINING CENTRES (Small Scale Industries)

(*i*) Technical Training Centre, Guindy

The centre offers training in Die Designing, Die Sinking, Machine Operation and Forge and Heat Treatment. The Government of Tamil Nadu are eligible for grant of 50% of recurring expenditure, 50% of the cost of the building and 75% of the cost of the machinery and equipment from the Government of India.

The scheme envisages payment of stipend to the trainees as detailed below:

50 Trainees of Metal Trades	...	Rs. 75 p. m.
20 Trainees of Die Designing	...	Rs. 125 p. m.

(Rs. 125 p.m. for L. M. E.s and Rs. 200 p. m. for B.E., degree holders)

The details of the trade and duration of the training are given below:

Sl. No.	Trade	No. of Trainees	Duration
1.	Die Designing	10	2 years
2.	Die Sinking and Tool Making ...	20	1½ years
3.	Machine Operation	20	1½ years
4.	Forge and Heat Treatment ...	10	1½ years

The centre has been provided with a well-equipped workshop and staff to impart training.

(ii) Die and Tool Designing Centre, Dindigul

This centre offers specialised training in Tool and Die making to 32 artisan boys for a period of three years. The trainees are paid stipend of Rs. 50 p. m. During 1966-67. 20 artisans were undergoing training in the Third batch and 12 in the Fourth batch. 20 artisans had already undergone the three year course successfully and they were able to secure employment as Die makers in the various Tool Rooms in the State.

OTHER DEPARTMENTAL UNITS (Small Scale Industries)

(i) Central Service and Repair Cell for Electro-Medical Equipments, Guindy

At the instance of the Medical department of the Government of Tamil Nadu, a Central Service and Repair Cell for Electro Medical Equipments was established at a temporary location in the King Institute, Guindy. A sub-centre has also been sanctioned for establishment at Madurai. The object of the scheme is to obviate the difficulties experienced in the repairs, maintenance and servicing of all the electro-medical equipments in the hospitals and medical institutions throughout the State.

During 1966-67, initial action was taken to set up the Cell at Madras. Testing equipments and tool kits were purchased for the purpose. Rs. 1 lakh was sanctioned for the land, building and amenities and the centre was temporarily located in the King Institute, Guindy.

(ii) Wool Processing Centre, Vinnamangalam

This was started as a joint venture of the Tamil Nadu and Mysore Governments. Chemical Washing of Goat Hair for export as well as for local requirements is being done in the unit. The Centre produced 478 tonnes of Acid and Hypo washed goat hair during 1966-67 and sold 401 tonnes. The total export to Germany and Australia during the period was 193 tonnes worth about Rs. 4·31 lakhs. 50 people were employed in the unit.

(iii) Coir School, Eathamozhi

The scheme is the first of its kind in the State and this was sanctioned as a first step for the development of coir industry in the State by making available sufficient number of trained hands in the use of modern machines and equipments in this industry. The duration of the training is two years and a stipend of Rs. 25 each is paid to the trainees. There were 39 trainees as on 31-3-67. The training given to the students of the institution is thorough and covers all the activities of the coir industry, both traditional and modern, and students from all over the State were undergoing training

in the school. Most of the machinery sanctioned under the original and expansion schemes were purchased.

INDUSTRIAL ESTATES

Perhaps the most important measure of assistance extended to the development of Small Scale Industries in the State was the establishment of Industrial Estates which may perhaps be truly called a package programme for industrial development of given regions. The principal objective of the establishment of Industrial Estates has been to speed up and to encourage industrial development by providing well-planned accommodation to Small Scale Industries with facilities of water, power, transport, communication etc.

(i) Conventional Industrial Estates

Nineteen such estates were established in the State during the Second and Third Five Year Plan periods.

During 1966-67, the establishment of four Conventional Industrial Estates at Kancheepuram, Mettur, Karur and Hosur were sanctioned. Construction of the following additional units was also sanctioned during 1966-67.

Ambattur	...	...	35 units
Katpadi	...	...	12 units
Madurai	...	...	18 units

In all 382 units were functioning in the 19 estates all over the State. The Government had invested a little less than Rs. 5 crores in these estates. The units both Government and private had invested nearly Rs. 11 crores in their capital goods and they produced goods to the value of nearly Rs. 15 crores offering employment to about 14,000 persons.

(ii) Functional Industrial Estates

During the Third Five Year Plan, two functional estates were established, one at Madhavaram for Leather Goods and the other at Vridhachalam for Ceramics.

To meet the increasing demand, construction of four more units was sanctioned. A functional Estate is one organised to suit the requirements of a group of industries belonging to the same category. Through the medium of functional estates, industries which would normally require large capital investment have been brought within the competence of small entrepreneurs capable of investing only a small capital. In these estates common facilities for specific purposes have been created to enable production of superior articles.

(*iii*) Ancillary Industrial Estates

Such an estate is meant for units catering to the needs of large industries. The Government enabled the manufacturers of Royal Enfield Motor Cycle to set up a private ancillary estate for the manufacture of various components and ancillary items required in the manufacture of Motor Cycles and Scooters. For locating small scale units for the manufacture of different components, parts and stores required by the Heavy Pressure Boiler Plant at Tiruchi, an ancillary estate, was sanctioned and construction work was in progress.

(*iv*) Private and Co-operative Estates

Besides setting up Industrial Estates themselves, the Government have also been actively encouraging the private and co-operative agencies to set up industrial estates. The private company or the co-operative society is expected to raise by way of share capital 20 per cent of the cost of the estate and the remaining 80 per cent is given by way of long term loan by the Government which is repayable in 15 annual instalments.

There were two private and four co-operative Industrial Estates in the State. For setting up these estates, the Government had provided loan assistance to the tune of Rs. 91·96 lakhs upto 31-3-67 as indicated below:

Sl. No.	Name of the Estate	Loan Assistance Provided Rs. in lakhs
1.	K. R. Sundaram Private Industrial Estate Ltd., Tiruvottiyur	13 · 46
2.	Coimbatore Private Industrial Estate, Coimbatore ...	22 · 00
3.	Tuticorin Co-operative Industrial Estate ...	8 · 00
4.	Sivakasi Co-operative Industrial Estate	8 · 00
5.	Sakthi Co-operative Industrial Estate	16 · 00
6.	Vyasarpadi Co-operative Industrial Estate, Vyasarpadi	24 · 50
	Total ...	91 · 96

In the above estates, 104 factories were constructed.

(*v*) Developed Plots

This is an extension of the accepted concept of Industrial Estates. This scheme envisages acquiring of suitable sites at low cost around the

industrial areas of the State and developing these sites by providing roads, electricity, water, sewage, etc. and allotting them to large, medium and small industries to put up their factories and start production without much difficulty. This system was first introduced in the Ambathur Estate where 430 acres of land were developed and allotted. Development of land for the second phase of allotment was in progress. Sanction was also accorded for the establishment of Developed Plots at Ambathur, Tiruchirapalli, Ranipet, Mettur and Guindy.

4. IMPORTS AND CONTROLS

Iron and Steel (Indigenous)

The Iron and Steel Control order of 1956 continued to be in force during 1966-67 also subject to the modifications issued by the Iron and Steel Controller from time to time. The revised system of planning and distribution of the Iron and Steel Materials recommended by the "Raj Committee" also continued to be in force during 1966-67.

In January, 1966, the Iron and Steel Controller exempted control over all categories of Iron and Steel materials except for minor items and this was also in force during 1966-67.

The control over plate was relaxed by the Directorate on 7-2-'66 and this relaxation was also extended on 30-6-66 for a further period of six months upto 30-6-1967.

The Directorate fixed a time limit of 60 days for operation of B. C. Sheets on 13-4-66 and this was revoked on 1-10-66. A time limit of 90 days was also fixed for operation of B. P. sheets of 16 G.

The allotment of controlled categories of steel made to the State during 1966-67 was as follows:

1. Pooled quota

   (Consisting of Government Development Schemes, Steel Processing Industries and Non-agricultural) ... ... 6,492.000 M. Ts.

2. Small Scale Industries quota ... ... 2,721.000 M. Ts.

The entire quantity was distributed through the registered stock holders.

Non-ferrous Metals

During the year 1966 (April-March, 1967), the Chief Controller of Imports and Exports, New Delhi, announced through Public Notice No. 155/ITC(PN)/66, dated 17-12-66 that the Actual Users would be allowed to import non-ferrous metals also as in the case of raw materials, component and spares. Manufacturing units in the Small Scale Sector were grouped into priority and non-priority categories and applications from new comers alone were sponsored by this Directorate. Those who had received allocations from the State quotas previously were required to apply for import licences direct to the Joint Chief Controller of Imports and Exports enclosing copies of allotment certificates issued by this office. During the period under review, 385 applications were recommended to the Joint Chief Controller of Imports and Exports, while the remaining 67 applications were rejected.

EXPORT

During the year under review, with a view to ensuring the active participation of State in the export promotion activities, the Government of India suggested that a high level "State Export Promotion Advisory Board" might be constituted under the Chairmanship of the Chief Minister. The State Government accepted the suggestion and called for the necessary proposals from the Director of Industries and Commerce for the constitution of the Board. In accordance with the proposals submitted, Government have passed orders constituting the Madras State Export Promotion Advisory Board with representatives of Chambers of Commerce and other important Trade Organisations and Heads of Departments connected with export as members. Consequent on the formation of the Board, the State Export Committee that was in existence hitherto, ceased to function. The preliminary work for holding the first meeting of the newly constituted Board such as calling for nomination of representatives from Member-Chambers and Associations and collection of subjects for discussion from the members were attended to.

CHEMICALS

In view of the acute scarcity of basic chemicals and allied items such as Phosphorous, Sulphur, Barium Nitrate, Chilean Nitrate, Cocoanut oil, Palm oil, etc., which form the raw materials of chemical industries, the Development Commissioner (Small Scale Industries) New Delhi, allotted certain quantities which were imported and canalised through the State Trading Corporation. These items were distributed among the concerned units in accordance with their demands. The units benefited were paint and varnish making units, dye-stuff manufacturing units, pesticide and insecticide manufacturing units, soap making units, fire works and match industries, etc.

CAMPHOR

In view of the indigenous production of camphor, the Government of India banned the import of camphor during April/March 1966 licensing period. No fresh allotments of imported camphor were made during 1966. The balance quantities left over from the imported stocks of 1964-65 were distributed to individuals and institutions for religious purposes.

AUTHORISATION CERTIFICATES

The number of Authorisation Certificates issued to Small Scale Industrial Units for procuring machines and spare parts during the period under reference was as mentioned below:

	No. of Cases	Value in Rs.
1. Machinery	106	39,54,776 · 19
2. Spare Parts	9	35,166 · 79
Total ...		39,89,942 · 98

COMPLAINTS OF MISUSE OF IMPORTED MATERIALS

During the year under reference about 16 complaints of misuse of imported materials were referred to the Director of Industries and Commerce by the licensing authorities. After due investigation by Field Officers of this Department, reports were sent on all the complaints.

HIRE PURCHASE APPLICATIONS

The system of supply of machinery on hire purchase to Small Scale Industrial Units by the National Small Scale Industries Corporation Ltd., New Delhi on the recommendation of this Department continued during the year and 154 applications having a total value of approximately Rs. 98,56,638 were duly recommended to the Corporation.

RAW MATERIALS, COMPONENTS AND SPARES

During the year under report, the Import Trade Control policy was liberalised and the special licensing schemes were introduced. According to this scheme, no statewise allocation of foreign exchange was made and actual users who received import licences during the periods April / March 1965 and April / March 1966 became eligible for applying for special licences direct to the licensing authorities. The Industries were also grouped as Priority and Non-priority categories with entitlements for Import Licences on the following basis:

(a) **Priority Industries:** 3 times the value of Licence issued in April/March 1965 period or 12 times the value of licence issued in April/March 1966 period.

(b) **Non-priority Industries:** 2 times the value of licence issued in April / March 1965 period or 8 times the value of licence issued in April / March 1966 period.

Only the applications from the new units who had not been issued any licences during April/March 1965 and April/March 1966 period were required to be sponsored by this Directorate.

During the period under review, 473 applications for the import of raw materials, components and spares were received. Out of these, 369 applications to a total c. i. f. value of Rs. 1,35,48,229 were recommended to the Joint Chief Controller of Imports and Exports and the remaining 104 applications were rejected.

CAPITAL GOODS

About 160 applications for licences for the import of machinery items to a total c. i. f. value of Rs. 76 lakhs were received from actual users and all the applications were recommended.

ISSUE OF CONSUMPTION CERTIFICATES

With a view to claim concessional rate of duties from Customs authorities, actual users apply to State Directorate of Industries for the issue of Consumption Certificates. During the period under report 287 such certificates were issued.

B E L VALVES

Radio assemblers in the Small Scale Industries Sector apply for the issue of authorisation certificates for procuring BEL valves through the National Small Industries Corporation Limited. About 25 applications were received during 1966 against which 15 authorisation certificates were issued. The remaining 10 applications were rejected as the units had not gone into production.

As actual users could also get certificates from Chartered Accountants duly certifying their requirements of values and apply to the National Small

Industries Corporation, the submission of applications for authorisation certificates through the Director of Industries and Commerce has been considerably reduced.

PHASED PRODUCTION PROGRAMME

The object of approving the phased production programme of a firm is to curtail the use of imported raw materials or components in the years to come for the growth of newly started units and to regulate their production activities year after year according to a phased manufacturing programme. Phased production programmes were approved in 52 cases during the year under report.

5. SERICULTURE

The sericultural activities were continued during the year under review in Salem, Dharmapuri, North Arcot, Coimbatore, Nilgiris, Tirunelveli, Madurai and Thanjavur Districts. The year was marked by average rainfall, though improperly distributed affecting the normal work.

Under the scheme for mulbery graft production, 1,17,000 grafts were produced by the ten aided nurseries and were supplied to sericulturists.

50 wells sanctioned for the year were allotted, 25 to Hosur, 20 to Talavadi and 5 to Nilgiris and a sum of Rs. 36,500 as loan and Rs. 19,500 as subsidy was disbursed during the year.

Seed Campaign Activities

40·12 lakhs of foreign race seed cocoons were produced at Government Silk Farm, Hosur, as against 37·34 lakhs produced during 1965-66.

Government Silk Farm, Yercaud

In this farm which was started in 1961-62 and which went into production during 1962-63, a quantity of 1,60,880 foreign race seed cocoons was produced as against 80,370 cocoons produced during the previous year.

Government Cross Breed Grainage, Berikai

Due to the improvement in the seasonal conditions, the production of cross breed Dfls rose from 2·21 lakhs Dfls during 1965-66 to 3·20 lakhs Dfls during 1966-67.

Demonstration Silk Farm

1. Krishnagiri

A quantity of 2112 Dfls was reared and 296·67 kgms. of Cocoons were produced during the year.

2. K. V. Kuppam

A quantity of 2,293 Dfls was reared and 220·264 kgms. of cocoons were produced during the year.

Extension Activities
Government Silk Farm, Tenkasi

There were 6·67 acres under mulberry of which 1·67 acres were irrigable. A quantity of 1,300 Dfls were reared during the year yielding 187·5 kgs. cocoons.

Major Mulberry Graft Nurseries

5·7 lakhs of grafts and sapplings were prepared. Sapplings were transplanted and 3·26 lakhs of grafts and sapplings were issued from the two nurseries.

Silk Rearing Unit, Hosur

The unit worked for 205 days. A quantity of 9,187·5 kgms. of cocoons was utilised to produce 487·4 kgms. of raw silk and 520·5 kgms. of silk waste and 14·85 kgms. of dupion silk. Average Renditta was 19·1. A quantity of 589·7 kgms. of raw silk was sold during the year valued at Rs. 66,813·10 at the rate of Rs. 100 to Rs. 140 per kgms.

Government Gut Section, Coonoor

3·09 lakhs of silkworm guts of various lengths and grades were produced. Besides, foreign cocoons were also produced. During the year 1·79 lakhs of guts to the value of Rs. 11,832·72 were disposed to Government Hospitals in the State.

A total expenditure of Rs. 2·28 lakhs was incurred on the plan schemes of the sericulture branch during 1966-67.

6. HANDICRAFTS

The various handicrafts units registered, a steady progress in imparting training to artisans in Stone Sculpture, Metal Sculpture, Temple car manufacture, Art Metal Ware, Bell Metal Ware, manufacture of Sunhemp and Palmleaf products. There was a phenomenal increase in the demand for these articles both in India and abroad as evidenced by sales in local Emporia and exports.

A model Temple car and Vahana for display in the Indian Pavilion at the World Fair held at Montreal were made in the Temple Car Training

Centre at Nagercoil. Arrangements were made for the erection of a rock cut temple at Mahabalipuram emulating the Pallava style.

Among the newly started units are Training Centre for Weaving Carpets and Druggets, Production-cum-Training Centre, for Dressed Dolls, Training Centre for the manufacture of Silver Filigree and enamelled jewellery. At the College of Arts and Crafts, 44 trainees were undergoing training in various arts and crafts. The Sculpture Training Centre, Mahabalipuram, has so far turned out 32 trainees and another 48 trainees have commenced their training. 12 trainees were undergoing training at the Training Centre for Weaving Carpets and Druggets out of sunhemp. Two more production centres were sanctioned during the year 1966.

The production section of the Production-cum-Training Centre for Dressed Dolls had produced 893 dolls to the value of Rs. 25,454 upto 31-12-66 and out of which 432 dolls valued Rs. 13,162 were sold. This is a new venture designed to impart training in Doll designing and Doll making under the guidance of a team of Japanese experts.

The other existing units and other centres made notable progress and diversified their activities during 1966. The Design Demonstration Centre, Madras, had evolved 146 paper designs during 1966 and more than 22 departmental units and private firms were benefited. The Brass and Bell Metal Training Centre at Kancheepuram which is functioning as a Training-cum-Service Centre, produced goods worth Rs. 11,294·31 during 1966-67 and 14 trainees were undergoing training. The Wooden Toy Training Centre, a continuing scheme, started to impart training in making different types of wooden toys, had turned out wooden articles worth Rs. 2,000 during 1966. The training programme continued to function.

The Departmental Emporia run at Madras, Coimbatore, Salem, Thanjavur, Tiruchirapalli, Dindigul, Tirunelveli, Neyveli and Mahabalipuram have registered considerable increase in sales during the year under review. The sales during 1966-67 amounted to Rs. 25,79,457 when compared to the sales of Rs. 20,31,237 in 1965-66 and Rs. 5,01,811 in 1961-62. During 1965-66 and 1966-67, the Emporia earned commission in excess of the expenditure. Handicrafts articles were exported to U. S. A., Holland and other foreign countries through the Handicrafts Export Corporation. This Department, for the first time, undertook supply of field cumblies and sleeping blankets to the Estates.

7. INDUSTRIAL CO-OPERATIVES

Industrial Co-operatives continued to play a vital part in the Department of Industries and Commerce. At the beginning of the Third Five Year

Plan, there were 303 Industrial Co-operatives and at the beginning of the Fourth Five Year Plan, the number rose to 406 and now in the State there are 411 societies.

The total expenditure of Industrial Co-operative Societies in the Second Five Year Plan was Rs. 39·73 lakhs. As against a total expenditure of Rs.39·73 lakhs in the II Five Year Plan, the expenditure on Industrial Co-operative Schemes in the Third Five Year Plan amounted to Rs. 173·27 lakhs and this was exclusive of the loan of Rs. 64·51 lakhs advanced by the Madras State Industrial Co-operative Bank and Rs. 13·77 lakhs given to the Industrial Societies under State Aid to Industries Act.

There were 228 Small Scale Industrial Co-operatives (including 4 Industrial Co-operative Estates) with a share capital of Rs 51·57 lakhs. The sales collected by these societies amounted to Rs. 1·82 crores. There were 141 Handicrafts Societies and their sales amounted to Rs. 430·54 lakhs. There were four Ex-servicemen Co-operative Societies. The sales in these societies amounted to Rs. 11,41,203. There were other special types of Industrial Co-operative Societies.

There were eight Co-operative Tea Factories, each set up at a cost of Rs. 9·10 lakhs. The Kundha and Kotagiri Tea Factories produced and sold tea worth Rs. 28,69,930 and Rs. 23,43,369 respectively. During 1966, the Karumbalam and Kilkotagiri Tea Factories were commissioned.

The Sakthi Co-operative Industrial Estate, Pollachi, continued to function satisfactorily with a share capital of Rs. 4 lakhs and a Government loan of Rs. 16 lakhs. There were 44 members who subscribed a share capital of Rs. 4.04 lakhs. All the 12 units at Pollachi were allotted to 12 members.

In the Sivakasi Co-operative Industrial Estate, there were 29 members at the end of the year 1966 with a paid up share capital of Rs. 2,64,000.

There were two other Private Industrial Estates which were under implementation. The total cost of these schemes is Rs. 69.76 lakhs which includes a loan of Rs. 48·00 lakhs sanctioned by the Government.

The Industrial Co-operative Bank has sanctioned loans to the tune of Rs. 41,32,000 to 53 Industrial Co-operatives and Rs. 3,96,900 to 7 Small Scale Industries during the year 1966.

The four apex societies viz., The Madras State Industrial Co-operative Bank, Small Scale Industries Co-operative Society, Handicrafts Co-operative Marketing Society and Trichirapalli Co-operative Metal Rolling Mills continued to function well. The Tiruchirapalli Co-operative Rolling Mills which is an important society among the 4 apex societies, produced during

1966-67, 131·582 M. Tons of brass sheets and circles valued at Rs. 11,03,606 and sold 99·450 M. Tons of the above products whose value was Rs. 7,73,965. There were 49 members and the production capacity is 25 M. Tons per month of single shift per day.

8. MINING, GEOLOGY AND CHEMICAL ENGINEERING

(i) Mining and Geology Branch

The State Geology Branch, as in previous years, continued to contribute its own share of work for the industrial development of Tamil Nadu by way of conducting a series of mineral investigations to find out new sources of mineral deposits, to prospect the newly located ones in detail and to develop the existing deposits. During the year under review, among other things, particular emphasis was laid on the search for base-metal ores, as the need for them is more urgent. Apart from this, a number of investigations covering the location of industrial estates, Government farms and assessment of ground water potentialities was carried out and in all cases, technical reports and notes supplied. Economic minerals like ores of copper, molybdenum, zinc, and lead were prospected. To hasten up the development of the multimineral deposit of Mamandur, a team of technicians was deputed.

In the chemical section of the branch, 1,100 samples were analysed during the year and special analysis like Geo-chemical and other types were also undertaken.

(ii) Chemical Branch

Chemical Testing and Analytical Laboratory

The Laboratory continued to receive various types of samples like coal, fertilisers, steel and other ferrous metals, minerals, cement etc. for analysis and during the period under review, 2,122 samples sent by both Government departments and private parties were tested. A total sum of Rs. 27,765 was collected towards fees from the private parties for the samples tested (No fee was levied for Government samples). Further 622 cases relating to chemical and allied industries referred to the laboratory by Private and Government bodies were examined and suitable advice offered. Besides, a number of technical feasibility reports were prepared.

In the library attached to the laboratory, 127 books and 1,000 specifications were added to the library.

Mechanical and Metallurgical Laboratory

This laboratory recognised by the Defence Department and the Inspector of Armaments, Government of India and fully equipped to undertake all types of physical tests, extended testing facilities to the units of the Tamil Nadu Small Industries Corporation. During the year, construction of X-ray block to house the Industrial X-ray unit was constructed and the equipments were installed.

Scheme for the Manufacture of Iron Ores from Lemon Grass Oil

Equipments necessary for the unit were procured during the year. During the pilot studies, experiments were conducted to finalise conditions of reactions in the process of manufacture of Geraniol Ex-palmarosa and successful results were obtained. With a view to make the scheme economically successful, production of Citral from Lemon Grass Oil and Geraniol from Palmarosa oil was taken up and Rs. 23,430 worth of material was sold.

Sago Research Laboratory, Salem

The Laboratory continued to cater to the needs of sago Industrials in and around Salem. During the year, 150 samples of Sago and Starch and other samples were analysed and many factories in Salem were helped to obtain the Indian Standards Institution certification mark. Assistance was also rendered in the adoption of modern scientific methods and in the procurement of plant and machinery.

Unit for the manufacture of Active Carbon at Neyveli

2·75 acres of land were acquired in Parvathipuram near Vadalur and construction work was in progress. It was proposed to manufacture active carbon using Neyveli Lignite as the raw material.

Scheme for the manufacture of Magnesium Carbonate from Litterns

The site was selected for the unit.

9. PUBLICITY

The Publicity Section is entrusted with the task of publicising the activities of the department, the emphasis being on the publicity for the products made in the departmental units through the media of advertisements, exhibitions etc. Advertisements were released periodically in leading Newspapers and Magazines to give publicity to the departmental products and also to attract prospective entrepreneurs to start [illegible] industries in the various Industrial Estates in the State.