

No. 3(21)IA(II)(G)/58
Government of India
Ministry of Commerce & Industry

New Delhi, the 21st May, 1958.

From

Shri B. B. Saksena, M.A., LLB.,
Joint Secretary to the Government of India.

To

All Members of the Central Advisory Council
of Industries and Standing Committee of the Council.

Subject:- Appointment of Shri S. N. Haji as a member
of the Standing Committee of the Central
Advisory Council.

Sir/Madam,

In continuation of this Ministry's letter No. 1(4)-1
IA(II)(G)/58, dated the 9th April 1958, on the above subject, I
am to inform you that Shri S. N. Haji, Chairman, All India
Manufacturers' Organization, Bombay, has been appointed as a
member of the Standing Committee of the Central Advisory Council
of Industries to advise the Central Government on matters
concerning the development and regulation of scheduled industries
under Rule 17 of the Central Advisory Council (Procedural) Rules,
1952.

Yours faithfully,

B. B. Saksena

(B. B. Saksena)

Joint Secretary to the Government of India.

Copy forwarded to:-

Shri S. N. Haji,
Chairman,
All India Manufacturers' Organization,
4th Floor,
Co-operative Insurance Building,
Sir Pherozshah Mehta Road,
Fort, Bombay-1.

S. M. Banerjee

(S. M. Banerjee)
Under Secretary to the Government of India.

203
No. 3(21)IA(II)(G)/57
Government of India
Ministry of Commerce & Industry

New Delhi, the 25th June, 1958.
17 JUN 1958

From

Shri V. V. Nene,
Deputy Secretary to the Government of India.

To

All Members of the Central Advisory Council
of Industries and Standing Committee of the
Council.

Subject:- Appointment of Shri N. D. Sahukar as a member of
the Standing Committee of the Central Advisory
Council of Industries in place of Shri S.N. Haji.

Sir/Madam,

In continuation of this Ministry's letter No. 1(4)-
IA(II)(G)/58, dated the 9th April 1958, and in supersession of
this Ministry's letter No. 3(21)IA(II)(G)/58, dated the 21st May
1958, on the above subject, I am to inform you that Shri N.D. Sahukar, Chairman, All India Manufacturers' Organisation, Bombay, has been appointed as a member of the Standing Committee of the Central Advisory Council of Industries to advise the Central Government on matters concerning the development and regulation of scheduled industries under Rule 17 of the Central Advisory Council (Procedural) Rules, 1952 vice Shri S. N. Haji who is no longer the Chairman of the All India Manufacturers' Organisation


Yours faithfully,


(V. V. Nene)

Deputy Secretary to the Government of India.

Copy forwarded to:-

1. Shri S. N. Haji,
C/O All India Manufacturers' Organisation,
4th Floor, Co-operative Insurance Building,
Sir Ferozshah Mehta Road,
Fort, Bombay-1.
2. Shri N. D. Sahukar,
M/s. Godrej & Boyce Manufacturing Co. Private Ltd.,
Lalbaug Parel,
Bombay-12.


(S. M. Banerjee)

Under Secretary to the Government of India.

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Immediate
Express Delivery.

No. 1(6)IA(II)(G)/58
Government of India
Ministry of Commerce & Industry

New Delhi, the 14th June, 1958.

From

Shri V. V. Nene,
Deputy Secretary to the Government of India.

To

All Members of the Central Advisory Council
of Industries & Standing Committee.

Subject: Ninth Meeting of the Central Advisory
Council of Industries.

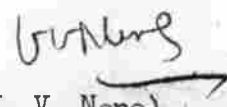
Sir/Madam,

I am directed to say that the Ninth Meeting of the Central Advisory Council of Industries will be held at 9-30 A.M. on Monday the 21st July, 1958 in New Delhi. The exact venue of the meeting will be intimated to you in due course.

2. The Agenda for the meeting is enclosed. Notes on the items of the Agenda will follow shortly.

3. I am to request you kindly to let this Ministry know preferably by telegram, whether you are attending the meeting. If you are attending, your address in New Delhi may kindly be intimated.

Yours faithfully,



(V. V. Nene)

Deputy Secretary to the Government of India.

Government of India
MINISTRY OF COMMERCE AND INDUSTRY

NINTH MEETING OF THE CENTRAL ADVISORY COUNCIL OF INDUSTRIES

Date -- 21st July, 1958.
Time -- 9-30 A.M.
Place -- New Delhi.

A G E N D A

- (1) Chairman's address.
- (2) General discussion on the economic situation in relation to industrial development -
 - (a) Production trends
 - (b) Price trends
 - (c) Review of Foreign exchange position.
- (3) Reports of the Reviewing Sub-Committee of the Central Advisory Council of Industries.
- (4) Annual reports of the Development Councils set up under section 6 of the Industries (Development & Regulation) Act, 1951.
- (5) Report of the Standing Committee of the Central Advisory Council of Industries.
- (6) Note on Productivity activities since the last meeting of the Council.
- (7) Review of the Small Scale Industries.
- (8) Note on the present position of Automobile Industry.
- (9) Note on the present position of Cement Industry.
- (10) Note on the present position of Jute Industry.
- (11) Note on the present position of Sugar Industry.
- (12) Note on the progress of Public Sector Projects.
- (13) Investigation made into the working of cotton textile mills, sugar mills and steel engineering works and the appointment of Authorised Controllers or issue of directions under the Industries (Development and Regulation) Act, 1951.
- (14) Any other subject.

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IMMEDIATE
EXPRESS DELIVERY

No.1(6)IA(II)(G)/58
Government of India
MINISTRY OF COMMERCE AND INDUSTRY

...

New Delhi, the 30th June, 1958.

From

Shri V.V.Nene,
Deputy Secretary to the Government of India.

To

All Members of the Central Advisory Council of
Industries and Standing Committee.

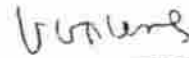
Subject: Ninth meeting of the Central Advisory Council
of Industries to be held on the 21st July, 1958.

Sir/Madam,

Please refer to paragraph 1 of this Ministry's letter
No.1(6)IA(II)(G)/58, dated the 14th June, 1958 on the subject
mentioned above. The venue of the meeting will be the
Commission Room 'G', Vigyan Bhavan, King Edward Road, New
Delhi.

Please acknowledge receipt of this letter.

Yours faithfully,



(V.V.Nene)

Deputy Secretary to the Government of India

IMMEDIATE
BY EXPRESS DELIVERY

No.1(6)IA(II)(G)/58
Government of India
MINISTRY OF COMMERCE AND INDUSTRY

New Delhi, the 9th July, 1958.

From

Shri K.C.Madappa, I.A.S.,
Deputy Secretary to the Government and
Secretary, Central Advisory Council of Industries.

To

All Members of the Central Advisory
Council of Industries & Standing Committee.

Subject: Ninth meeting of the Central Advisory
Council of Industries to be held in New Delhi.


...

Sir/Madam,

In continuation of this Ministry's letter No. 1(6)IA(II)(G)/58, dated the 30th June, 1958, on the above subject, I am directed to inform you that the 9th meeting of the Central Advisory Council of Industries scheduled to be held on the 21st July, 1958 has been postponed and is now likely to be held sometime in August, 1958. The exact date and venue of the meeting will be intimated to you shortly. The inconvenience caused may kindly be excused.

Please acknowledge receipt of this letter.

Yours faithfully,


(K.C. Madappa)
Secretary,
Central Advisory Council of Industries.

IMMEDIATE
BY EXPRESS DELIVERY

No. 1(6)IA(II)(G)/58
Government of India
Ministry of Commerce and Industry

New Delhi, the 17th July, 1958.

From

Shri K.C. Madappa, I.A.S.,
Deputy Secretary to the Government of India
and Secretary, Central Advisory Council of Industries.

To

All Members of the Central Advisory
Council of Industries.

SUBJECT:- Ninth meeting of the Central Advisory Council
of Industries.

Sir/Madam,

In continuation of this Ministry's letter No. 1(6)IA(II)(G)/58, dated the 9th July, 1958, on the above subject, I am directed to inform you that the 9th meeting of the Central Advisory Council of Industries will be held at 10.00 A.M. on Thursday, the 7th August, 1958 in the Banqueting Hall, Hyderabad House, New Delhi.

2. The Agenda for the meeting was forwarded to you under this Ministry's letter No. 1(6)IA(II)(G)/58, dated the 14th June, 1958. Notes on the items of the Agenda will follow shortly.

3. I am to request you kindly to let this Ministry know, preferably by telegram, whether you are attending the meeting. If you are attending the meeting, your address in New Delhi may also kindly be intimated.

Yours faithfully,

K.C. Madappa
(K.C. Madappa)

Deputy Secretary to the Government of India
and
Secretary, Central Advisory Council of Industries.

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IMMEDIATE
BY AIR MAIL

No.1(6)IA(II)(G)/58
Government of India
MINISTRY OF COMMERCE AND INDUSTRY

New Delhi, the 24th July, 1958

From

Shri K.C.Madappa, I.A.S.,
Deputy Secretary to the Government of India and
Secretary, Central Advisory Council of Industries.

To

All Members of the Central Advisory
Council of Industries.


Subject: Ninth meeting of the Central Advisory
Council of Industries to be held in New
Delhi on the 7th August 1958.

Sir/Madam,

Please refer to this Ministry's letter
No.1(6)IA(II)(G)/58, dated the 17th July, 1958 on
the above subject. I am enclosing one folder
containing notes on items (2) to (13) of the Agenda.
2. The Annual Reports of the Development Councils
referred to in item (4) of the Agenda may be found
in a separate folder.

Kindly acknowledge receipt of this letter and
the enclosure.

Yours faithfully,


(K.C.Madappa)
Secretary,
Central Advisory Council of Industries

28 NOV 1958

Immediate.

(5)
101
No. 1(17)IA(II)(G)/58.
Government of India
Ministry of Commerce & Industry

New Delhi, the 27 NOV 1958 November, 1958.

From

Shri R. J. Bhojwani,
Under Secretary to the Govt. of India.

To

✓ The General Secretary,
All India Trade Union Congress,
4, Asoka Road,
New Delhi.

Subject:- Reconstitution of the Central Advisory Council
of Industries.

Sir,

I am directed to say that the tenure of certain members of the Central Advisory Council of Industries, set up under section 5 of the Industries (Development & Regulation) Act, 1951, has expired on the 31st October 1958. In this connection a copy of this Ministry's S.R.O. 2534, dated the 1st November 1956, is enclosed for ready reference. The Government of India propose to fill up the vacancies created and to appoint thereon ~~two/one/one~~ representative(s) of your Organisation to represent the interests of persons employed in industrial undertakings in the scheduled industries. I am accordingly to request you to kindly suggest the name(s) of ~~two/one/one~~ suitable persons for consideration by Government. I am to add that although Government would normally not object to the nominations made by you, the final choice would be made in their discretion.

2. I am also to add that ~~Sarvesh S. R. Vasavada and Michael Jehn~~/Shri S. A. Dange/~~Shri S. A. Dange~~ - the existing nominee(s) of your Organisation are/is also eligible for appointment.

3. I am to request that a reply to this communication may please be furnished urgently.

Yours faithfully,


(R. J. Bhojwani)

Under Secretary to the Government of India.

No. 1(17)IA(II)(G)/58
Government of India
Ministry of Commerce & Industry

New Delhi, the 7 DEC 1958 December, 1958.

From

Shri A.K. Chakravarti,
Under Secretary to the Govt. of India.

To

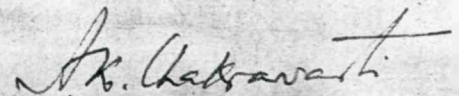
The General Secretary,
All India Trade Union Congress,
4, Ashoka Road,
New Delhi.

SUBJECT:- Reconstitution of the Central Advisory Council of
Industries.

Sir,

I am directed to invite your attention to this
Ministry's letter No. 1(17)IA(II)(G)/58, dated the 27th
November, 1958, on the above subject, and to request you to
kindly expedite your reply.

Yours faithfully,



(A.K. Chakravarti)
Under Secretary to the Govt. of India.

No.203/NM/58
December 31, 1958

Shri A.K.Chakrvarti,
Under Secretary to the Government of India,
Ministry of Commerce & Industry,
New Delhi.

Sub: Reconstitution of the Central Advisory
Council of Industries.

Dear Sir,

Your letter No.1(17)IA(II)(G)/58 dated November
27, 1958 and reminder dated December 7, 1958.

My organisation does not wish to participate
any more in the Central Advisory Council of Industries
and hence I am not sending any nomination.

The reason for this decision are as follows:

The Council was formed to look concretely into
the establishment and development of industries in
the country. Not only questions of policy but even
those of licensing, location, removal, management and
workers' interests were put within the scope of the
Industries (Development and Regulation) Act, 1951
and the Council and the sub-committees formed under it.

The 'Licensing Committee', on which the AITUC
was never given a place, has totally failed in conforming
to the policy of the Five Year Plan, as is evident from
the great muddle in the grant of export-import licenses.

So also the question of location of industries is
not influenced by the Advisory Council. The fact that
no clear policy was evident in the location of the oil
refineries, that hundreds of engineering and other units
are springing up without any plan, congesting housing
areas in town layouts, shows that on the location
question the Advisory Council and its Committees can
do very little.

The most glaring failure of the Council was when
large-scale closure of textile mills was taking place,
many of them due to frauds and bad management, the
Council did nothing to take over these concerns, despite
requests from trade unions and consumer interests.
Many of these closed units were in good condition and
not obsolete.

The Textile Inquiry Committee Report (1958 - page 39)
also suggested the use of the Industries (Development &
Regulation) Act to take over some units but Government
has rejected just that part of the recommendation, by
saying that they do not want to have autonomous corporations
to take over and run such textile units.

page two

But Government has been very anxious to instal automatic looms and already licenses seem to have been issued without even consultation with the trade unions.

Another reason why the AITUC is unwilling to be on the Council any more is that, all these years, the Council as advised by Government has excluded the AITUC deliberately from all important Committees of the Council where concrete decisions are taken. We are therefore left with the annual attendance at the General Conference, where nothing beyond some polite speeches is done.

We have come to this decision with great regrets, though the AITUC is always ready to do its national duty to the proper industrialisation of the country, in the interests of the people.

Yours faithfully,

(S.A.DANGE), M.P.,
General Secretary

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[To be published in Part II Section 3 sub-section (ii) of the Gazette of India dated the 28th June 1958.]

Government of India
Ministry of Commerce & Industry

New Delhi, the 23rd June, 1958.

ORDER

26 JUN 1958

S.O...../IDRA/5/Am.(7). - In exercise of the powers conferred by section 5 of the Industries (Development and Regulation) Act, 1951 (65 of 1951), read with rule 8 of the Central Advisory Council (Procedural) Rules, 1952, the Central Government hereby appoints Mr. J. I. Jamieson to be a member of the Central Advisory Council in place of Shri D. P. Goenka, who has resigned, and makes the following amendment in the Order of the Government of India in the late Ministry of Heavy Industries No. S.R.O. 2534, dated the 1st November, 1956, namely:-

In the said Order, under the heading "To represent their interests of owners of industrial undertakings in scheduled industries" for entry No. 14 relating to Shri D. P. Goenka, the following entry shall be substituted, namely:-

"14. Mr. J. I. Jamieson,
Chairman,
Indian Jute Mills Association,
Royal Exchange,
Calcutta."

[1(5)IA(II)(G)/58]

(S. M. Banerjee)

Under Secretary to the Government of India.

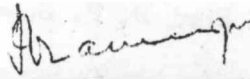
To

The Manager,
Government of India Press,
New Delhi.

No. 1(5)IA(II)(G)/58-I.

Copy forwarded to:-

1. Deputy Audit Officer,
Commerce, Steel & Mines,
New Delhi.
2. All members of the Central Advisory
Council of Industries.
3. Mr. J. I. Jamieson,
Chairman,
Indian Jute Mills Association,
Royal Exchange,
Calcutta.



(S. M. Banerjee)

Under Secretary to the Government of India.

MINISTRY OF HEAVY INDUSTRIES

O R D E R

New Delhi, the 1st November 1956.

S. R. O. 2534. - In exercise of the powers conferred by Section 5 of the Industries (Development and Regulation) Act, 1951 (65 of 1951) read with rules 3 and 4 of the ~~Central~~ ^{Central} Advisory Council (Procedural) Rules, 1952, the Central Government hereby appoints the following ~~persons~~ to be members of the Central Advisory ~~Committee~~ ^{Board} of Industries in place of the members appointed under the Government of India, in the late Ministry of Commerce and Industry. Notification No. S. R. O. 2525 dated the 31st July, 1954, whose term of ~~office has expired~~, namely:-

1. Minister for Commerce and Consumer Industries and Heavy Industries - Chairman.

TO REPRESENT THE INTERESTS OF OWNERS OF INDUSTRIAL UNDERTAKINGS IN SCHEDULED INDUSTRIES.

2. Shri Lakshmi Pat Singhania,
7, Council House Street,
Calcutta-1
3. Shri B.M. Birla,
8, Royal Exchange Place,
Calcutta-1.
4. Shri Arvind N. Mafatlal,
Mafatlal House,
Back Bay Reclamation,
Bombay-1.
5. Shri Babubhai M. Chinai,
President, ^{Sinathi, Reg. Agent,}
Federation of Indian Chambers of Commerce
& Industry,
28, Ferozshah Road,
New Delhi.
6. Mr. W. H. S. Michelmore,
M/s. Bird & Co. Private Ltd.,
Chartered Bank Buildings,
Calcutta.

6. Mr. B. F. Macmillan
c/o Andrew Yule & Co. Ltd.
8, Clive Row,
Calcutta.

*The National Rayon
Corpn. Ltd.
Lubin House,
Brace St. Fort,
Bombay-1*

P. T. O.

7. Mr. G.N. Noel-Tod, O.B.E.,
C/o Messrs Parry & Co. Ltd.,
Dare House,
Madras.
8. Lala Shri Ram,
22, Curzon Road,
New Delhi.
9. Shri P.A. Narielwala,
C/o Tata Industries Private Ltd.,
Bombay House,
Bruce Street,
Fort,
Bombay.
10. Shri Biran Mookerjee,
12, Mission Row,
Calcutta.
11. Shri K.C. Mahindra,
C/o Messrs Mahindra & Mahindra Ltd.,
Gateway Building,
Apollo Bunder,
Bombay-1.
12. Shri Ravi L. Kirloskar,
460/2, 18th Cross,
Malleswaram,
Bangalore-3.
13. Shri P.P. Ramakrishnan, M.Sc., (M.I.T.),
Managing Director,
Ramakrishna Industries (Private) Ltd.,
Peelambur P.O.,
Coimbatore.
14. Shri D.P. Goenka,
Chairman,
India Jute Mills Association,
Royal Exchange,
Calcutta.
15. Dr. William A. Sarabhai,
Chidambaram,
Ahmedabad-13.
16. Shri N. Dandekar,
Managing Director,
Cement Agencies (Private) Ltd.,
Cement House,
121, Queens' Road,
Bombay-1.

14. Mr. J. I. Jamieson,
Chairman,
India Jute Mills
Asn.
Royal Exchange,
Calcutta

TO REPRESENT THE THE INTERESTS OF PERSONS EMPLOYED IN
INDUSTRIAL UNDERTAKINGS IN SCHEDULED INDUSTRIES.

17. Shri S.R. Vasavada,
President, INTUC.,
Textile Labour Association,
Gandhi Majoor Sevalaya,
Bhadra,
Ahmedabad.

18. Mr. Michael John,
President,
Tata Workers' Union,
17 K Road,
Jamshedpur.
19. Shri S. A. Dange, M.P.,
General Secretary,
All India Trade Union Congress,
4, Asoka Road,
New Delhi.
- 19A Shrimati Maniben Kara,
7, Hughes Road,
Bombay.

TO REPRESENT THE INTERESTS OF CONSUMERS OF GOODS
MANUFACTURED OR PRODUCED BY SCHEDULED INDUSTRIES.

20. Shri Bimal Coomer Ghose, M.P.,
63/1, Mahanirvan Road,
Calcutta-29.
21. Mrs. Raksha Saran,
9, Talkatora Road,
New Delhi.
22. Shri B.P. Singh Roy,
India Steamship House,
Old Court House Street,
Calcutta-1.
23. Shri Asoka Mehta, M.P.,
5, Dadyseth Road,
Babulnath,
Bombay-7.
24. Dr. K. S. Krishnan,
Director,
National Physical Laboratory of India,
Hillside Road,
New Delhi.
- 24A. Pt. H.N. Kunzru, M.P.,
George Town, W. P. B. London Road,
Allahabad. AL - A - A - R - A - D.

*President,
Federation of
Indian Chambers of
Commerce & Industry
Federation House,
Barakhamba Road,
New Delhi.*

TO REPRESENT OTHER INTERESTS INCLUDING PRIMARY PRODUCERS.

25. Shri A. Ramaswami Mudaliar, M.P.,
"India Steamship House",
21, Old Court House Street,
Calcutta-1.
26. Shri Ramarao Madhaorao Dashmukh, M.P.,
Morsi Road,
Amravati (Berar),
Madhya Pradesh.
27. Shri Guru Govinda Basu,
C/o G. Basu & Co.,
6, Hastings Street,
Calcutta.

28. Dr. V.K.R.V. Rao,
Director,
Delhi School of Economics,
University of Delhi,
Delhi-8.
29. Dr. R. Balakrishna,
Professor of Economics,
University of Madras,
University Buildings,
Chepauk,
Madras.

[3(10)IA(GB)/56]

Sd/-

(B.B. Saksena)
Joint Secretary to the Govt. of India.

'Jagdish'

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

Review of the progress of industries in India
during the quarter October - December 1957.

Industrial production recorded further increase during the quarter October - December 1957. The General Index of Industrial production (1951 = 100) at 134.4 in October was higher by 2.5 points as compared with the corresponding month of the preceding year. November, when the Index touched 148.1, registered a greater increase of 5.8 points and a similar rate of increase over the corresponding month of the preceding year was maintained in December, with the Index (provisional) at 141.8. The increase in production was especially marked in machine tools, diesel engines, jute sliver spinning frames, domestic refrigerators, winding wires, superphosphates and salt. However, a few items, particularly those in the group of metal products such as razor blades, hurricane lanterns and expanded metal, showed a decline.

(A) Public Sector Projects:-

The production of penicillin (First Crystals) by the Hindustan Antibiotics amounting to 65.5 lakh mega units during the quarter under review showed a small decline as compared with the preceding quarter and an appreciable increase as compared with the corresponding quarter of the preceding year.

The Hindustan Insecticides showed good progress in the manufacture of D.D.T. (Technical), which amounted to 183.53 tons during the quarter as against 138.3 tons in the preceding quarter and 109.6 tons in the corresponding quarter of the preceding year.

The Hindustan Machine Tools forged further ahead with its production programme. 99 machines, including 9 milling machines (5 horizontal milling machines and 4 vertical milling machines) were produced during the quarter.....

quarter under review. A record production of 42 machines (35 lathes and 7 milling machines) was attained in November. The implementation of the Radial Drill programme in technical collaboration with M/s. Hermann Kolb of West Germany is progressing satisfactorily. For the expansion of indigenous production of machine tools it was decided in principle to extend special financial assistance to this industry, through the N.I.D.C.

The Sindri Fertiliser factory increased its production of ammonium sulphate from 81,231 tons in July-September 1957 to 92,837 tons during the quarter under review.

In regard to the Neyveli Lignite Project, a subsidiary contract for the preparation of a detailed project report on the thermal power station was signed by the Lignite Corporation with the Soviet Organization, M/s. Techno-export, Moscow. The project is one of the industrial enterprises to be established in India with the help of the 500 million rouble Soviet long-term credit. The pilot plant received under T.C.M. Aid for conducting large scale tests on Neyveli Lignite is being erected at the site.

The agreement with U.S.S.R. also covered three other projects, namely, Heavy Machine Building Project, Coal Mining Machinery Project and Optical Glass Project, and contracts were given to M/s. Techno-export of U.S.S.R. for the preparation of detailed project reports.

Substantial progress was also, made by the National Instruments Factory which produced Rs. 7.82 lakhs worth of various types of scientific instruments during the quarter under review, as against Rs. 5.39 lakhs in the preceding quarter and Rs. 5.84 lakhs in the corresponding quarter of the preceding year. Similarly the output of the Nahan Foundry recorded an increase, from 326 tons in the corresponding quarter of the preceding year to 449 tons during the quarter under review.

The.....

The National Small Industries Corporation made considerable progress during the period under review. Two Industrial Estates, at Okhla and Allahabad, were nearing completion. The negotiations with M/s. Imperial Tobacco Co. and M/s. Burn and Co. to induce them to farm out their orders for certain components to small units were successful and trial order was placed by M/s. Imperial Tobacco Company on the Central Engineering Organisation at Calcutta. The proposal for the manufacture by small units of bolts and rivets required in the fabrication of railway wagons by M/s. Burn & Co. was followed up. The Allahabad Institute actively pursued the proposal to set up small scale units for the manufacture of bicycle components required by M/s. Metal Goods Private Ltd., Varanasi. Follow up action was also taken to explore the possibilities of supplying through small units components required by large manufacturers of textile machinery, in the Western Region and of bailing studs and certain other items for the textile units in the Southern Region. The completion by the Corporation of the Russian order for the supply of 2.5 lakh pairs of shoes was followed by a repeat order for the supply of 65,000 pairs. A similar order was received from Poland, while Burma evinced interest in certain hardware items and locks and China, in cycles.

(B) Private Sector Projects:-

Many of the projects in the private sector achieved satisfactory progress during the quarter under review. M/s. Hindustan General Electric Corporation, Calcutta commenced production of I.C. Switches under their expansion scheme. A new unit, namely, M/s. E.M.C. Works, Kanpur, for the manufacture of disconnecting switches, pole mounting fuse and pins and other hardware items also commenced production on a limited scale. The manufacture of H.S. meters by G.E.C. Calcutta, electric motors of M/s. A.E.I. Manufacturing Co. Ltd., antibiotics by Sarabhai Chemicals and lamps

by M/s. Oldham and Sons, India Ltd. under their expansion projects was also begun during the period. Full production under their expansion schemes was also achieved by M/s. Metropolitan Springs Ltd., Bombay, in the manufacture of leaf springs and parts, M/s. Rampur Eng. Co. Ltd., Rampur in the assembly of bicycles, M/s. Dunlop Rubber Co. (India) Ltd., Calcutta, in latex foam products, M/s. Lakshmiratan Engineering Works, Faridabad in Diesel engines and M/s. Goetze India Ltd., New Delhi in piston rings. Trial production was started by M/s. Rohtas Industries for the manufacture of M.G. and fine paper. Straw Products Ltd. Bhopal began trial production of duplex boards and M.G. pressings. Hindustan Refractories, Calcutta commenced manufacture of fire bricks. Manufacture of crockery and sanitary-ware by Research Industries Ltd., Calcutta, was also begun during this period. Among the new units, M/s. Orient Paper Mills Ltd., Brijrajnagar began trial runs of its caustic soda/liquid chlorine plant, as also M/s. Sonawala Industries (P) Ltd., Bombay which has undertaken solvent extraction of oil cakes. The Bharat Mining Corporation, Calcutta commenced production of fire bricks, fire clay and fire cement. M/s. John Fowler and Co. Ltd., Bombay which has undertaken the manufacture of filters and spare element began manufacture in respect of the latter. Part production was achieved by M/s. Payen and Talbros, New Delhi in the manufacture of gaskets.

The manufacture of a few new articles was also taken up during the period. Mention may be made of the production of blower motors by M/s. Gandhi Electrical Industries and of benazytzine tablets and neomycin sulphate by M/s. Glaxo Laboratories, Bombay.

Licences issued:-

During the quarter under review 61 licences were issued under the Industries (Development and Regulation) Act. These included 16 for the establishment of new units, 29 for expansion of existing units, 2 for carryover and expansion/ and 14 for the manufacture of new articles. Industry-wise, 2 of these licences were for iron and steel structurals, 3 for other products of iron and steel, 2 for electric lamps, 2 for textile machinery, 2 for chemicals, 3 for dyestuffs, 9 for pharmaceuticals and drugs, 11 for textiles, 3 for paper board and straw board, 2 for sugar, 4 for fermentation industries, 3 for vegetable oils and one each for glycerine, cosmetics, rubber tyres and tubes, other rubber goods, leather and leather goods, glass, laboratory-ware, chinaware and pottery, portland cement, heavy chemicals, automobiles and ancillaries, electrical equipment, electric fans, fuels, and iron and steel pipes.

A brief review of the trends in the production of the major commodities is given in the following paragraphs.

I. Basic Industries

(1) Coal:- The production of coal which was of the order of 10 million tons during July-September 1957 and October-December 1956 increased, by about 11%, to 11.5 million tons during the quarter ending December 1957. The increase was a result of a few new collieries having gone into production.

(2) Pig Iron:- The production of pig iron amounted to 495 thousand tons during the quarter under review as against 453 thousand tons in the preceding quarter and 498 thousand tons in the corresponding quarter of the preceding year. There was thus a small increase of 9% over

the preceding quarter and a negligible decline of about 1% over the corresponding quarter of the preceding year. The improvement over the preceding quarter is attributable to better utilisation of existing capacity.

(3) Finished Steel:- As against 331 thousand tons in July-September 1957 and 338 thousand tons in October-December 1956, the production of finished steel during the quarter under review amounted to 338 thousand tons. While it remained steady as compared with the last quarter of 1956, production showed a small increase of 2 per cent over the preceding quarter.

(4) Cement:- The production of cement during the quarter under review was 16 lakh tons as against 13 lakh tons in the preceding quarter and 12.8 lakh tons in the corresponding quarter of the preceding year. The increase as compared with both the quarters was, therefore, substantial, having been of the order of 22 per cent and 25 per cent respectively.

The increase may be attributed to the coming into production of one new cement factory and of the expansion projects of two factories.

A significant development in the industry during the quarter was the arrangements made by some of the cement factories for the procurement of capital equipment through the agency of T.C.M. Aid Fund.

II. Textile Industries:

(1) Cotton yarn and cloth:- 444 million lbs. of cotton yarn and 1285 million yards of cotton cloth were produced during the quarter under review. This may be compared with the production of 445 million lbs. of yarn and 1323 million yards of cloth during the preceding quarter and 437 million lbs. of yarn and 1353 million yards.....

yards of cloth in the corresponding quarter of the preceding year. Although there was a negligible increase over the corresponding quarter of last year in the case of cotton yarn, the other comparisons show a small decline in both yarn and cloth. A shift in the pattern of production from coarser to finer varieties of cloth and larger accumulation of stocks with some of the units was responsible for this decline.

(2) Jute manufactures:- 268 thousand tons of jute manufactures were produced during the quarter ending December 1957, as against 254 thousand tons in July-September 1957 and 249 thousand tons in October-December 1956. This showed an increase of about 6 per cent over the preceding quarter and 8 per cent over the corresponding quarter of the preceding year.

(3) Woollen and worsted yarn & fabrics:- There was an improvement in the production of these items. As against 7.5 million lbs. of yarn and 4.2 million yards of fabrics in the preceding quarter and 6.8 million lbs. of yarn and 4.3 million yards of fabrics in the corresponding quarter of the preceding year, the quarter under review recorded a production of 7.9 million lbs. of yarn and 4.7 million yards of fabrics.

III. Non-ferrous metal industries:

The quarter under review witnessed a production of 1987 tons of aluminium, 139 tons of antimony, 2042 tons of copper, 902 tons of lead, 88 tons of non-ferrous pipes and tubes and 5295 tons of brass and copper sheets and circles. While aluminium, antimony, copper, and non-ferrous pipes and tubes recorded a decline amounting to 0.5%, 9.1%, 3% and 18% respectively over the preceding quarter, lead, and brass and copper sheets and circles recorded increases amounting to 18% and 8% respectively. The position was better as compared with the corresponding quarter of the

preceding.....

preceding year, aluminium, copper, lead and brass and copper sheets and circles, registering an increase of 17%, 5%, 15% and 22% respectively. Antimony, however, showed a decline of 12%. A larger decline of 24% was witnessed in the case of non-ferrous pipes and tubes.

In order to cater to the increased demand, the existing plants in both aluminium and copper worked at full capacity. The decline in antimony production was due to the shortage of imported antimony ore.

IV. Metal Products:

63 million (Nos) of razor blades, 709 thousand (Nos) of hurricane lanterns, 575 thousand (gross) of crown cork, 22 thousand (Nos) of oil pressure lamps, 5 thousand tons of bolts, nuts, rivets and dog spikes, 261 tons of expanded metal, 1949 thousand (gross) of wood screws, 532 thousand (gross) of machine screws and 897 (Nos) of duplicators are estimated to have been produced during the quarter under review. As compared with production during the preceding quarter, crown cork and oil pressure lamps recorded a substantial increase of about 31%, while the increase in duplicators, having been 157%, was marked. Machine screws recorded a small increase of 2%. In the other items there was a decline, which was substantial in hurricane lanterns, (22%), bolts, nuts and rivets and dog spikes (25%) and small in razor blades (3%), wood screws (3%) and expanded metal (13%). A comparison with the corresponding quarter of the preceding year showed a substantial decline in razor blades (27%), hurricane lanterns (49%), crown cork (38%), expanded metal (48%) and a small decline in wood screws (4%). There was improvement in the remaining items, oil pressure lamps recording a small increase of 7%. Machine screws recorded a more substantial increase (19%). A still higher increase of 32% was noticed in duplicators.

The decline in the production of some of the items in this group such as razor blades, wood screws, and hurricane lanterns was due to difficulties in procuring the required type of raw materials, either indigenous or imported. The marked increase in the production of duplicators was due to the fact that one of the existing units which had been closed for a long time, resumed production during the quarter. The increase in machine screws was due to part implementation of the licensed schemes. In other cases the improvement resulted from better demand in the market and higher utilisation of existing capacity.

V. Machinery:

Among the items falling under this group production amounted to 42.8 thousand (Nos) in sewing machines, 6.1 thousand (Nos) in diesel engines, 16.9 thousand (Nos) in power driven pumps, 581 (Nos) in calico looms, 307 ring spinning frames, 41 jute sliver spinning frames, 719 thousand lbs. of grinding wheels and 176 tons of cotton and hair belting. In addition, machine tools valued at Rs.71.2 lakhs are estimated to have been produced during the quarter under review. As compared with the preceding quarter, sewing machines, diesel engines, power driven pumps, jute sliver spinning frames, grinding wheels, cotton and hair belting and machine tools recorded an increase. The increase ranged from about 6% in machine tools to as much as 114% in grinding wheels. Calico looms and ring spinning frames, however, showed a decline of 23% and 13% respectively. Production was higher over the corresponding quarter of last year in the case of sewing machines (21%), diesel engines (43%), power driven pumps (34%), jute sliver spinning frames (46%) and machine tools (92%). Ring spinning frames, grinding wheels and belting, however, recorded a decline which was about 11%, while in calico looms the decline was still higher, being 21%.

There was a rise in the production of sewing machines because one of the existing units implemented its expansion scheme and a new unit went into production during the quarter under review. In the case of jute sliver spinning frames, machine tools, diesel engines and power driven pumps, better offtake was responsible for increase in production. The decline in the production of belting was due to unsteady market conditions.

VI. Vehicles:

Now 218 thousand (complete) bicycles are estimated to have been manufactured during the quarter under review as against 198 thousand in the preceding quarters and 201 thousand in the corresponding quarter of the preceding year; thus showing a sizeable increase over both the quarters. Besides this, parts of bicycles valued at Rs. 53 lakhs were also produced, which was, however, slightly lower (10%) as compared with the corresponding quarter of last year and substantially lower (24%) as compared with the quarter ending September 1957.

In regard to automobiles (all sorts), the production of which amounted to 7938 (Nos) during the quarter under review, the position showed some improvement over the preceding quarter, but it was not so good as in the corresponding quarter of last year. The production of piston rings and pistons amounted to 605 thousand and 43 thousand respectively. This showed a deterioration except in piston rings, the production of which increased substantially as compared with that in the corresponding quarter of last year.

The small decline in the manufacture of automobiles was due to the difficulties experienced by producers in obtaining from abroad the necessary raw materials in

~~sufficient quantities as a result~~ of foreign exchange difficulties. The bicycle industry augmented its production by increasing the capacity of one of the existing units and as a result of some new units having gone into production.

VII. Electrical Industries:

The production of the items under this group during October-December 1957 was as follows:-

Conduit pipes, 2623 thousand R.ft; dry cells 35 million cells; electric motors 130 thousand H.P.; Storage batteries 82 thousand (Nos); Power transformers 323 thousand K.V.A.; electric lamps, 7640 thousand (Nos); electric fans 140 thousand (Nos); radio receivers 52 thousand (Nos); domestic refrigerators 342 (Nos); bare copper conductors, 2220 tons; winding wires 291 tons and house service meters 84 thousand (Nos).

In comparison with the preceding quarter, with the exception of conduit pipes (9%), dry cells (23%), power transformers (2%) and electric lamps (9%) which showed a decline, all the items in this group recorded an increase ranging from 2% in electric motors to 43% in refrigerators.

As compared with the corresponding quarter of the preceding year production was higher in electric motors, storage batteries, house service meters, power transformers, electric fans, radio receivers, domestic refrigerators and winding wires, the most conspicuous increase being in electric fans (51%), domestic refrigerators (52%) and winding wires (64%). Conduit pipes, dry cells, electric lamps and bare copper conductors, however, recorded a decline which was considerable (24/25%) in conduit pipes and dry cells.

The demand for fans is increasing and this has given an impetus to the industry. As a result, some of the expansion schemes already licensed were implemented and the existing factories utilised their capacity more fully. Similar reasons accounted for the marked increase in the production of winding wires. In the case of refrigerators, the increase in domestic production was mainly due to the restrictions placed on imports with a view to helping the indigenous manufacturers.

VIII. Basic Chemicals:

48 thousand tons of sulphuric acid, 33 thousand tons of superphosphates, 11 thousand tons of caustic soda, 24 thousand tons of soda ash, 4 thousand tons of liquid chlorine, 1.4 thousand tons of bleaching powder and 96 thousand tons of ammonium sulphate were produced during the quarter under review. With the exception of sulphuric acid, superphosphates and bleaching powder, all the items in this group witnessed an improvement over the preceding quarter. As compared with the corresponding quarter of preceding year, however, 4 items namely soda ash, liquid chlorine, bleaching powder and ammonium sulphate showed a small decline ranging from 3% to 11%. Sulphuric acids, superphosphates and caustic soda recorded improvement, superphosphates showing the most noteworthy increase (59%).

The decline in the output of soda ash was mainly the result of the lower production by one of the units due to plant trouble. In the case of caustic soda although there was "go-slow" tactics on the part of labour in one of the units and lower rate of production in another which resumed production after a strike, production was maintained at a slightly higher level. The small decline in the production of bleaching powder was due to the diversion of liquid chlorine to D.D.T. The improvement in the production of

sulphuric acid is attributable to increased demand for the acid by the chemical and the superphosphates industries.

IX. Chemical Industries:

The levels of output attained by the various items in this group during the quarter under review are as follows:-

Dyestuffs, 1811 thousand lbs.; matches 145 thousand cases; soap (organised sector), 28 thousand tons; glue, 6 thousand cwts; plastic mouldings 901 thousand gross; rayon (viscose and acetate), 3 thousand tons; and staple fibre, 1487 tons. While dyestuffs (21%), plastic mouldings (3%) and staple fibre (29%) recorded a decline over the preceding quarter, the other items showed increases ranging from 1% to 13%. As compared with the corresponding quarter of the preceding year, with the exception of dyestuffs and staple fibre which suffered a decline of 4% and 26% respectively, all items recorded an increase which ranged from 1.4% in matches to as much as 39% in rayon.

X. Miscellaneous Industries:

(1) Glass and Glassware:- The production of sheet glass during the quarter under review amounted to 19.2 million sq.ft., as against 11.8 million sq.ft. in the preceding quarter and 14.8 million sq.ft. in the corresponding quarter of the preceding year. This reveals a considerable increase of 30% over the corresponding quarter of last year and a still more substantial increase of 63% over the quarter July-September 1957. An improvement, though of lesser magnitude, was also noticed in glassware (excluding laboratory glassware and glass sheets), the production of which amounted to 34 thousand tons during the quarter under review as against 30 thousand tons and 29 thousand tons in the preceding quarter and the corresponding quarter of last year respectively.

Despite the fact that no new factory came into production during the quarter, there was a considerable increase in production which points to a better utilisation of the existing capacity owing to increase in demand.

(2) Linoleum:- There was a substantial decline of 31% to 37% in the production of linoleum which amounted to 63 thousand lineal yards during the quarter under review as against 100 thousand yards in the preceding quarter and 91.5 thousand yards in the corresponding quarter of the preceding year. This was stated to be due to accumulation of stocks and booking difficulties in the railways.

(3) Paper and Paper Boards: 56.5 thousand tons of paper and paper boards are estimated to have been manufactured during October-December 1957 as against 51 thousand tons in the preceding quarter and 50 thousand tons in the corresponding quarter of the preceding year, thus showing an increase of 10 to 14 percent. Some of the schemes which had been completed earlier went into full production during the quarter resulting in increased output.

(4) Plywood:- The provisional figures available indicate that there was a nominal decline of 1% to 2% in the production of plywood which amounted to 28.1 million sq.ft. during the quarter under review as against 28.5 million sq.ft. in the preceding quarter and 28.6 million sq.ft. in the corresponding quarter of the preceding year. The small decline was due to normal fluctuations in demand.

(5) Tanned hides: There was a small increase of 6% in the production of tanned hides during the quarter as compared with the preceding quarter, although as compared with the corresponding quarter of last year, the position had deteriorated slightly. Output during the quarter amounted to 571 thousand (Nos) as against 540 thousand (Nos) in July-September 1957 and 627 thousand (Nos) in October-December 1956. The fall in production was attributed to the restrictions placed by some of the States on cow slaughter.

(6) Footwear: 1818 thousand pairs of leather footwear and 10.6 million pairs of rubber footwear were produced during the quarter under review. While rubber footwear showed a small improvement over both July-September 1957 and October-December 1956, leather footwear recorded a small decline over the preceding quarter, although it showed a slight improvement over the corresponding quarter of the preceding year. The improvement in the case of rubber footwear was due to better demand.

(7) Tyres and Tubes: 226 thousand (Nos) automobile tyres, 195 thousand (Nos) automobile tubes, 1577 thousand (Nos) cycle tyres, 1618 thousand (Nos) cycle tubes, 10.5 thousand (Nos) tractor and aero tyres and 11.4 thousand (Nos) tractor and aero tubes were produced during the quarter ending December 1957. All the items recorded a decline ranging from 8% to 25% in comparison with the quarter immediately preceding. The position was, however, somewhat better as compared with the corresponding quarter of last year with cycle tyres and tubes showing a small increase and tractor and aero tyres and tubes, a substantial increase. These variations were due to normal fluctuations in demand and to the fact that production of the various items in this industry are interchangeable depending on demand.

(8) Salt: As against 13.9 million mds. in the preceding quarter and 4.6 million mds. in the corresponding quarter of the preceding year, 7.4 million mds. of salt were produced during the quarter under review. This showed a marked increase of 63% over the corresponding quarter of last year, although there was a decline of 47% over the preceding quarter which was due to seasonal factors.

(9) Sugar: The production of sugar increased from 25 thousand tons in July-September 1957 and 451 thousand tons in October-December 1956 to 481 thousand tons in the quarter under review. While the striking increase over the previous quarter was due to seasonal factors, the increase of

P.T.O.

~~7x over~~ the corresponding quarter of last year is significant. This was mainly due to better sugar cane crop. A few new units also came into production in the Bombay State.

(10) Vanaspati: The output of the vanaspati industry, increased from 65 thousand tons in July-September 1957 and 59 thousand tons in October-December 1956 to 77 thousand tons during the quarter under review. The increase was substantial, having been 18% over the preceding quarter and 30% over the corresponding quarter of the preceding year. The increase was attributed to better demand.

(11) Power and Industrial Alcohol: The output of the power and industrial alcohol industry increased from 4.3 million (bulk) gallons in the quarter ending September 1957 and 4.4 million gallons in the quarter ending December 1956, to 4.65 million gallons in the quarter under review. The increase, however, was small, having been 9% and 5% respectively, and was due to increase in demand.

(12) Refractories: The production of refractories which amounted to 95 thousand tons during the quarter under review, as against 93.6 thousand tons in July-September 1957 and 83 thousand tons in October-December 1956 recorded a small increase of 2% over the preceding quarter and a more substantial increase of 15% over the corresponding quarter of the preceding year. Although there was some addition to the existing capacity, the increase in production was not very considerable since the new units came into production only at the fag end of the quarter.

STATEMENT - II

Statement showing licences issued to Industrial undertakings during
the quarter October-December 1957

S.No.	Sched- uled Indus- try No.	Name of the Scheduled Industry	New Units	Substan- tial ex- pansion	For carrying on and substan- tion ex- pansion	New Articles	For carry- ing on business	Change of location	Total
1	1	<u>Metallurgical Industries</u>							
	A	(4) Iron & Steel Structural	1	-	-	1	-	-	2
		(5) Iron & Steel Pipes	1	-	-	-	-	-	1
		(7) Other Products of Iron & Steel	-	1	-	2	-	-	3
2	2	(1) Fuels: Mineral Oil, Motor and aviation oils, diesel oil, kerosene oil, fuel oil, diverse hydro oils and their blends, synthetic fuels, lubricating oils and the like	1	-	-	-	-	-	1
3	5	(3) Electric Fans	-	1	-	-	-	-	1
		(4) Electric Lamps	-	1	-	1	-	-	2
		(9) Electric Equipment, house-hold appliances such as electric irons, heaters and the like	1	-	-	-	-	-	1
4	7	(5) Automobiles (motor cars, buses, trucks, motor cycles, scooters and the like)	1	-	-	-	-	-	1
5	8	A(1) Textile Machinery	-	2	-	-	-	-	2

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STATEMENT - II (Contd.)

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S.No.	Sched- uled indus- try No.	Name of the Scheduled Industry	New Units	Substan- tial ex- pansion	For carrying on and substan- tial ex- pansion	New Articles	For carry- ing on business	Change of locat ion	Total
6	19	(1) Chemicals: Inorganic Heavy Chemicals	-	-	-	1	-	-	2
		(2) Organic Heavy Chemicals	-	1	-	-	-	-	1
7	21	Dyestuffs	-	1	2	-	-	-	3
8	22	Pharmaceuticals & Drugs	3	-	-	6	-	-	9
9	23	(1) Textiles made wholly or in part, of cotton including cotton yarn, hosiery & rope	-	11	-	-	-	-	11
10	24	(3) Paper board & straw board	1	2	-	-	-	-	3
11	25	Sugar	2	-	-	-	-	-	2
12	26	(1) Fermentation Industries - Alcohol	1	2	-	-	-	-	4
				1 SE & shifting	-	-	-	-	
13	28	(1) Vegetable Oils	2	1	-	-	-	-	3
14	29	(2) Glycerine	-	1	-	-	-	-	1
15	29	(3) Cosmetics	-	1	-	-	-	-	1
16	30	(1) Rubber Tyres & Tubes	1	-	-	-	-	-	1
		(4) Other Rubber Goods	-	-	-	1	-	-	1
17	31	Leather, Leather Goods & Pickers	-	-	-	1	-	-	1
18	33	Glass	-	1	-	-	-	-	1
		(5) Glass Laboratory ware	-	-	-	1	-	-	1
19	34	(4) Chinaware & Pottery	1	-	-	-	-	-	1
20	35	(1) Portland Cement	-	1	-	-	-	-	1
Total:-			16	29	2	14	-	-	61

STATEMENT - I (Contd.)

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S.No.	Name of Industry	Unit	October-December 1957	July-September 1957	October-December 1956	Remarks
7. <u>Electrical Industries:</u>(Contd.)						
7)	Electric Fans	'000 Nos.	139.88	132.30	92.48	
8)	Radio Receivers	Nos.	51,867	45,750	44,325	
9)	Domestic Refrigerators	Nos.	342	240	225	
10)	Bare Copper Conductors	Tons	2,220.00	1,800.00	2,490.00	
11)	Winding Wires	Tons	291.00	270.00	177.00	
12)	House Service Meters	Nos.	83,778	81,300	77,094	
8. <u>Basic Chemicals:</u>						
1)	Sulphuric Acid	'000 Tons	47.70	51.82	41.38	
2)	Superphosphates	" "	33.00	44.21	20.82	
3)	Caustic Soda	Tons	11,025.00	10,140.00	10,821.00	
4)	Soda Ash	"	23,874.00	21,270.00	24,990.00	
5)	Liquid Chlorine	"	3,936.00	3,750.00	4,074.00	
6)	Bleaching Powder	"	1,356.00	1,470.00	1,407.00	
7)	Ammonium Sulphate	'000 Tons	96.00	93.86	107.72	
9. <u>Chemical Industries:</u>						
1)	Dyestuffs	'000 Lbs.	1,810.99	2,302.38	1,887.56	
2)	Matches	" Cases	* 144.76	142.30	142.70	*Provisional
3)	Soap (Organized Sector)	" Tons	28.38	26.50	25.61	
4)	Glue	" Cwts.	6.42	5.85	5.54	
5)	Plastic Mouldings	" Gross	*901.20	929.70	884.10	*Approximately
6)	Rayon (Viscose & Acetate)	Tons	3,077.01	2,712.24	2,213.49	
7)	Staple Fibre	"	1,486.92	2,097.64	2,017.05	

STATEMENT - I (Contd.)

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S.No.	Name of Industry	Unit	October-December 1957	July-September 1957	October-December 1956	Remarks
10. Miscellaneous Industries:						
1)	Sheet Glass	'000 Sq.ft.	19,200.00	11,790.00	14,820.00	
2)	Glassware (excl. Laboratory Glassware & glass sheets)	Tons	*34,023.00	29,674.00	29,244.00	*Provisional
3)	Linoleum	'000 Lin.Yds.	63.30	100.32	91.50	
4)	Paper & Paper Boards	" Tons	*56.51	51.12	49.60	*Estimated
5)	Plywood	" Sq.ft.	*28,114.03	28,541.27	28,591.34	*Provisional
6)	Tanned Hides	" Nos.	570.74	540.33	626.96	
7)	Footwear, Leather	" Pairs	1,817.91	1,971.11	1,730.70	
8)	Footwear, Rubber	" "	10,589.64	9,150.06	9,864.52	
9)	Automobile Tyres	" Nos.	225.61	251.52	226.04	
10)	Automobile Tubes	" Nos.	195.45	244.18	235.98	
11)	Cycle Tyres	" "	1,576.74	1,826.27	1,556.38	
12)	Cycle Tubes	" "	1,617.77	1,749.58	1,504.04	
13)	Tractor & Aero Tyres	Nos.	10,551	14,004	8,922	
14)	Tractor & Aero Tubes	"	11,436	12,909	8,346	
15)	Salt	'000 Mds.	7,448.00	13,930.00	4,573.00	
16)	Sugar	" Tons	481.00	25.43	451.00	
17)	Vanaspati	" "	76.91	65.00	59.27	
18)	Power & Industrial Alcohol	" Bulk Gals.	4,651.68	4,283.60	4,425.24	
19)	Refractories	" Tons	*95.22	93.60	82.94	*Provisional

STATEMENT - I

STATEMENT SHOWING PRODUCTION OF MAJOR INDUSTRIES IN OCTOBER-DECEMBER 1957, IN THE
PRECEDING QUARTER, AND THE CORRESPONDING QUARTER OF 1956.

S.No.	Name of Industry	Unit	October-December 1957	July-September 1957	Oct.-Dec. 1956	Remarks
1. <u>Basic Industries:-</u>						
1)	Coal	'000 Tons	11,503.83	10,351.00	10,178.87	
2)	Pig Iron (Basic, Foundry & Direct Castings)	" "	494.91	453.43	498.20	
3)	Finished Steel	" "	338.03	331.10	337.70	
4)	Cement	" "	1,607.91	1,317.00	1,282.07	
2. <u>Textile Industries:</u>						
1)	Cotton Yarn	Mill. lbs.	444.24	445.11	437.22	
2)	Cotton Cloth	" Yds.	1,285.10	1,323.42	1,352.72	
3)	Jute Manufactures	'000 Tons	268.20	253.80	249.10	
4)	Woollen & Worsted Yarn	'000 Lbs.	7,882.	7,532	6,776	
5)	Woollen & Worsted Fabrics	'000 Yds.	4,700	4,263	4,272	
3. <u>Non-Ferrous Metal Industries:</u>						
1)	Aluminium	Tons	1,986.87	1,997.30	1,695.00	
2)	Antimony	"	139.08	153.00	158.10	
3)	Copper	"	2,041.98	2,100.00	1,943.10	
4)	Lead	"	901.98	762.00	784.20	
5)	Non-ferrous pipes and tubes	"	88.14	107.10	115.05	
6)	Brass & Copper Sheets & Circles	"	*5,295.00	4,895.00	4,344.39	*Provisional
4. <u>Metal Products:</u>						
1)	Razor Blades	Mill. Nos.	*63.02	65.15	86.61	*Provisional
2)	Hurricane Lanterns	'000 Nos.	*708.63	911.60	1,388.89	*Provisional
3)	Crown Corks	'000 Gross	*575.41	438.60	930.74	*Provisional
4)	Oil Pressure Lamps	'000 Nos.	*21.62	15.50	20.24	*Provisional
5)	Bolts, Nuts, Rivets & Dog Spikes	'000 Tons	*4.85	6.50	3.77	*Provisional
6)	Expanded Metal	Ton	*261.00	301.00	505.00	*Incomplete

STATEMENT - I (Contd.)

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S.No.	Name of Industry	Unit	October-December	July-September	October-December	Remarks
			1957	1957	1956	
4. Metal Products:(Contd.)						
7)	Wood Screws	'000 Gross	*1,948.50	2,006.60	2,033.10	*Provisional
8)	Machine Screws	" "	*381.60	373.10	320.40	*Provisional
9)	Duplicators	Nos.	897	349	681	
5. Machinery:						
1)	Sewing Machines	Nos.	*42,819	39,378	35,373	*Provisional
2)	Diesel Engines	"	6,120	4,611	4,269	
3)	Power Driven Pumps	"	16,875	14,850	12,594	
4)	Calico Looms	"	581	754	731	
5)	Ring Spinning Frames	"	307	352	345	
6)	Jute Sliver Spinning Frames	"	41	33	28	
7)	Grinding Wheels	'000 Lbs.	719.04	336.30	809.76	
8)	Belting for machinery excluding Fan - Belts (Cotton & Hair Belting)	Tons	*176.40	147.81	199.50	*Provisional
9)	Machine Tools	Value '000 Rs.	*7,120.66	6,743.25	3,706.37	*Provisional
6. Vehicles:						
1)	Bicycles Complete	'000 Nos.	*218.39	198.03	200.63	*Provisional
2)	Parts of Bicycles	Value '000 Rs.	*5,316.62	7,008.50	5,896.50	*Provisional
3)	Automobiles (all sorts)	Nos.	7,938	7,731	8,346	
4)	Piston Rings	'000 Nos.	604.54	864.78	458.15	
5)	Pistons	'000 Nos.	42.76	43.85	45.86	
7. Electrical Industries:						
1)	Conduit Pipes	'000 R.ft.	*2,623.01	2,876.37	3,456.18	*Estimated
2)	Dry Cells	Mill. Cells	35.22	45.63	46.89	
3)	Electric Motors	'000 H.P.	129.90	127.05	104.12	
4)	Storage Batteries	'000 Nos.	81.95	78.30	76.02	
5)	Power Transformers	" K.V.A.	322.75	328.80	264.22	
6)	Electric Lamps	" Nos.	7,639.70	8,415.00	8,377.83	

703
No.7(3)IA(II)(G)/57
Government of India
MINISTRY OF COMMERCE AND INDUSTRY

New Delhi, the 28th December, 1957.

From

Shri K.C.Madappa, I.A.S.,
Deputy Secretary to Government and
Secretary, Central Advisory Council of Industries.

To

All Members of the Standing Committee and
Central Advisory Council of Industries.


Subject: Record Summary of the Proceedings of the First
Meeting of the Standing Committee of the Central
Advisory Council of Industries held in New Delhi
on the 3rd December, 1957.

....

Sir/Madam,

A copy of the Record Summary of the Proceedings
of the First Meeting of the Standing Committee of the
Central Advisory Council of Industries held in New Delhi
on the 3rd December, 1957, is forwarded herewith for your
information.

Yours faithfully,


28/12/57
(K.C.Madappa)
Secretary,
Central Advisory Council of Industries.

RECORD SUMMARY OF THE PROCEEDINGS OF THE FIRST
MEETING OF THE STANDING COMMITTEE OF THE CENTRAL
ADVISORY COUNCIL OF INDUSTRIES HELD IN NEW DELHI
ON THE 3rd DECEMBER 1957.

P R E S E N T

- | | | |
|-------------------------------|----------|---------|
| 1. Shri Morarji R. Desai | CHAIRMAN | |
| 2. Shri Arvind N. Mafatlal | } | |
| 3. Shri Babubhai M. Chinai | | |
| 4. Shri G.D. Birla | | |
| 5. Shri B.C. Ghosh, M.P. | | |
| 6. Prof. M.S. Thacker | | MEMBERS |
| 7. Lala Shri Ram | | |
| 8. Shri Ravi L. Kirloskar | | |
| 9. Shri A. Ramaswami Mudaliar | } | |
| 10. Mr. W.H.S. Michelmore | | |

S P E C I A L I N V I T E E S

- | | | |
|----------------------------|---|--------------------------|
| 11. Shri H. G. Acharya | } | Ahmedabad Millowners' |
| 12. Shri J. Harivallabhdas | | Association, Ahmedabad. |
| 13. Dr. N. Dutt, M.P. | | Bengal Millowners' |
| 14. Shri B.G. Kakatkar | } | Association, Calcutta |
| 15. Shri R.A. Podar | | Bombay Millowners' |
| 16. Shri D.P. Goenka | | Association, Bombay. |
| 17. Seth Hirala l | } | Indian Jute Mills |
| 18. Shri G.B. Zalani | | Association, Calcutta. |
| 19. Shri D.C. Kothari | | Madhya Pradesh |
| | } | Millowners' Association, |
| | | Indore. |
| | | South India Millowners' |
| | | Association, Coimbatore |

REPRESENTATIVES OF MINISTRIES,

Ministry of Commerce & Industry

20. Shri Manubhai Shah,
Minister for Industry.
21. Shri Nityanand Kanungo,
Minister for Commerce.
22. Sh. S. Ranganathan, I.C.S.,
Secretary.

23. Shri B.B. Saksona
24. Shri N. Subrahmanyam, I.C.S.
25. Shri U.L. Goswami, I.C.S.
26. Shri A. Zaman, I.C.S. } Joint Secretaries.
27. Shri V. Nanjappa, I.C.S.,
Textile Commissioner.
28. Dr. B.D. Kalelkar,
Industrial Adviser, (Engineering).
29. Dr. G.P. Kane,
Industrial Adviser, (Chemicals).
30. Shri N. Mazumdar,
Industrial Adviser. (Textile Production).
31. Shri A.P. Mathur,
Joint Chief Controller of Imports & Exports,
Calcutta.
32. Shri S. Paul,
Special Officer (Jute),
Calcutta.
33. Shri K.C. Madappa, I.A.S.,
Deputy Secretary.
34. Shri M.M. Gupta,
Deputy Divisional Manager,
State Trading Corporation,
New Delhi.
35. Shri P.V.B. Menon,
Under Secretary.

Ministry of Prod & Agriculture.

36. Dr. M.S. Randhava, I.C.S.,
Vice-Chairman,
Indian Council of Agricultural Research.

The Standing Committee of the Central Advisory Council met at 10 A.M. on the 3rd December, 1957.

1. Chairman's introductory remarks. -

In the course of his introductory remarks the Chairman observed that the Standing Committee had been set up as a result of the decision taken at the last meeting of the Central Advisory Council for Industries. The Chairman observed that the Standing Committee being a smaller body would be able to meet oftener and discuss matters of interest in an informal atmosphere.

In inviting attention to the notes on the Cotton Textile and Jute Industries circulated at the meeting the Chairman referred to the somewhat difficult position of the Textile Industry and invited suggestions from members so that remedies might be found for the problems facing these industries.

The Standing Committee then took up consideration of the items on the agenda.

2. Consideration of the Report of the Sub-Committee to review the working of the Licensing Committee for the period January-September, 1957.

A statement showing in brief the recommendations made by the Reviewing Committee at the last meeting and the action taken on these recommendations was considered at the meeting. This statement dealt among other things with the recommendations of the Reviewing Committee that an analysis of cases where licences had been applied for by more than one industry with substantially the same interests should be made out.

In initiating the discussions Shri G.D. Birla observed that industrialists may not be discouraged from taking to more than one line. Shri Ramaswami Mudaliar observed that the Reviewing Sub-Committee apprehended that there might be a certain amount of dislocation if parties unable to undertake industrial schemes and implement them successfully were given licences to start a number of schemes. After some discussion during which the Chairman explained Government's intention not to waste capacity but to diversify and distribute industries throughout the country to the extent possible, it was decided that as only a limited number of industrialists were really in a position to undertake industrial schemes and implement them successfully it would be unwise to impose restrictions on a party entering more than one line. As care would be taken as far as possible to see that only bonafide applicants were encouraged,

the Committee decided that it would not be necessary to compile a statement of the type recommended by the Reviewing Sub-Committee.

3. Review of the Jute Industry.

Shri Goenka who initiated the discussion on the Jute Industry placed emphasis on the following problems facing the industry.

Problems facing the Industry.

1. Competition.

(i) In the U.K. Jute goods were losing ground because of the policy of marking up prices followed by the U.K. Government.

(ii) Hessian bags were facing keen competition from paper bags as the modern trend was for smaller package for which paper is the ideal material.

(iii) The evolution of techniques for bulk handling placed jute bags at a disadvantage.

The following suggestions were made by Shri Goenka :-

(a) The U.K. Government might be approached for a reduction in the mark up prices.

(b) Propaganda might be intensified so as to capture foreign markets.

(c) The diversification of manufacture and the development of industrial use for Hessian might be encouraged.

Shri Goenka explained that the industry had been exploring the possibility of evolving a new and cheaper container to compete successfully with paper containers used abroad and observed that these efforts had already secured favourable response in the U.S.A. Shri Goenka also referred to the reconditioning of used bags being carried on under the auspices of the I.J.M.A.

Production

Shri Birla while observing that production had not increased nor had there been improvement in quality suggested that jute could compete only if it was cheap. Shri Chinai remarked that in order to bring down the cost of production and enable the industry to withstand competition there should be a reduction in the price of raw jute as well as a speeding up of modernisation. He commended the suggestions made by the Export Promotion Committee regarding the concentration of production in modern mills, so that uneconomical mills

could be closed down and the labour displaced employed in modern mills working on multiple shifts. Shri Chinai also stressed the need for switching over production to specialised lines.

The need to encourage agriculturists producing raw jute and the importance of industrialists and producers of raw jute thinking in terms of raw jute, the finished products and the markets as a whole instead of only their sectional interests, was emphasised by the Chairman.

Losses incurred by the mills and modernisation. With regard to losses incurred by mills, Mr. Michelmore observed that generally bigger units were sustaining losses, but that modernisation had resulted in some improvement.

Shri Goenka observed that though the cost of production tended to come down as a result of modernisation the heavy retrenchment benefits for labour displaced as a consequences proved a severe strain on the resources of mills. Shri Goenka also pointed out that though modernisation had not progressed as fast as had been programmed, the future of the industry was by no means gloomy.

Labour. Shri Ghosh suggested that the problem of labour should be linked with the earnings of the mills and stated that some mills had a very large number of workers on their 'budli' list. He suggested that a permanent cadre might be fixed in the Jute industry as certain mills made it a point not to accept workers on a permanent basis.

Shri Paul stated that there had been a reduction of only 4 per cent in the ratio of permanent to temporary workers in the Jute industry between the years 1951 and 1956.

Shri Goenka stated that any increase in 'budli' was only seasonal and did not mean that the mills were taking on new hands.

The Chairman suggested that there should be a balance between the interests of labour and employers and that such an understanding would ultimately benefit both. He observed that in matters like this Government were anxious that poor people should be helped effectively.

Production and off-take of cloth.

4. Review of Cotton Textile Industry.

Initiating the discussion Shri Chinai observed that there was some uncertainty prevailing in the Textile Industry because of the Government's policy

with regard to the levy of excise duty and sales-tax. Shri Chinai observed that the rate of increase in the production of cloth in the year 1957 had not been significant. The small off-take of cotton piece goods in the internal as well as in the external markets and the accumulation of stocks was the main problem facing the Government and the industry. Consumer resistance in foreign markets and increasing competition from Japan had resulted in a fall in the demand for Indian cloth abroad. Shri Chinai thought that the agreement entered into by the State Trading Corporation for the import of textile machinery on deferred payment terms might speed up the installation of textile machinery in the country and suggested that foreign exchange might be released for the installation of automatic looms. Shri Chinai commended the suggestion made by the Export Promotion Committee that import of modern machinery might be allowed up to a certain percentage of the value of the goods that might be exported over and above the normal level of exports. Shri Chinai referred to consumer resistance having developed in the country because of high prices for cloth and suggested that an increase in the internal consumption of cloth should be aimed at.

Shri Birla observed that consumption of cloth had not kept pace with production. Difficulty in the matter of credit and high excise duty had also aggravated the accumulation of stocks of cloth. Shri Birla suggested the speedy installation of automatic looms to increase production.

Shri Kirloskar remarked that traders preferred to carry small stocks because of variations in excise duty or sales tax and the burden of carrying the bulk of the production therefore fell on the mills. The slackness in the demand Shri Kirloskar observed was not so much due to consumer resistance as to a definite change in the consumers tastes for which the industry would have to cater.

Shri Shri Ram observed that in spite of efforts sales had not increased and suggested an emphasis on exports to clear the accumulation of stocks.

Shri Pedar remarked that in spite of an increase in the per capita consumption of cloth there had been an accumulation of stocks because of the uncertainty in prices.

The Chairman remarked that consumption was bound to increase and that if in the meantime Production went down it would result in a rise in the price of cloth. The Chairman observed that production and employment should not decrease and at the same time the industry must also not lose. Various remedial measures he said were being examined but the most important was the psychological factor which had to be altered. The Chairman while expressing Government's anxiety to come to the assistance of the industry stressed the importance of unity of thought and purpose amongst the several components of the industry.

Excise Duty
and
Sales-Tax.

2.

Shri Chinai observed that the increased excise duty had been almost wholly absorbed by the industry and trade. He suggested that when the amalgamation of Sales tax with Excise duty was done some reduction of excise duty might be made. Shri Chinai suggested that such a consolidated levy might be made applicable to cloth produced on powerlooms.

Shri Birla observed that the levy of excise duty was unscientific and said that the levy of excise duty had created a crisis for the industry. Shri Birla was of the view that if prices did not improve production would not go up and mills would gradually have to close down.

Shri Kirloskar remarked that variations in excise duty or sales tax had created some apprehension amongst traders. Shri Kirloskar explained that stocks had piled up as the burden of excise duty had fallen on certain sections of the industry where production was considerable. Shri Kirloskar was of the view that while some adjustment in the types of production might ease the situation a more comprehensive solution would be the merging of sales tax with excise duty.

On an enquiry from Shri Rethari the Chairman observed that the question of merging the sales tax with excise duty was under examination and that at this stage

he would not like to make a forecast.

Finance.

3.

Shri Chinai observed that with the decline in prices the profits made by mills had decreased considerably. There had been for some time past a dearth of finance which limited the capacity of the industry to cope with accumulations of stocks and handicapped long range development of the industry. Shri Chinai observed that commercial banks might not be able to cope with this situation and suggested an examination of this problem.

Shri Birla remarked that credit facilities were becoming difficult and suggested that the Reserve Bank might be in a position to assist scheduled banks to advance funds. Some arrangements he said should be made to furnish credit for small traders.

Closure of Mills
and rehabilitation

4.

Shri Chinai referred to mills which had been forced to close down and suggested an enquiry into the working of these mills. He also suggested loan assistance from the N.I.D.C. for the rehabilitation of certain mills. Shri Podar pointed out the difficulties facing mills producing medium and coarse varieties of cloth.

The Chairman observed that he was aware of the difficulties facing the industry and invited suggestions for remedying the situation. On an enquiry from Shri Dutt the Chairman agreed to institute enquiries into the margin of profit made by mills if Shri Dutt would name some cases for investigation. Shri Dutt agreed to furnish a list of names.

Import of
Cotton.

5.

Shri Kirloskar suggested that the policy relating to the import of foreign long staple cotton might be liberalised and announced a little in advance so that mills could buy cotton at competitive rates. Shri Mafatlal endorsed this suggestion. Minister (Industries) agreed to have the matter examined.

Shri Chinai remarked that this system of issuing licences for import of cotton on "first come first served" basis was not satisfactory. Shri Poddar indicated that at least ten days should be given after an announcement

was made. The Chairman observed that quotas should be distributed pro rata on the basis of past consumption and indicated his willingness to have the import licensing system organised on that basis.

Shri Poddar suggested that the average of 3 years should be taken but Shri Kirloskar disagreed with him and suggested the current years's consumption as a more rational basis.

The Chairman observed that certain mills always used foreign cotton while certain other used foreign cotton when it suited them. The Chairman indicated the need to permit some flexibility in the use of foreign cotton by mills and agreed to consider all the points raised before a decision was taken.

Textile Advisory Board.

6.

Shri Chinai suggested that a Textile Advisory Board to review the state of affairs in the textile industry and trade periodically might be constituted so that there might be an integrated approach to all problems. The Chairman observed that this was being examined.

5. Other items brought up for discussion with the permission of the Chairman.

Reduction in the rate of rebate on handloom goods.

1.

The Chairman in answer to an enquiry by Shri Poddar said that it was not the intention to reduce the quantum of assistance to the handloom industry by reducing the rate of rebate on handloom goods. The intention was to make such assistance effective.

Installation of powerlooms in the handloom sector.

2.

The Chairman remarked that the installation of powerlooms in the handloom sector was meant to increase the weaver's income. Shri Ramaswami Mudaliar observed that the employment potential would go down if all handlooms were to be replaced by powerlooms. The Chairman observed that only small co-operative enterprises of handloom weavers for the installation of powerlooms were encouraged.

Ambar Charkha

3.

In reply to an enquiry about the Ambar Charkha programme the Chairman indicated that considering the initial difficulties the progress had been satisfactory. Production was likely to increase in the near future as experience was gained. Generally the earnings were satisfactory. The Chairman remarked that there had

been no slackening in the demand for Ambar Charkhas.

Date of next Meeting.

4.

Shri Ramaswami Mudaliar enquired about the next meeting and suggested a meeting every two months. Minister (Industries) indicated that the next meeting might be held in the first week of February.

To an enquiry by Shri Birla the Chairman indicated that he had no objection to members bringing advisers to meetings of the Standing Committee. He however suggested that as the gathering was already large it might prove inconvenient for transaction of business if more people attended.

New Delhi, the
24th December, 1957.

10/12
24/12/57
(K.C. Madappa)
Secretary,
Central Advisory Council of Industries.

'Jagdish'

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY.

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Minutes of the 50th meeting of the Licensing Committee held at New Delhi on the 19th/20th December, 1957.

PRESENT.

MEMBERS.

1. Shri L.K. Jha, I.C.S., CHAIRMAN
Special Secretary,
Ministry of Commerce and Industry.
2. Shri S.S. Khara, I.C.S.,
Secretary,
Ministry of Steel, Mines and Fuel,
Department of Mines and Fuel,
New Delhi.
3. Shri E.P. Moon, I.C.S.,
Adviser,
Planning Commission, New Delhi.
4. Shri S.R. Bhaia,
Deputy Chief Adviser (Factories),
Ministry of Labour and Employment.
5. Shri Rattan Lal,
Director of Traffic (Transportation),
Ministry of Railways (Railway Board),
New Delhi.

REPRESENTATIVES OF STATE GOVERNMENTS.

6. Shri Ajit Mazoomdar, I.A.S.,
Director of Industries,
Bihar.
7. Dr. M.R. Mandlekar,
Director of Industries,
Bombay.
8. Shri R.V. Raman, I.A.S.,
Secretary to the Govt. of Madras,
Industries, Labour and Cooperation Department,
Madras.
9. Shri K. Narayanaswamy, I.A.S.,
Director of Industries and Commerce,
Mysore.
10. Shri A.G. Menon, I.A.S.,
Secretary to the Govt. of Orissa,
Industries, Mining and Geology Departments,
Bhubaneswar.
11. Shri J.N. Thadani, I.A.S.,
Director of Industries, Punjab.
12. Shri G.R. Bhai,
Joint Director of Industries,
Punjab.

13. Shri A.N. Raju,
Joint Director of Industries, Andhra Pradesh.
14. Shri Uma Shanker, I.A.S.,
Additional Secretary to the
Government of Uttar Pradesh,
Department of Industries, Lucknow.
15. Shri D.C. Taneey,
Under Secretary to the Govt. of Uttar Pradesh,
Department of Industries, Lucknow.
16. Shri B.C. Mallik,
Director of Industries,
West Bengal.
17. Shri P.K. Dave, I.A.S.,
Director of Industries,
Madhya Pradesh.
18. Dr. B.R. Seth,
Director of Industries and Labour,
Delhi.

OTHER INVITEES.

19. Shri U.L. Goswami, I.C.S.,
Joint Secretary,
Ministry of Commerce and Industry.
20. Shri B.B. Saksena,
Joint Secretary,
Ministry of Commerce and Industry.
21. Shri K.K. Sahni,
Joint Secretary,
Ministry of Steel, Mines and Fuel.
22. Dr. B.D. Kalelkar,
Industrial Adviser, (Engg.),
Ministry of Commerce and Industry.
23. Shri T.R. Sathe, Special Officer (Chemicals),
Ministry of Commerce and Industry.
24. Shri N.R. Reddy,
Deputy Secretary,
Ministry of Finance, New Delhi.
25. Shri K.C. Madanna, I.A.S.,
Deputy Secretary to the Govt. of India,
Ministry of Commerce and Industry.
26. Shri P.S. Sunderam,
O.S.D.,
Ministry of Commerce and Industry.
27. Shri S.N. Dandona,
Deputy Secretary,
Ministry of Commerce and Industry.
28. Shri G.L. Mehta, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.

29. Shri T.A.S., Belakrishnan, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.
30. Shri G. Ramanathan, I.A.S.,
Deputy Secretary,
Ministry of Steel, Mines and Fuel,
Department of Iron and Steel, New Delhi.
31. Shri M.V. Bhavnani,
Deputy Director (Transportation),
Ministry of Railways (Railway Board).
32. Shri B.N. Sarolial,
State Trading Corporation.
33. Shri M.M. Gupta,
Deputy Divisional Manager,
State Trading Corporation.
34. Lt. Col. A.L. Talwar,
A.G.D.S, T.D. Directorate,
Ministry of Defence, New Delhi.
35. Dr. A.N. Kapur,
Development Officer,
Development Wing.
36. Shri N. Krishnaswami,
Development Officer,
Development Wing.
37. Shri S.K. Sinha,
Development Officer,
Development Wing.
38. Dr. A. Seetharamiah,
Development Officer,
Development Wing.
39. Shri F.V. Badami,
Development Officer,
Development Wing.
40. Shri S.C. Nundy,
Development Officer,
Development Wing.
41. Shri M.M. Vadi,
Development Officer,
Development Wing.
42. Shri N. Srinivasan,
Development Officer,
Development Wing.
43. Shri P.S. Bhatnagar,
Deputy Development Officer,
Development Wing.
44. Shri N.T. Gopala Pyengar,
Deputy Development Officer,
Development Wing.

45. Shri A. Venkatesiah,
Deputy Development Officer,
Development Wing.
46. Shri N.R. Srinivesan,
Deputy Development Officer,
Development Wing.
47. Shri Joginder Singh,
Deputy Development Officer (Drugs),
Development Wing.
48. Shri A. N. Kukherjee,
Deputy Development Officer,
Development Wing.
49. Shri V. Rama Iyer,
Deputy Development Officer,
Development Wing.
50. Shri B. Shah,
Deputy Development Officer,
Development Wing.
51. Shri D.R. Latey,
Deputy Development Officer,
Development Wing.
52. Shri P.K. Seshan,
Deputy Development Officer,
Development Wing.
53. Shri B.P. Sinha,
Assistant Development Officer,
Development Wing.
54. Shri K. Sankaranarayanan,
Assistant Development Officer,
Development Wing.
55. Shri A.S.L. Rao,
Chief Research Officer,
Office of the Economic Adviser to the
Government of India.
56. Shri V. H. Nene,
Under Secretary,
Ministry of Commerce and Industry.
57. Shri S.V.R. Chari,
Under Secretary,
Ministry of Commerce and Industry.
58. Shri M.C. Misra,
Under Secretary,
Ministry of Commerce and Industry.
59. Shri B.B. Nag,
Under Secretary,
Ministry of Commerce and Industry.
60. Shri B.N. Swaroop, I.A.S.,
Under Secretary,
Ministry of Commerce and Industry.
61. Shri Radhakrishnan,
Under Secretary,
Ministry of Commerce and Industry.

62. Shri S. Anantakrishnan, I.A.S.,
Under Secretary,
Ministry of Commerce and Industry.
63. Shri P.V.B. Menon,
Under Secretary,
Ministry of Commerce and Industry.
64. Shri R. Kalyanasundaram,
Under Secretary,
Ministry of Commerce and Industry.
65. Shri G.S. Sharma,
Under Secretary,
Ministry of Commerce and Industry.
66. Shri K.V. Seshadri, I.A.S.,
Under Secretary,
Ministry of Commerce and Industry.
67. Shri D.N. Krishnamurthy,
Under Secretary,
Ministry of Commerce and Industry.
68. Shri K. Srinivasan,
Under Secretary,
Ministry of Finance,
(Department of Economic Affairs),.
69. Shri GyanChandra,
Director (Sugar),
Ministry of Food and Agriculture.

I. Before the items on the Agenda were taken up for consideration, reference was made to certain general matters and to points arising from the recommendations of the Licensing Committee at its previous meetings.

(i) Foreign exchange situation.

The Chairman referred briefly to the latest developments in regard to arrangements for meeting the current foreign exchange situation. He explained that the minimum terms of deferred payment arrangements that would be acceptable to Government now would be that no payments should arise before April, 1961 and subsequent payments should be spread over a reasonably long period of time. In the alternative, the periodical payments should correspond to the foreign exchange earned or saved as a result of the scheme going into production. He also emphasized that it should not be taken for granted that all schemes for which deferred payment terms are arranged would automatically go through. It was necessary to scrutinise each scheme from the point of view of essentiality, so as not to concentrate a large volume

of foreign exchange liability for the period of Third Five Year Plan in advance.

The Chairman also referred to the fact that the information regarding savings of foreign exchange shown in respect of various schemes in the relevant summaries placed before the Committee were in certain cases quite fictitious. It would not be correct to compute the foreign exchange saving merely on the basis of the difference between the value of the raw materials imported. It was necessary to take into account the fact whether the product in question was actually being imported under the present import policy.

finished product and the value of the

Some matters arising out of the recommendations of the Licensing Committee at its previous meetings were then taken up :

- (a) Application from M/S. Shri Ambika Mills Ltd., Ahmedabad, for the manufacture of cotton waste blankets.

The Committee was informed that the firm had made representations that it had not been able to finalise deferred payment terms and that efforts were being continued to finalise these arrangements.

- (b) Application from M/S. Asiatic Oxygen and Acetylene Co. Ltd., Calcutta, for the manufacture of uncoated electrodes.

The Committee was informed that the firm had not reported finalisation of deferred payment for the import of plant and machinery.

- (c) Application from M/S. International Steel Private Ltd., Calcutta, for the manufacture of 2,400 long tons mild steel galvanised iron wire gauge - (SWG) - (18-32) and 120 tons of wire shorts etc.

The Committee was informed that the report of the Director of Industries, Bihar had been received and was under examination.

- (d) Application from M/S. Ideal Motors Co., Bombay, manufacture of trailers, three wheelers etc.

The Committee was informed that the report of the Ad-hoc Committee appointed to review the present position of scooters, motor vehicles, auto vehicles and three wheelers with reference to their existing capacity, the type of vehicle that should be allowed to be manufactured and the line of future development was under examination and that the application would be considered after this examination had been completed.

- (e) Application from M/S. Voltas Ltd., Bombay- Assembly of tractors.

At an earlier meeting of the Licensing Committee consideration of this application was deferred pending further examination of the following points by the Development Wing in consultation with the C.C.I & E:-

- (i) The grant of a licence under the Industries (Development & Regulation) Act, for just the assembly of tractors might imply some weightage in the matter of the grant of an import licence;
- (ii) The grant of a licence under the Industries (Development & Regulation) Act might imply that the firm would be entitled to manufacture tractors in the future.

The Committee was informed that the matter was expected to be settled soon.

- (f) Application from M/S. Rambahadur Mittal, Firozabad, Manufacture of 120 tons of coloured glass per mensem.

At an earlier meeting of the Licensing Committee the extent to which diversion of the capacity for the manufacture of glass bangles could be permitted for the manufacture of other items of glass-ware was discussed. The Committee was informed that the reports from the State Governments had not yet been received and that a decision would be taken only after the reports of the State Governments had been examined.

- (g) Applications for the manufacture of Sugar from:-

- (i) The Bhopal Sugar Industries Ltd., Sehore;
- (ii) The Jaora Sugar Mills (Private) Ltd., Jaora.
- (iii) M/S. Sasa Musa Sugar Mills Ltd., Sasa Musa (Bihar).
- (iv) The Belvandi Sugar Farm (Private) Ltd., Bombay.
- (v) M/S. Palia Bira Co-operative Cane Society Ltd., Palia Kalan (U.P.)

At the last meeting the Committee was informed that the position of the sugar industry particularly with reference to the export prospects of sugar and the foreign exchange angle was under examination by the Ministry of Food & Agriculture.

The Committee was informed that the Ministry had not completed the examination of this matter and that a decision regarding the future licensing policy in the sugar industry would be taken in the light of the report of the Ministry of Food & Agriculture. The applications would be taken up for consideration after the policy decision had been taken.

- (h) Application from M/S. Devidaval (Sales) Private Ltd., Bombay- Manufacture of electric meters, spring meters, etc.

At an earlier meeting of the Committee, it was decided that clarification should be obtained from the firm with regard to the location of the factory and the terms of foreign collaboration; The Committee was informed that a reply had been received from the firm and was under examination.

(i) Application from M/S. Ahmed Omerbhoy., Bombay-
Manufacture of Vanaspati.

At an earlier meeting the Licensing Committee suggested that the present policy of encouraging fuller utilisation of the existing capacity called for a review as it did not seem altogether desirable that what was additional capacity could be created by inefficient and wornout units being pressed into service and not by the installation of new equipment. The Committee was informed that the entire question of licensing in the vanaspati industry was being reviewed by the Ministry of Food & Agriculture and that until such an examination had been completed, consideration of this application would be deferred.

(j) Application from M/S. Basant Lal Hira Lal Oil and
Dal Mills, Hathras - Manufacture of Tin Containers.

At an earlier meeting of the Licensing Committee, the Committee took the view that as there was a large idle capacity in the tin container industry and as there was a large production of tin containers within a short range of Hathras where the applicant firm proposed to undertake production of containers, the firm might be asked whether it would not be possible to obtain its supply of containers from nearby-sources. The Committee was informed that the information called for had not yet been received from the firm.

(k) Application from M/S. B.P.M. and Co., Calcutta-
Manufacture of Collapsible gates and grills etc.

At an earlier meeting, the Licensing Committee had observed that it was not free from doubt whether the manufacture of collapsible gates, grill and buckles involved only the assembly of component parts or whether it involved the establishment of a re-rolling unit in order to manufacture parts. The Committee felt after a preliminary examination of the matter that the firm might require a rolling mill. The Committee, therefore, desired that the matter might be referred to the Iron and Steel Controller for clarification and further consideration of the application deferred till the clarification necessary had been obtained. The Committee was informed that a reference has been made to the Iron & Steel Controller and that a reply was awaited.

(l) Application from M/S. New India Oil Mills. Bombay-
Manufacture of Copra, Cononut Oil etc.

At its last meeting the Licensing Committee accepted the suggestion made by the Director of Industries, Bombay, that a Press Note might be issued explaining the current policy regarding the expansion of the vegetable oils industry. The Committee was informed that a Press Note was under issue.

(m) Application from M/S. Transformers Ltd., Alwaye
(Kerala) Manufacture of Power and Distribution
Transformers.

The Development Wing had recommended the scheme of expansion from 10,000 KVA to 15,000 KVA,

in order to make the unit economical , but the Committee declined to recommend grant of a licence in view of the fact that the scheme involved expenditure on foreign exchange to an extent of Rs. 1,25,000/-. The Committee observed that as it was not clear whether all the power projects included in the Plan would materialise in view of the difficulties over foreign exchange, schemes for the manufacture of transformers should be postponed for the present. The Committee also observed that a portion of the additional capital required for the expansion project was expected to be obtained from the State Government but that the clearance necessary from the Planning Commission had not been obtained. The Committee, therefore, postponed consideration of the scheme pending clarification of these issues. The Committee was informed that the necessary information had since been received from the firm and that the matter was under examination in consultation with the Development Wing.

- II. (1) Application from M/S. Bharat Fire Bricks and Pottery Works Ltd., Jharia (Bihar), for a licence for effecting a substantial expansion for the manufacture of 1,500 tons of Fireclay refractories, high alumina bricks and fire cement, per mensem, on double shift basis.

The Committee recommended the grant of a licence.

- (2) Application from M/S. Machinery Paints and Chemicals (India) Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Marine Paints from 100 tons to 150 tons per mensem, in collaboration with M/S. Hempel's Marine Paints of Denmark.

The Committee recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of Government.

- (3) Application from Shri K.D. Shoshadri, Aurangabad (Dn.), for a licence for the establishment of a new undertaking (The Andhra Roller Flour Mills) at Hyderabad or Secunderabad (Andhra Pradesh), for the manufacture of 1,000 tons of wheat products like Maida, Rawa, Suji, Atta and Bran, per mensem.

The Committee recommended the rejection of the application as there is already surplus flour milling capacity in the country and the general policy is not to sanction any more capacity in this line.

- (4) Application from M/S. British Paints (India) Ltd., Calcutta, for carrying on the existing business and for effecting substantial expansion of capacity for manufacture of synthetic resins from 600 tons to 1000 tons per annum.

The firm has been in production before the synthetic resin industry was brought within the purview of the Industries (Development and Regulation) Act, 1951, as amended. The total manufacturing capacity then established was about 600 tons per annum. It is now proposed to increase it to 1000 tons per annum as detailed below:-

<u>Name of articles.</u>	<u>Capacity per mensem.</u>
1. Alkyds straight and modified.	60 tons.
2. Phenol formaldehyde resins.	15 tons.
3. Urea formaldehyde resins.	6 tons.
4. Melamine formaldehyde resins.	6 tons.

The Committee recommended the grant of a licence

to regularise the existing activities as well as the substantial expansion on the understanding that the expansion would be carried out with indigenous machinery.

- (5) Application from M/S. Amar Dye-Chem Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Naphthols from 600 tons to 650 tons and Fast Bases from 300 tons to 650 tons.

At its meeting held on 22.7.57, the Licensing Committee had the following scheme of this firm:

Expansion.

Naphthols from 600 to 650 tons per annum.
Fast bases from 300 to 650 tons per annum.

New Articles.

Basic Dyes.	500 tons per annum.
Dry and Emulsion pigments.	435 tons per annum.

The expansion scheme for the manufacture of Naphthols and Fast bases has already been licensed. The manufacture of the new articles mentioned above is a separate line and for it the technical consultancy agreement, deferred payment terms for the import of plant and machinery etc. have not yet been finalised by the firm. It is proposed to issue a licence for these items only after these matters have been satisfactorily settled.

The Licensing Committee noted the position.

- (6) Application from M/S. Hindustan Machine Tools (Private) Ltd. for a licence for carrying on the business of their undertaking for the manufacture of 1,020 Nos. of lathes and milling machines per annum and for the manufacture of new articles, viz., Radial Drills and Castings (Capacity: 3000 tons per annum) in collaboration with M/S. Oerlikons Machine Tool Works, Buehrle and Company of Zurich, Switzerland, M/S. Fritz Werner of West Germany and M/S. Hermann Kolb of West Germany.

The Committee recommended the grant of a licence. ~~The~~ Committee noted that the proposed expansion had been approved by the Cabinet and sanction for foreign exchange required for the import of plant and machinery given by the Finance Ministry (D.E.A.)].

- (7) Application from M/S. Deepak Woollen and Silk Mills, Bombay, for a licence for the establishment of a new undertaking at Bombay for Dyeing and Finishing of 1½ lakh yards of worsted fabrics per mensem.

The Committee recommended the rejection of the application as there is already sufficient capacity for such processing work in the Bombay region.

- (8) Application from M/S. Bengal Immunity Co. Ltd., Calcutta, for a licence for the manufacture of a new article viz. N(4-Methyl benzene sulfonyl)-N⁺-n-butylcarbamide. (Capacity: 15,000 tablets per mensem.)

The Committee recommended the grant of a licence subject to the condition that no special facilities for import of raw materials would be given.

- (9) Application from M/S. May and Baker Ltd., Bombay, for a licence for the manufacture of the following new articles:-

<u>Name of the articles.</u>	<u>Capacity per mensem.</u>
1. Calcium Borogluconate.	275 litres.
2. M.F.C. Solution (Vet)	225 litres.
3. Vesadin Brand.	50 litres.

The Committee recommended the grant of a licence. It was noted that all capital equipment required would be supplied free of charge by the parent company in U.K.

- (10) Application from M/S. C. Rattan and Co., Calcutta, for a licence for the establishment of a new undertaking near Calcutta, for the manufacture of 250 tons of Strawboard, including paper board, mill board, Grey board, ticket board and straw paper per mensem, on three shift basis.

The Committee recommended the grant of a licence. It was understood that the plant and machinery required would be fabricated locally.

- (11) Application from M/S. Bhupal Mining Works, Bhilsara (Rajasthan), for a licence for the establishment of a new undertaking for the manufacture of 80,000 Mica insulating bricks, slabs, tiles, tubes and other allied products per mensem.

The Committee recommended the grant of a licence. It was noted that no equipment need be imported for this scheme.

- (12) Application from the Western India Plywood Ltd., P.O. Baliapatam (Kerala), for a licence for effecting a substantial expansion for the manufacture of a new article viz., Synthetic Resin Glue (Capacity: 10 tons per mensem).

The firm propose to manufacture Synthetic Resin Glues for their own consumption. The scheme involves the import of capital equipment worth Rs. 1.2 lakhs only. As such items are now imported, the scheme, if implemented, would result in a saving of foreign exchange through reduced imports, the Committee recommended the grant of a licence.

- (13) Application from The Government Precision Instruments Factory, Lucknow (U.P.), for a licence for effecting a substantial expansion for the manufacture of 12,000 pieces of various types of Hydraulic pressure Gauges, steam pressure gauges, compressed air pressure gauges and Vacuum pressure gauges per annum.

It was pointed out that the Railways already had a standing arrangement for obtaining their requirements of Pressure Gauges from the National Instruments (Private) Ltd., and other sources. The Lucknow factory should not, therefore, count on any orders from the Railways. The representative of the U.P. Government stated that it was proposed to establish the capacity applied for by stages, as demand might warrant. There was general agreement that the licence applied for should be granted though the view was expressed by a number of members that the annual capacity of 12,000 pieces would be rather excessive. The Committee suggested that the Technical Officer who had accompanied the Director of Industries, U.P., might discuss the question of capacity with the Development Wing. The Committee recommended that Government might decide the capacity in the light of these discussion and thereafter a licence might be granted.

- (14) Application from Shri N.J. Agarwal, Bombay, for a licence for the establishment of a new undertaking (M/S. Shri Ram Oil Industries) at Khamgaon (Bombay), for the manufacture of 300 tons of Cottonseed oil, 4,600 tons of cottonseed oil cakes, hulls, 50 tons of linters and 30 tons of Acid oil or scapstock per mensem.

The scheme would involve the import of a delinting machine worth Rs. 15,000 only. In view of this and the fact that there is room for additional capacity for crushing oil seed, the Committee recommended the grant of a licence subject to the following conditions:-

- i) the undertaking shall install delinting and hulling equipment;
- ii) the undertaking will not be permitted to crush oil seeds except cottonseed;

- (15) Application from M/S. Swadhin Industries, Navsari (Bombay), for a licence for effecting a substantial expansion for the manufacture of cottonseed oil by raising the crushing capacity from 500 tons to 2,000 tons of cottonseed per mensem.

This item was cancelled, as, in view of the foreign exchange difficulties, the firm had withdrawn the application.

- (16) Application from M/S. Jayanand Khira and Co. Private Ltd., Bombay, for a licence for carrying on the business of their undertaking under section 13(1)(a) of the Industries Act, for the manufacture of 350 Nos. of Bus bodies and 700 sets of Bus body kits per annum.

The Committee recommended the grant of a licence. (This is a case of regularisation.)

- (17) Application from M/S. Jayam's Beechey and Co. Private Ltd., Bombay, for a licence for the manufacture of a new article viz., 12/14 H.P. Verticle diesel engine in collaboration with M/S. Werkhuizen Leon Cleey's, Belgium. (Capacity: 1st year: 360 engines, 2nd year: 480 engines: 3rd year and after: 600 engines.)

This firm had been granted in October, 1955, a licence to manufacture diesel engines in certain ranges. They had, however, not been able to complete the programme so far. The Committee, therefore, recommended the rejection of the present application.

- (18) Application from M/S. International Linkers Private Ltd., Calcutta, for a licence for the establishment of a new undertaking for the manufacture of 250 tons of cheap wrapping paper, straw board, mill board and grey boards per mensem at Calcutta instead of at Shaktigarh Community Development Township in Burdwan District as already approved by the Licensing Committee.

In December, 1956, M/S. International Linkers (Private) Ltd., Calcutta were granted a licence to establish at Shaktigarh Community Development Township, Burdwan Distt, West Bengal, a new industrial undertaking for the manufacture of 250 tons of cheap wrapping paper, straw board, mill board and grey boards per month. The firm found it uneconomical and inconvenient to establish the industrial undertaking at Shaktigarh and so requested permission to establish it at Calcutta. As the Government of West Bengal supported the application, the licence was amended accordingly.

The Licensing Committee noted the position.

- (19) Application from M/S. Calcutta Chemical Company Ltd., Calcutta, for a licence for the manufacture of new articles viz. Dibesulin (Tolubutamid) and Carbutamide. (Capacity: 5,00,000 tablets of each per mensem.

The Committee recommended the grant of a licence subject to the condition that no special facilities for the import of raw materials would be given.

- (20) Application from M/S. Decruz Corporation, Bombay, for a licence for the establishment of a new undertaking (M/S. Indian Serological Institute Private Ltd.,) for the manufacture of the following items:- (Collaboration envisaged with an Italian firm.)

Bottling of Sera and Vaccine imported
in bulk-800,000 ampoules per month
7,500,000 tablets per month
180,000 vials per month.

As there is adequate processing capacity in the country and the scheme does not involve any basic manufacture the Licensing Committee recommended rejection of the application.

- (21) Application from M/S. Neo-Pharma (Private) Ltd., Bombay, for a licence for the manufacture of a new article viz. 'Neo-Octinum' (Kneill) (Capacity: 2.50 kilos of Octinum mucate app, 3.5 kilos of Octinum D mucate app, 3.75 kilos of Octinum amidosulphonate and 5.00 kilos of Octinum D amidosulphonate per mensem.

The Committee recommended the grant of a licence (subject to the following conditions:-

- i) the terms of foreign collaboration should be settled to the satisfaction of the Government of India;
- ii) no special facilities will be allowed for the import of raw materials.

[The firm do not need any additional equipment].

- (22) Application from M/S. Chethram Silk Mills, Bombay, for a licence for carrying on the business of their undertaking/section 13 of the Industries Act, for the manufacture of Art Silk Fabrics on 74 powerlooms on double shift basis.

M/S. Chethram Silk Mills, Bombay have been manufacturing art silk fabrics for some time past but the undertaking did not attract the provisions of the Industries (Development & Regulation) Act as the number of workers employed in the Mills was less than 50.

As the number of workers employed now exceeds 50 the Licensing Committee recommended the grant of a licence under the Industries (Dev. & Reg) Act, 1951. (This is a case of regularisation).

- (23) Application from M/S. New Kalyan Silk Mills, Surat, for a licence for carrying on the business of their undertaking for the manufacture of Art Silk Fabrics on 61 powerlooms and to effect substantial expansion by installing 44 additional powerlooms to be purchased from M/S. Navnitlal Manharlal and Brothers and M/S. Arvind Kumar and Co., Surat.

M/S. Kalyandas Kashiram, Surat have been manufacturing art silk fabrics for some time past, but the undertaking did not attract the provisions of the Industries (Development and Regulation) Act as the workers have been working in different units so far. As all these units have since been amalgamated the number of workers employed is now more than 50 and the undertaking, therefore, attracts the provisions of the Industries (Development and Regulation) Act. The undertaking already has 61 powerlooms working on non-cotton yarn and the present proposal is to acquire 44 powerlooms from M/S. Navnitlal Manharlal and Brothers and M/S. Arvind Kumar, Surat. As all these powerlooms are covered by valid installation permits the Textile Commissioner recommended the grant of a licence under the Industries (Development and Regulation) Act, 1951 for 105 looms (61 existing looms plus 44 looms to be acquired) to work on non-cotton yarn.

As the case has arisen due to amalgamation of different units and an increase in the number of workers employed on account of this the Licensing Committee recommended the grant of a licence under the Industries (Development and Regulation) Act, 1951 to M/S. Kalyandas Kashiram. The Textile Commissioner will cancel the special permits issued to M/S. Navnitlal Manharlal and Brothers and M/S. Arvind Kumar and Co., in due course.

This is a case of regularisation.

- (24) Application from M/S. Dharamsi Morarji Chemical Co. Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Superphosphate from 2,400 tons to 3,600 tons per mensem.

The scheme is essentially one of modernising the plant and the increase in capacity is only incidental. There is also need for additional production of superphosphate to meet the increasing demands. On these considerations, the Committee recommended the grant of a licence.

- (25) Application from Shri Sushil Kumar Bhattacharjee, for a licence for the establishment of a new undertaking (M/S. Mekum Veneer and Saw Mills) at Makum (Assam), for the manufacture of Teacheest. (Capacity: 200 tons per mensem on double shift basis.)

As the existing capacity for teacheest plywood is adequate in the country, no additional capacity is allowed to be created. The Committee, therefore, recommended the rejection of the application.

- (26) Application from M/S. Kusum Products Ltd., P.O. Rishra, (West Bengal), for a licence for effecting a substantial expansion for the manufacture of 10 tons of Glycerine per mensem.

In view of the fact that Glycerine is an exportable commodity and the expansion scheme would need imported equipment of the value of Rs. 20,000/- only, the Committee recommended the grant of a licence.

- (27) Application from M/S. Shri Gobindoo Glass Works Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of 17,500 dozens of Vacuum Thermo Flasks per mensem.

As the Development Wing wanted some more time to formulate their final recommendation in this case, the item was removed from the Agenda.

- (28) Application from M/S. Hindustan Lever Ltd., Bombay, for a licence for effecting a substantial expansion for effecting a substantial expansion for the manufacture of 8 tons of 'VINOLIA' Toilet/Talcum powder per mensem.

This scheme involves only the use of a new trade mark without any change in the existing capacity. The Committee, therefore, recommended the grant of a licence.

- (29) Application from M/S. B.M. Glass Works, Ferozabad, for a licence for carrying on the business of their undertaking under section 13(1)(c) of the Industries Act, for the manufacture of 180 tons of hollow glassware per mensem.

The Committee recommended the grant of a licence. (This is a case of regularisation.)

- (30) Application from M/S. Sanitex Chemical Industries Ltd., Baroda, for a licence for the manufacture of new articles viz., Sanirumin tablets and Sanirumin injectables. (Capacity: 5 lakhs tablets and 1 lakh injectables per mensem respectively.)

The scheme does not involve the import of any plant and machinery. The Committee recommended the grant of a licence subject to the usual condition that no special concessions would be allowed in regard to the import of raw materials.

(31) Application from M/s. Pruthi Chemical Industries, Bombay, for a licence for the establishment of a new undertaking at Bardoli (Dist. Surat) or at a suitable place in Ahmednagar Dist., for the manufacture of Acetic Acid. (Capacity 150 tons per annum).

The scheme involves the import of capital equipment of the value of Rs. 8 lakhs. Moreover, there is no scope for additional capacity in this line. The Committee, therefore, recommended the rejection of the application.

(32) Application from M/s. Testeels Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of the following new articles:-

<u>Name of the products.</u>	<u>Capacity in tons per annum</u>
1. Steel bolts, nuts, screws, rivets etc.	1200
2. Ferrous castings.	1200
3. Non-ferrous castings.	360
4. Railway carriage & wagon body all type, components including parts of locomotives and springs washers.	as per orders.

This application was first considered by the Licensing Committee at the meeting held on 10th May, 1957. The Committee felt that the firm should first take "effective steps" to implement the scheme already sanctioned for the manufacture of structural fabrications before a new scheme could be sanctioned. The firm was informed of this decision of the Licensing Committee. As the manufacture of the structural fabrications had been started, the Committee recommended the grant of a licence for the capacities applied for subject to the condition that indigenous machinery would be used in the industrial undertaking.

(33) Application from the Indian Tool Manufacturers Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 10,000 dozens of Lathes tools per annum.

The scheme involves import of plant and equipment of the value of Rs. 50,000/- and of raw materials of the value of Rs. 9,60,000/- per annum. As the proposal involves considerable expenditure of foreign exchange, the Committee felt that initially a smaller capacity might be permitted. The Committee, therefore, recommended the grant of a licence for only 5000 dozens of lathes per annum.

(34) Application from M/s. McLeod and Co., Ltd., Calcutta, for a licence for the establishment of a new undertaking (M/s. Orissa Industries Ltd.) in Orissa State for the manufacture of 3,000 Nos. of Railway coach underframes (both MG & BG) and 9,000 tons of steel structure per annum, on double shift basis.

Wagons, 300
Nos. of
Railway:

The Licensing Committee recommended rejection of the application

for the following reasons:-

- (1) the capacity for wagons and coaching frames to be created by the firms selected for the purpose by the Railway Board would be sufficient to meet the requirements of the Railways;
- (2) the manufacture of steel structurals is linked up with the manufacture of wagons and coaching frames and is only a secondary line in the programme of manufacture.
- (3) very heavy expenditure of foreign exchange is involved.
- (35) Application from M/s. Singa Group (India) Private Ltd., New Delhi, for a licence for the establishment of a new undertaking at Delhi for the manufacture of 1,000 Nos. of knitting machines per month in technical collaboration with M/s. Fuji High Speed Knitting Machine Manufacturing Co., Japan.

The Committee recommended rejection of the application, as the annual recurring expenditure on the import of raw material and on the import of components during the first two years would be heavy.

- (36) Application from M/s. Harbans Lal Malhotra and Sons Private Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of the following items:--

<u>Name of the products.</u>	<u>Capacity per annum.</u>
1. Shovels.	12 lakhs pieces.
2. Pick axes.	12 lakhs pieces.
3. Screw drivers.	24 lakhs pieces.
4. Pliers.	12 lakhs pieces.
5. Punches.	6 lakhs pieces.
6. Plainers.	6 lakhs pieces.
7. Chisels.	6 lakhs pieces.
8. Hammers.	12 lakhs pieces.

The Licensing Committee recommended rejection of the application for the following reasons:

- (i) The firm intends to utilise the spare capacity in the file manufacturing section for the manufacture of certain additional articles.

The demand for files is likely to increase as a result of the restrictions on imports and indigenous manufacturers like the applicant firm will have to increase their production considerably to meet this increasing demand.

- (2) The firm has already some newly licenced schemes on hand and has not shown any initiative in the matter of implementing these.

- (3) The grant of further licences to the firm will merely mean blocking of capacity.

(37) Application from M/s. Kirloskar Brothers Ltd., Kirloskervadi (Bombay), for a licence for the manufacture of a 'New Article' viz. Vertical turret lathes. (Capacity: 12 Nos. per annum).

The scheme involves import of plant and machinery of the value of Rs. 1.75 lakhs. In view of a large demand for Vertical Turret Lathes, the Committee recommended the grant of a licence.

(38) Application from M/s. Southern Industrial Corporation (Private) Ltd., Madras, for a licence for the manufacture of the following new articles in collaboration with M/s. Otto Suhner, Switzerland.

<u>Name of the products.</u>	<u>Capacity per annum.</u>
1. Flexible shaftings (approximately 12' in length).	32,000 units.
2. Couplings and attachments.	Not stated.
3. Electric motors.	4,000/12 units.

The scheme involves import of capital equipment of the value of Rs. 5 lakhs. The sort of flexible shaft machines proposed to be manufactured has not hitherto been produced in the country. This being a very useful item, the Committee recommended the grant of a licence subject to:

- (i) the scheme being screened by CG/HEP Committee;
- (ii) the terms of foreign collaboration being settled to the satisfaction of Government.

(39) Applications for licence for the establishment of new undertakings for the manufacture of Manganese from

about 40,000 tons in the Plan target and suggested that the Ministry of Steel, Mines and Fuel might examine these applications with regard to the facilities available for transport and select the best of the applications for further consideration. References were accordingly made to these four firms but replies have been received so far from M/S. B.P. Khemka Private Ltd., and Shri Nandram Hunatrem only. The case of M/S. B.P. Khemka Private Ltd., was put up for consideration before the Licensing Committee on 29th October 1957, but the Committee observed that all the applications might be considered at the next meeting. Since then, four more applications were received. The cases of all the six firms mentioned above were, therefore, processed in consultation with the Ministry of Steel, Mines and Fuel and considered by the Licensing Committee. The Committee made the following recommendations:-

(1) M/S. B.P. Khemka Private Ltd., Calcutta.

The Firm had already negotiated for the import of plant and machinery on deferred payments terms. It was also understood that the firm had made tentative arrangements with a party in Belgium for the disposal of its entire production overseas. The Committee, therefore, recommended the grant of a licence subject to the foreign exchange requirements should be screened by the CG/HEP Committee.

(ii) M/S. Ramprasad Beharilal & Sons, Calcutta.

The firm propose to secure foreign investment to the extent of Rs. 30 lakhs against the authorised capital of Rs. 100 lakhs. The foreign exchange required for the import of capital equipment is to be met partly by foreign investment and partly from earnings from the export of ferro-manganese after the plant goes into production. On these considerations, the Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the CG/HEP Committee.

(iii) M/S. Sarajuddin & Co., Calcutta.

The proposal envisages the installation of 3 plants for the manufacture of ferro-chrome, ferro-manganese, pig iron and stainless steel ingots in three stages, in Bhadrak District in Orissa. In the first stage the firm proposes to manufacture 8,000 tons of low carbon ferro-chrome, 2,000 tons High carbon ferro-chrome and 5,000 tons Ferro silicon per annum. In October 1956, Government had generally approved of the first stage but no licence under the Industries (Development and Regulation) Act was issued as these items did not then fall within the purview of the Industries (Development and Regulation) Act, 1951. In May 1957, the application of the firm for the import of capital equipment on deferred payment terms was approved by the Government subject to the firm obtaining a licence under the Industries (Development and Regulation) Act. The firm has not furnished details of the second and third stages.

The Committee recommended the grant of a licence for implementing only the first stage of the scheme and suggested that the firm might come up with specific proposals for the implementation of the second and third stages after completing the first stage of the scheme.

(iv) M/S. The Mysore Electro Ferro-Manganese Co., Belgaum.

As details regarding arrangements for the supply of plant and machinery on deferred payment terms and sale of ferro-manganese overseas were not available, the Committee deferred consideration of the application.

(v) M/S. Nandrom Hunatram Calcutta.

The Committee recommended rejection of the application for the following reasons:-

- a) The firm had not yet arrived at any definite settlement of deferred payment terms and had not made any arrangements for the sale of the finished products over-seas.
- b) The Orissa Government have a proposal for setting up a plant for the manufacture of ferro-manganese.

The Committee also suggested that the firm might come up again with definite proposals after the above arrangements had been satisfactorily concluded.

(vi) M/S. Khemka & Co. (Agencies) Private Ltd., Bombay.

The Committee observed that the firm had not made any definite arrangements for the import of plant and machinery on deferred payment terms. Nor had they entered into any firm agreement for the sale of ferro-manganese over-seas. Moreover, the exact location of the undertaking had not yet been decided upon.

In these circumstances, the Committee recommended that the Firm might be addressed to renew their application when they had made sufficient progress with reference to the above points.

(40) Application from M/s. Kosmek Plastics Manufacturing Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of the following articles:

Name of products	Name of Machine,	Present monthly installed capacity.	Expansion envisaged	Monthly installed capacity after expansion.
1.	2.	3.	4.	5.
Nylon washers for plumbing industry, Polythene & Nylon Bushings for Synmonds type Nuts, Press buttons in Polythene etc,	RAPID T.E.C.S. Fully Automatic Machine 22 gears	8 oz. injection Moulding.	14 oz.	22 oz. injection Moulding.
Battery cases, Surgical Instruments, and other appliances.	4(M T.E.C.) INJECTION Moulding Machine	13 oz.		

The scheme involves import of capital equipment of the value of ₹7,700/- and raw materials of the value of ₹. 2,30,000/- per annum. One of the materials required for the scheme, viz., Polythene is expected to be available indigenously by 1959. The Committee felt that there was no justification for sanctioning the scheme at this stage and suggested that the firm might be asked to renew their application after six months, when the scheme would be considered in the light of the availability of raw materials.

(41) Application from M/s. Decas Corporation, Bombay, for a licence for the establishment of a new undertaking (M/s. Indian Antibiotics Private Ltd.) for the manufacture of 500 kilos of Chloromphenicol powder per annum in collaboration with Mr. M. Conconi of via trienzo-18 Milano, It.

The Committee recommended rejection of the application for the following reasons:

- (i) sufficient capacity has already been licensed and there is no scope for any additional capacity;
- (ii) heavy expenditure on foreign exchange is involved, on the import of capital equipment, and raw material.

(42) Application from M/s. Eastern Chemical Co., (India) Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Sodium Hydro-sulphite from 1,584 to 3,168 tons per annum.

The scheme involves import of foreign equipment of the value of Rs.28 lakhs. The firm had already been granted a licence for a capacity of 1,400 tons of Sodium Hydrosulphite which is in the process of implementation. The Committee felt that there was no justification for sanctioning an expansion involving considerable foreign exchange expenditure at this stage, and suggested that the firm might be asked to renew their application after they had implemented the first stage of their manufacturing programme already sanctioned.

(43) Application from M/s. Western India Mfg Co., Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Potassium Chlorate from 187 tons to 278 tons per annum.

The scheme involves import of capital equipment of the value of about Rs.4lakhs. It was brought to the notice of the Committee that the value of the imported materials and components compared to the value of the finished products was nearly 1/3rd and that there should be considerable

saving of foreign exchange if the product could be manufactured indigenously. In view of this, the Committee recommended the grant of a licence, subject to clearance by the C.G. Committee.

(44) Application from Tisco Industries, Bombay, for a licence for the establishment of a new undertaking at Malad (Bombay), for the manufacture of the following articles:-

<u>Name of the product.</u>	<u>Monthly proposed capacity.</u>
1. Soap	2000 doz. of big size jars and 1500 bottles of small size.
2. Face powder.	1,800 dozen boxes.
3. Toilet powder	1,100 dozen tins.
4. Baby powder.	2,000 dozen small boxes.
5. Lipsticks	600 dozen plastic boxes.
6. Brilliantine.	400 dozen bottles.

The scheme does not involve any import of plant and machinery, but involves import of raw materials of the value of Rs.60,000/- per year. The Committee also noted that there is already sufficient capacity in the country for some of the items proposed to be manufactured. In view, however, of the fact that the firm is already engaged in this line on a small scale and the possibility of export of these items, the Committee recommended the grant of a licence for all the items for half the quantities applied for.

(45) Application from Shri P.D. Chowale, Bombay, for a licence for the establishment of a new undertaking (M/s. Chowgule and Co. (Hind) Private Ltd.) in Bombay State for the manufacture of 600 tons of Alkyds, 200 tons of Phenolics, 75 tons of Malocics and 75 tons of Ureas per annum in collaboration with M/s. Chemische Works Albert, Wiesbaden, Germany.

The Committee observed that there was a gap to be filled up between the projected capacity and the estimated demand and that the projected manufacture by the firm would be available to smaller units in the paint industry who do not usually manufacture their own resins. The Committee recommended the grant of a licence subject to the screening of foreign exchange requirements by the CG/HEP Committee.

(46) Application from M/s. Hinduk Trading Co., (India) Private Ltd., Patna for a licence for the establishment of a new undertaking near Patna (Bihar) for the manufacture of 60,000 Nos. of single phase electricity motor upto 20 amps. per annum in collaboration with M/s. Komplex, Hungarian Trading Co.

The Committee was of the view that as the manufacturing programme was not sufficiently precise, the firm might be advised to discuss the possibility of improving the manufacturing programme with the State authorities and the Development Wing. The Committee observed that the scheme might be brought up for consideration again in March, 1958.

(47) Application from Shri Y. A. Fazelbhoj, Bombay, for a licence for the establishment of a new undertaking (M/s. Hoover India Private Ltd.) in Bombay State for the manufacture of the following articles in collaboration with M/s. Hoover Ltd., U.K.:-

<u>Name of the products.</u>	<u>Capacity per annum.</u>
1. Fractional and shade, Pole Motors.	1,200 Nos.
2. Washing Machines.	-do-
3. Electrical cleaners & Polishers.	-do-
4. Steam Irons.	-do-

The scheme involves the import of plant and machinery worth Rs, 4,65,000/- and the import of raw materials worth about Rs.15 lakhs per annum. In view of the large foreign exchange expenditure, the Committee was not inclined to recommend the grant of a licence for any of the items applied

for except Fractional and Shade Pole Motors which are not being produced in the country to any appreciable extent at present and for which there is a demand. The Committee recommended that I.A.(Er&S) might send for the applicant and find out whether he would be prepared to concentrate first on these items alone. If so, a licence might be granted.

- (48) Application from M/s. John Fowler (India) Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz., Industrial Filters in collaboration with M/s. Vokes Ltd., U.K. (Capacity: 250 filter units per mensem).

This scheme involves import of capital equipment of the value of Rs. 75,000/- and of raw materials of the value of Rs. 1,53,000/- per annum. The net saving in foreign exchange is estimated at Rs.25,000/- in the first year and Rs. 155,000/- in the second year. As there is no capacity for Industrial Filters now in the country, the Committee recommended the grant of a licence, subject to the terms of foreign collaboration being settled to the satisfaction of Government.

- (49) Application from M/s. Steel and Allied Products Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of 66,000 gross of hand hacksaw blades and 12,000 gross of power hacksaw blades per annum.

The Committee observed that machinery with a capacity larger than that sanctioned was already in existence and what was required was only raw material to complete the programme of substantial expansion. The Committee, therefore, recommended the grant of a licence subject to the condition that no special facilities would be allowed in regard to the supply of raw materials.

- (50) Application from M/s. Shree Hanuman Industries, Calcutta, for a licence for effecting a substantial expansion for the manufacture of 12,000 Nos. of G.I. Pipes per annum, on double shift basis and changing the location of their undertaking from Salkia (West Bengal) to Liloach (West Bengal).

The proposal involves the change of location of the industrial undertaking from Salkia to Liloach and substantial expansion for the manufacture of G.I. Pipes. As the firm had already shifted their industrial undertaking to the new location in Liloach due to insufficiency of electric power and inadequacy of space at Salkia, the Committee recommended the grant of permission for shifting. (This is a case of regularisation.)

As regards substantial expansion for the manufacture of G.I. Pipes, the Committee recommended the grant of a licence for establishing an annual additional capacity of 12,000 Nos. G.I. Pipes on the understanding that the expansion would be effected with indigenous machinery only.

- (51) Application from M/s. Central India Machinery Manufacturing Co. Ltd., P.O. Birlanagar, Gwalior, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Automatic Looms from 500 to 1,000 looms per mensem. Foreign collaboration envisaged.

This item was removed from the agenda, as the Firm had withdrawn the application.

- (52) Application from Shri Kirpa Ram Goel, Howrah, for a licence for the establishment of a new undertaking (M/s. R.K. Industries) at Howrah (West Bengal), for the manufacture of 1,260 tons of G.I. Pipes and fittings, Building Materials, small mill machinery parts etc. per annum.

The Committee recommended rejection of the application for the following reasons:-

- 1) There is a marked preference among consumers for G.I. spun pipes rather than for G.I. Pipes.
- 2) Even the existing pipe foundries which manufacture pipes of the type proposed to be manufactured by the applicant firm will be hard hit by competition when more spun pipe plants are established in the country.
- 3) There is no scope for the establishment of additional capacity for the manufacture of Sand Cast pipes.
- 4) There is already adequate capacity in the country for the manufacture of miscellaneous C.I. Castings.
- 5) Existing capacity in the aforesaid lines is lying idle due to the inadequate supply of pig iron.

The Committee, however, suggested that the Firm might renew their application after 6 months, when it would be considered in the light of the conditions then prevailing

- (53) Application from Shri Ved Prakash, Bombay, for a licence for the establishment of a new undertaking (M/s. National Industrial Corporation) at Bhandup (Bombay), for the manufacture of 1,800 tons of steel forgings per annum.

The scheme involves import of capital equipment of the value of Rs.1,25,000/-. The Committee recommended the grant of a licence subject to the condition that no special facilities would be given for the supply of raw material.

- (54) Application from M/s. V. Rangaswamy Naidu Educational Trust, Coimbatore, for a licence for the establishment of a new undertaking at Coimbatore (Madras), for the manufacture of 3,000 Nos. of Centrifugal Pumps of sizes 2" x 2" to 8" x 8" per annum.

The Committee recommended the grant of a licence, but observed that the capacity of the industrial undertaking might be fixed on the basis of actual production after it had worked for one year.

- (55) Application from Shri L.G. Varadarajulu, for a licence for the establishment of a new undertaking (M/s. L.G. Balakrishnan and Brothers) at Karur (Madras), for the manufacture of 240 Nos. of Bus bodies, 120 Nos. of Lorry bodies, and 24 Nos. of Van bodies per annum.

The Committee recommended the rejection of the application for the following reasons:-

- (1) there is already surplus capacity in the country.
- (2) the foreign exchange commitment involved in the import of capital equipment and raw material is not justified by the circumstances of the case.

- (56) Application from M/s. Farm Equipment Co., Kanpur, for a licence for the establishment of a new undertaking (M/s. Trackparts (Private) Ltd.,) at Kanpur (U.P), for the manufacture of the following items in collaboration with M/s. Trackparts (Hatfield) Ltd., of Hatfield, England:-

<u>Items.</u>	<u>Capacity per annum in Nos.</u>
1. Track Roller Shells	4032
2. Sprockets.	120
3. Idlers.	120
4. Track Pins.	43,200
5. Track Bushings,	43,200
6. Track Links.	28,800
7. Component parts of track rollers for.	1,200 rollers.
8. Component parts of Srockets.	720
9. Component parts of Idlers.	240

The proposal is for the manufacture of track parts of crawler tractors. The Licensing Committee agreed with the conclusions of the inter-Departmental meeting to discuss the Report of the Panel of Experts on Heavy Earth Moving Equipment that independent schemes for the manufacture of parts alone should be encouraged and that such manufacturers might be warned even at the outset that manufacturers of complete equipment like tractors would not be prevented from making track or other parts for their equipment. The Committee recommended the grant of a licence subject to:

- (1) the examination of the manufacturing programme by the Development Wing with special reference to the foreign exchange commitments involved, clearance by the C.G. Committee and (2) the terms of foreign collaboration being settled to the satisfaction of Government.

- (57) Application from M/s. Usha Textiles Private Ltd., Calcutta for a licence for effecting a substantial expansion for the manufacture of the new articles viz., Vacuum Air Containers for Diesel Trucks and Back Light number plate lights, (Capacity: 12,000 Nos. and 24,000 Nos. per annum repectively.)

The Committee recommended the grant of a licence.

- (58) Application from M/s. Kirloskar Brothers Ltd., Kirloskarvadi, for a licence for the establishment of a new undertaking (M/s. Kirloskar Pneumatic Co. Ltd.) at Hadapsar (Bombay), for the manufacture of 156 Nos. of Air Compressors per annum in collaboration with M/s. Consolidated Pneumatic Tools Co. of the U.K.

The proposal is to start a new undertaking for the manufacture of Air Compressors combining both the schemes already sanctioned, viz., one of M/s. Kirloskar Brothers (60 Air Compressors per annum) and the other of M/s. Consolidated Pneumatic Tools Co., of the U.K. (96 Air Compressors per annum) with suitable foreign collaboration. The Licensing Committee welcomed this proposal and recommended the grant of a licence subject to the following conditions:-

- (1) the manufacturing programme must be settled to the satisfaction of the Development Wing.
- (2) the terms of foreign collaboration should be settled to the satisfaction of the Government.
- (3) the foreign exchange requirements should be screened by the C.G./H.E.P. Committee.
- (4) the licences held by M/s. Kirloskar Brothers and M/s. Consolidated Pneumatic Tools Co. should be surrendered.

- (59) Application from M/s. Kamalapati Motilal, Kanpur, for a licence for the establishment of a new undertaking for the manufacture of cotton waste yarn.

This is a proposal for the installation of a small unit exclusively for spinning cotton waste yarn. The Committee was of the opinion that it was not an economical proposition to permit the setting up of new units exclusively for the spinning of cotton waste yarn. In this case, however, the representative of the U.P. Government brought to the notice of the Committee that there was plenty of cotton waste available in Kanpur and that on this ground the economics of the scheme might be re-examined. The Committee, therefore, decided that the economics of this proposal might be re-examined by the Textile Commissioner and the case brought up again before the Committee.

(60) Application from M/s. Maharanee Mhalsabai Mills Co. (Private) Ltd., Dewas, for a licence for effecting a substantial expansion in their factory at Surat by the installation of 88 automatic looms already licensed for installation in their sister mills at Dewas for the manufacture of cotton cloth.

The applica~~tion~~ firm have requested permission to add 88 automatic looms to the existing loomage in Surat Cotton Spinning and Weaving Mills, Surat, a sister concern under the same management, i.e., 476 looms, by transfer of 88 looms from M/S. Maharanee Shree Mhalsabai Cotton Mills Co. (Private) Ltd., Dewas. The Committee recommended rejection of this proposal for the following reasons:-

- (1) the transfer would reduce the loomage in M/S. Maharanee Shree Mhalsabai Cotton Mills Co. (Private) Ltd., Dewas, to an un-economical level i.e. 192 looms whereas the economic level is 300 looms.
- (2) the loomage at Surat Cotton Spinning and Weaving Mills, Surat is already at an economic level.

(61) Application from M/S. Reliance Firebricks and Pottery Co., Ltd., Calcutta, for a licence for the establishment of a new undertaking at Chainpur (Bihar), for the manufacture of 4,000 tons of Firebricks, 500 tons of High Alumina Bricks, 500 tons of Acid Resisting Bricks, 500 tons of Fire-cement Mortar per annum, on double shift basis.

/ 500 tons of insulating bricks and

The Committee recommended the grant of a licence subject to the following conditions:-

- (1) the foreign exchange requirements should be screened by the C.G./H.E.P. Committee; and
- (2) the firm should make arrangements for the provision of Railway siding facilities at their own cost.

- (62) Application from M/s. Goodearth Wares and Pipes Private Ltd., Kottayam, for a licence for the establishment of a new undertaking at Alwaye (Kerala), for the manufacture of 18,000 tons of Stoneware pipes and specials per annum.

The Committee recommended the grant of a licence. It was noted that the scheme involves the import of capital goods worth Rs.1.5 lakhs.

- (63) Application from M/S. Hindustan Refractories and Ceramics Private Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of 1,450 tons of Firebricks, 400 tons of Silica Bricks and 150 tons of Mortar per mensem.

The Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the C.G./H.E.P. Committee.

- (64) Application from M/S. Jayanand Khira and Co. Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new articles viz., Commercial Plywood and Block boards and Flush Panels from $\frac{1}{4}$ " to $1\frac{1}{2}$ " thickness. (Capacity: 5,00,000 sq. ft. and 2,50,000 sq. ft per mensem respectively.) Foreign collaboration envisaged.

The Committee felt that the proposals regarding import of capital equipment and deferred payments were vague. The Committee, therefore, recommended rejection of the application.

- (65) Application from M/s. Premier Automobiles Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz. Dodge/Fargo 4x2 and 4x4 petrol trucks in 116" and 126" wheelbases of payload of 1 to 2 tons and a maximum laden weight of 9,500 lbs. in technical collaboration with M/s. Chrysler Corporation of U.S.A. (Capacity: 500 units per annum.)

The Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the C.G./H.E.P. Committee.

- (66) Application from M/s. Howrah Trading Co. Private Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of the following new articles in collaboration with M/s. Hovers Constructie N.V. Holland:-

Item.	Annual Capacity in Nos.
Excavators (on tracks and Pneumatic tyres) and necessary attachments to equip them such as drag-line, shovel, trench hoe, skimmer, hoistrane, clamshell crane and piledriver.	a) Type "1000" (Capacity 1 cu. metre)15
	b) Type "750" (Capacity: 1 cu. yd. i.e. 0.76 cu. metres) - 15
	c) Type "600" (Capacity: $\frac{1}{2}$ cu. yd. i.e. 0.57 cu. metres) ----- 10
Total:	40.

The Committee observed that it was desirable to lay down specifications and standards for different types of production and to encourage competition among manufacturers. The Licensing Committee noted that the Development Wing was calling for a meeting of manufacturers of representative makes and others who had shown an interest in the manufacture of earth moving equipment. The Committee suggested that the applicant firm might also be invited to this meeting and given an opportunity of discussing its manufacturing programme with the Development Wing. The Committee recommended that this application might be considered along with other schemes that might be ultimately recommended by the Development Wing.

(67) Application from M/s. Industrial Air Control (India) Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of the following new articles in collaboration with M/s. Westinghouse Electric International Co., U.S.A.:-

Items.	Capacity per annum.
a) Precipitorns (trade name)	300 sets (1st year)
	420 sets (2nd year)
	600 sets. (3rd year)
b) Room Air Conditioners (1 and 1/2 H.P.)	300 units. (1st year)
	600 units. (2nd year and onwards)
c) Air conditioning units (3, 5 and 7 $\frac{1}{2}$ H.P.)	15 units (1st year)
	25 units (2nd year)
	35 units (3rd year).

As the proposal involves heavy recurring expenditure (about Rs. 10 lakhs per annum) on the import of components and raw materials, the Committee recommended rejection of the application.

- (68) Application from M/s. Hindusthan Motors Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of 4,200 tons of overhead travelling, Mill, Transporters, Wharf, Shipyard, Mobile and Jib Cranes per annum in collaboration with M/s.M.A.N., Nuremberg.

The Committee was inclined to view the scheme favourably but desired that before a licence was granted, the applicant firm should (1) draw up a manufacturing programme to the satisfaction of the Development Wing and (2) finalise the terms of foreign collaboration to the satisfaction of the Government.

- (69) Application from M/s. Cawnpore Sugar Works Ltd., Kanpur, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of rectified and potable spirit from 5 lakhs L.P.gallons to 11 lakhs L.P.gallons per annum.

The Committee recommended the grant of a licence subject to the condition that Government would not be responsible for arranging supplies of molasses.

- (70) Application from M/s. India Hosiery Factory, Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz. woollen socks (Capacity: 7,000 dozens socks per month).

The Committee observed that there was considerable idle installed capacity in the country and recommended rejection of the application.

- (71) Application from M/S. Sree Visalakshi Mills Ltd.,
Mudurai, for a licence for effecting a substantial
expansion by adding 840 spindles for the manufacture
of cotton waste yarn.

The proposal is for the addition of 840 spindles for cotton waste yarn to the existing industrial undertaking. The Committee observed that it would be an economical proposition to allot additional spindles to existing units rather than to new units and recommended the grant of a licence.

- (72) Applications for licence for the installation of
plants for the manufacture of pig iron from:-
(New undertakings).

- (i) Shri Mulraj Khandas, Bombay (M/S. Rajasthan Iron and Steel Works) -- Location: Jainpur (Rajasthan) Capacity: 15,000 tons of refined high grade pig iron per annum by Stuerzelberg process. Collaboration: M/S. Demag, West Germany.
- (ii) M/S. Thakur Prasad Sao, Chaibasa (Bihar), (M/S. Sao Iron and Steel Industries Private Ltd., Location: Ghatkuri (Bihar) --- Capacity: 15,000 tons of pig iron per annum by low shaft furnace process.
- (iii) M/S. Nandrar Hunatrem, Calcutta, (M/S. Tomka Iron and Steel Industries Private Ltd.,) -- Location: Tomka (Orissa) --- Capacity: 15,000 tons of pig iron per annum by small dimension blast furnace (Low shaft furnace.)
- (iv) M/S. Ramakrishna Industrial Private Ltd. --- Location: In district Salem of Madras State --- Capacity: 18,000 tons of pig iron per annum by Stuerzelberg process.
- (v) Shri M. Harishchandra Prasad, Tenuku -- Location: Kovvur (Andhra Pradesh) --- Capacity: 15,000 tons of pig iron per annum to be cast into spun pipes class 'B', 1,200 tons of malleable iron castings by Low shaft furnace process.

These schemes relate to the manufacture of pig iron.

The Committee observed that the manufacturing processes proposed to be employed by the applicant firms were still, in a sense, in the experimental stage and it would, therefore, be advisable to watch the performance of one or two units which had already been licensed before encouraging new parties to invest their capital in such a venture.

The Committee, therefore, deferred consideration of these cases, but suggested that, in the

meantime, an enquiry might be addressed to the applicants to find out whether the foreign collaborators were prepared to make any investment in the schemes and whether they (foreign collaborators) could give the data regarding the economics of production at the factory which they might have set up elsewhere.

- (73) Application from M/S. P.C. Mazumdar and Co. (Private) Ltd., Calcutta, for a licence for the establishment of a new undertaking for the manufacture of 570 tons of non-ferrous pipes, rods etc., per mensem on three shift basis.

The Committee recommended rejection of the application for the following reasons:-

- (1) the heavy foreign exchange commitment involved in the import of capital equipment.
- (2) there is no room for any extra capacity in the lines of manufacture proposed.

- (74) Application from Shri Ambica Mills Ltd., Ahmedabad, for a licence for effecting a substantial expansion for the manufacture of staple fibre cloth on 25 looms.

The Committee recommended rejection of the application as there is no further scope for expansion in the capacity for the manufacture of art silk and staple fibre fabrics. The Committee observed that this decision was in keeping with the broad policy followed by the Licensing Committee in dealing with such cases.

- (75) Application from M/S. Automatic Electric Devices Co., Bombay, for a licence for effecting a substantial expansion for the manufacture of transformers, rectifiers, dimmerstats, constant voltage stabilizers, P.B.X. battery eliminators from 5,400 KVA to 10,800 KVA per annum and Voltmeters, Ammeters, synchrosopes, frequency meters, decible meters from 6,000 Nos. to 13,200 nos. per annum and for the manufacture of a new article viz. Solemium Rectifier elements. (Capacity: 9,000 sheets of size 400 mm X 250 mm per annum).

The Committee recommended the grant of a licence.

- (76) Application from M/s. Gawnpore Tannery Ltd. Kanpur (U.P.), for a licence for effecting a substantial expansion for the manufacture of the new articles viz. Cycle tyres and cycle tubes. (Capacity: 30,000 Nos. each per mensem).

The Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the CG/HEP Committee.

- (77) Application from M/S. Bharat Straw Board Manufacturing Co., Bombay, for a licence for the establishment of a new undertaking at Kalyan (Bombay), for the manufacture of 4,800 tons of straw boards, grey boards and packing paper per annum.

As most of the equipment is already available with the firm and as the boards would be converted into cartons for which there is a steady demand by another unit of the same firm, the Committee recommended the grant of a licence.

- (78) Application from M/S. Khedut Sahakari Khand Udyog Mandli Ltd., Bardoli, for a licence for effecting a substantial expansion for the manufacture of the new articles viz. Absolute Alcohol and Weaker Spirit. (Capacity: 37,500 gallons and 12,500 gallons per mensem respectively).

As the Director of Industries, Bombay, reported that the sugar factory from which the molasses were proposed to be obtained by the applicant firm was not coming up, the Committee recommended rejection of the application.

- (79) Application from M/S. Haptakes Brett and Company, Bombay, for a licence for the establishment of a new undertaking at Madras, for the manufacture of the following articles:-

<u>Name of the products.</u>	<u>Capacity per mensem.</u>
1. Hepatoglobine (Oral liver extract preparation)	48,000 (bottles of 300 c.c.).
2. Neogadine (Oral Liquid preparation of vitamins)	48,000 (bottles of 360 c.c.).
3. Threptin Biscuits (concentrated protein food)	30,000 (tins of 1 lb.)
4. Lactodex (Modified milk for infantile diarrhoea)	25,000 (tins of 1 lb.)

Contd...

The proposal is to start a new factory at Madras for the manufacture of some of the items which are at present being manufactured in the Firm's factory at Bombay so as to relieve the congestion in the factory at Bombay.

The Committee recommended the grant of a licence subject to the condition that no special facilities for the import of raw material would be given.

- (80) Application from M/S. Vijaya Foundry, Coimbatore (Madras), for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Squirrel Cage Induction Motors 3 phase, 50 cycles, 400 v, 5 to 10 H.P. from 9,000 H.P. to 18,000 H.P. per annum.

The Committee recommended the grant of a licence for the manufacture of motors for an additional capacity of 9000 HP. per annum.

- (81) Application from M/S. Electronic Ltd., New Delhi, for a licence for effecting a substantial expansion for the manufacture of 25,000 Nos. of University Loudspeaker, Driver Units and Horns and 25,000 Nos. of University Horns and 3,000 Nos. of Amplifiers per annum, and for the manufacture of the following new articles and for changing the location of their undertaking from Delhi to Faridabad (Punjab):-
(Foreign collaboration is envisaged).

<u>Names of the products.</u>	<u>Capacity per annum.</u>
1. Transistorised Radio Receivers for use in community listening and home.	10,000 Nos.
2. Microphones for public address Amplifiers.	10,000 Nos.
3. Ferrograph Tape Recorders.	750 Nos. in the 1st year, 1,500 Nos. in the 2nd year and 3,000 Nos. from 3rd year onward.
4. University Power Mikes.	5,000 Nos.
5. Cone type Loudspeakers for Radio Receivers.	50,000 Nos.

Proposal for effecting substantial expansion.

a) University loudspeaker driver units and horns.

The Committee observed that taking into consideration the capacity already available in the country, further expansion involving foreign collaboration and payment of royalty was not essential. The Committee had, however, no objection to recommending the grant of a licence for the expansion applied for provided the expansion could be accomplished without increasing royalty commitments.

b) Amplifiers.

As the expansion involved is small, the Committee recommended the grant of a licence. The Committee observed that the question of royalty terms need not be raised in view of the small expansion involved.

Proposal regarding New Articles.

1) Microphones for Public Address Equipment.

The Committee recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of Government.

2) Ferrogaph Tape Recorders.

But for the heavy foreign exchange expenditure involved, the Committee was inclined to favour the manufacture of items like tape which would help to feed ~~tape recorders~~ already in use in the country. The Committee suggested that the manufacturing programme

might be examined by the Development Wing with a view to making it more acceptable and reducing the foreign exchange expenditure, through the employment of experts or otherwise. This case will be brought before the Committee again as soon as the details are settled.

3) Transistorised Radio receivers.

From the details furnished by the Firm, it appeared that the manufacture of this item would need foreign exchange of the order of Rs. 15 lakhs per annum. At present, even the existing manufacturers are not being allowed to utilise their full capacity because of the foreign exchange difficulties. The Committee, therefore, recommended rejection of the application.

4) University Power Mikes.

The Committee observed that in the present context of the foreign exchange position manufacture of this item was not essential—imports are not allowed now. Accordingly, the Committee recommended rejection of the application.

5) Cone type loudspeakers.

The Committee noted that some of the organised radio manufacturers were producing loud speakers for their own use and other manufacturers had expressed their intention to manufacture radio loudspeakers. Some radio loudspeakers were also manufactured in the small scale sector. The Committee observed that the scheme was based on the import of paper cones which are vital components of loudspeakers. The Committee was not, therefore, inclined to recommend the grant of a licence, but suggested that the case could be reconsidered provided the foreign exchange requirements were reduced to a reasonable limit.

The proposal regarding shifting was supported by the Committee.

- (82) Application from Shri Raj Narain Dube, for a licence for the establishment of a new undertaking (M/s. Ispat Mills (Regd) at Bayana (Rajasthan), for the manufacture of 1,440 tons of Steel, zinc and nickel pipes etc., per annum.

The Committee recommended the grant of a licence but suggested that the applicant firm might be warned of the possibility of competition from existing manufacturers.

- (83) Application from M/s. Century Flour Mills, Madras, for a licence for the establishment of a new undertaking at Tiruchullapelli (Madras), for the manufacture of 2,500 tons of Wheat products like atta, maida, suji and bran per mensem.

In view of the substantial foreign exchange involved and the surplus capacity in the country for the manufacture of wheat products, viz., Flour, Maida etc., the Committee recommended rejection of the application.

- (84) Application from M/s. Shree Hanuman Jute Mills, Calcutta for a licence for the manufacture of cotton tape by diverting 50 of their existing looms lying idle.

As there was no apprehension that the Handloom sector would be adversely affected the Committee recommended the grant of a licence.

- (85) Application from Shri Ved Prakash Thapar, Calcutta, for a licence for the establishment of a new undertaking in Howrah District (West Bengal), for the manufacture of Cotton webbing tape and webbing and cotton listing and newar on 25 looms.

As there was no apprehension that the Handloom sector would be adversely affected the Committee recommended the grant of a licence.

- (86) Application from M/s. Great Eastern Electro-platers Ltd., Allahabad (U.P.), for a licence for effecting a substantial expansion for the manufacture of 900,000 Nos. of Geep Flashlight cases per annum.

The Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the C.G./H.E.P. Committee.

- (87) Application from M/s. Shri Varadaraja Textiles Private Ltd., Peelamedu, P.O. Coimbatore (Madras), for a licence for effecting a substantial expansion for the manufacture of staple fibre yarn on 6,000 spindles.

As the firm had already taken "effective steps" and also obtained the import licence necessary the Committee felt that this was more or less a case of regularisation. The Committee, therefore, recommended the grant of a licence.

- (88) Application from M/s. Phoenix Cycle Industries, Chandigarh (Punjab), for a licence for the establishment of a new undertaking at Chandigarh (Punjab), for the manufacture of 24,000 cycles per annum.

The Committee observed that even the existing units were finding it difficult to implement their programmes because of the foreign exchange difficulty. The Committee, therefore, recommended the rejection of the application.

- (89) Application from M/s. Group Laboratories (India) Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new articles viz., Analgesic tablets (A.P.C.) and Aspirin glycine analgesic tablets (Capacity: 40,00,000 and 10,00,000 tablets each per mensem) (Collaboration with parent Company in U.K.).

In view of the large tableting capacity available in the country, the Committee did not favour the creation of any additional capacity. It, therefore, recommended {that a licence for the manufacture of the new items might be granted if it could be managed with the existing equipment.

(90) Application from M/S. CEAT, Italy, for a licence for the establishment of a new undertaking at Bombay or Calcutta, for the manufacture of 325 tons of tyres/tubes for cars, trucks, tractors, motor cycles, aeroplanes, etc. and other technical rubber articles in the 1st stage to be increased to 1,000 tons in the 2nd stage on three shifts basis in collaboration with General Tyre Co. of USA.

At an earlier meeting, the Licensing Committee had considered a Scheme put up by M/S. Ceat of Italy for the establishment of a tyre and tube factory with an initial monthly capacity of 325 tons to be ultimately raised to 1000 tons per month. The Committee then recommended the grant of a licence for the first stage only. This decision was duly communicated to the applicant firm. They represented that as they had to plan the factory with reference to the ultimate capacity, they would like to have a licence for the ultimate capacity straightaway. The Firm undertook to execute the Scheme in the following manner:-

- i) They will take 18 months to build the factory from the time of granting of the licence and hope to start production at the rate of 325 metric tons per month from July 1959.
- ii) By the second half of 1961, the firm hope to be ready to increase production to 600 metric tons per month.
- iii) By the end of 1962 or early 1963 the firm will be in a position to produce at the rate of 1000 metric tons per month.

The Firm was granted a licence accordingly.

The Licensing Committee took note of the position.

- (91) Application from M/S Machlec, New Delhi, for a licence for the establishment of a new undertaking at Delhi, for the manufacture of 24,000 to 30,000 Nos. of Electrical switches range from 10 amps. to 100 amps. per annum.

The Committee recommended the grant of a licence.

- (92) Application from M/S S.G. Gramophone Co., Jullundur City, for a licence for effecting a substantial expansion for the manufacture of 120,000 Nos. of Volume controls and 12,000 Nos. of Microphones per annum.

The Committee recommended the grant of a licence, subject to the condition that the capacity to be licensed would be determined by the Development Wing. / It was noted that no equipment need be imported.

- (93) Application from M/S Bharat Engineering Works, Kanpur, for a licence for effecting a substantial expansion for the manufacture of the following new articles:-

<u>Items.</u>	<u>Capacity per annum.</u>
i) Electirc motors.	120 Nos. or 600 to 700 H.P.
ii) Electric fans.	300 Nos.
iii) Electric irons.	360 Nos.
iv) Pumping Sets.	60 Nos.

The Committee recommended the grant of a licence.

- (94) Application from M/S Shri Lakshmi Foundry, Coimbatore, for a licence for the establishment of a new undertaking at Coimbatore (Madras), for the manufacture of 720 Nos. of Electric motors 3 H.P. to 15 H.P., 1,200 Nos. of power driven pumps 1½" to 10" size 120 tons of mill spare parts per annum.

The application is for the establishment of a new industrial undertaking for the manufacture of the following articles:-

1. Power driven pumps 1200 numbers per annum (1½ to 10" size).

The Committee recommended the grant of a licence.

2. Electric Motors 720 numbers per annum (3 HP to 15 HP)

The Committee recommended the grant of a licence.

3. Mill spare parts 120 tons per annum;

- (a) Spare parts for sugar cane crushers:

The Committee recommended the grant of a licence.

- (b) Rough casting materials required by mills and the Government Electricity Department:

The Committee was not inclined to consider the proposal favourably in view of considerable unutilised capacity in the country because of shortage of pig iron in the country. The Committee, however, had no objection to the applicant firm manufacturing these items for their own consumption.

- (c) Spare parts for Oil Engines:

As the manufacture of these articles would be on a jobbing basis, the Committee recommended the grant of a licence provided the manufacture of the items proposed could be carried out with the existing machinery.

- (d) Spare parts for pump sets:

The Committee recommended the grant of a licence.

(95) Application from M/S. Mulchandani Electrical and Radio Industries Private Ltd., Bombay, for a licence for the establishment of a new undertaking at Bombay, for the manufacture of 15,000 Nos. of Bush radios, 1260,000 Nos. of Condensers, 66,000 Nos. of Transformers and 18,000 Nos. of Coil Decks per annum in collaboration with M/S. Bush Radio Ltd., London, and M/S. A.H. Hunt (Capacitors) Ltd., London.

The scheme involves import of capital equipment of the value of Rs.1,40,000/-, of which machinery worth Rs.95,000/- is already under clearance. The Committee observed that the manufacture of Transformers and Coil decks need not be licensed specifically, as the manufacture of Bush Radios for which the Firm are already licensed would include these items.

The Committee recommended the grant of a licence in respect of Bush radios and condensers up to the capacities applied for.

(96) Application from M/S. Hindustan General Electrical Corporation Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of the following articles in collaboration with "SABA" of West Germany:

Items.	Annual capacities (based on three shifts.)
1. Loudspeakers.	75,000 Nos.
2. Potentiometers	12, 20,000 "
3. Gang Condensers	75,000 "
4. Valve holders.	500,000 "
5. L.F. Transformers.	144,000 "

This firm have, in consultation with the Development Wing, agreed to reduce their requirements of capital equipment to less than Rs.2 lakhs. The Committee, therefore, recommended the grant of a licence for manufacture of these items on a single shift basis.

(97)

Application from M/s. Alembic Chemical Works Ltd., Baroda, for a licence for effecting a substantial expansion for the manufacture of 20 million mega units of penicillin per annum, bringing the total to 24.8 million mega units.

The Committee observed that the expansion should be limited to the size best suited for the purpose with due regard to the foreign exchange expenditure. The Committee while being agreeable in principle to the scheme for expansion suggested that the following information might be obtained from the applicant firm:-

- (1) the maximum production that might be achieved with the existing plant;
- (2) the additional foreign exchange required for the production of (i) 10 and (ii) 14 million mega units per annum.

The Committee also recommended that, after the details were received, the case should be screened by the C.G/H.E.P. Committee.

(98) Application from M/s. New Standard Engineering Co., (Private) Ltd., Bombay for a licence for effecting a substantial expansion for the manufacture of the new articles VIZ. Power operated plate bending machines and manually operated plate bending machines. (Capacity: 16 Nos. and 8 Nos. per annum respectively)

The scheme does not involve import of any capital equipment. The Committee recommended the grant of a licence.

(99) Application from M/s. Madan Engineering Tool Products, Delhi, for a licence for effecting a substantial expansion for the manufacture of 250-300 Nos. of power presses, 15-20 Nos. of Rotary shearing machines, 35-40 Nos. of Guillotine shearing machines and 35-40 Nos. of automatic feeders, per annum.

The scheme involves import of capital equipment of the value of Rs. 1 lakh. There is scope for expansion in this line. The Committee, therefore, recommended the grant of a licence for the following items.

	<u>Annual Capacity</u>
	<u>Nos;</u>
Power Presses	250
Rotary shearing machines.	15
Guillotine shearing machines.	35

- (100) Application from M/s. Bathgate and Co. Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Toilet soap liquid from 1,000 lbs. to 11,000 lbs. per mensem and for the manufacture of a new article viz. Toilet soap solid. (Capacity: 5 tons per day.

In view of the idle capacity in existence in the country, the Committee recommended rejection of the application.

- 101) Application from M/s. Sekhseria Brothers Private Ltd., Calcutta, for a licence for effecting a substantial expansion in Radhakrishna Mills, Mirzapur, by installing 9 additional powerlooms purchased by the applicants from the Official Liquidator of the Cosmopolitan Cotton Mills Co., Ltd., Allahabad for the manufacture of cotton cloth.

As the proposal if accepted would not involve an expansion in overall loomage in the country the Committee recommended the grant of a licence for substantial expansion.

- 102) Application from M/s. National Engineering Private Ltd., Bombay, for a licence for carrying on the business of their undertaking for the manufacture of 2,500 tons of structurals per annum and effecting a substantial expansion for the manufacture of 1,000 additional structurals per annum and changing the location of their undertaking from Khed Gully, Gokhale Road, Bombay, to North Stanvac Refinery, Trombay.

The Committee recommended the grant of a licence for the shifting of the industrial undertaking from Gokhale Road, Bombay to Trombay, Bombay, as well as for carrying on the business of the industrial undertaking at Trombay.

With regard to the substantial expansion proposed the Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the C.G./H.E.P. Committee.

- (103) Application from M/s. R.S. Julli Ram Sham Lal, Calcutta, for a licence for the establishment of a new industrial undertaking for the manufacture of 140 tons of non-ferrous metal sheets and 230 tons of non-ferrous metal rods per mensem on two shift basis.

At an earlier meeting the Committee had expressed the view that there was no scope for expansion in the sheet rolling line in view of the existence of unutilised capacity, but that there was no objection to the grant of a licence for the manufacture of metal rods. The firm have since expressed their willingness to have a licence for non-ferrous metal rods only. The scheme does not involve the import of any equipment.

The Committee recommended the grant of licence.

- (104) Application from M/s. Larsen and Toubro Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new article viz. Petroleum Dispensing and Metering pumps, (Capacity 1,000 nos. per annum) in collaboration with M/s. Gilbert and Barker Manufacturing Co., Massachusetts, U.S.A.

The Committee deferred consideration of this application, as it was considered advisable to have the comments of the Ministry of Steel, Mines and Fuel (Mines and Fuel Deptt.).

(105) Application from M/s. C.Doctor & Co., (Private) Ltd., Ahmedabad, for a licence for the establishment of a new industrial undertaking at / for the manufacture of following items in collaboration with M/s. Bahnson Company, Winston-Salem, North Garotina, U.S.A.

/Ahmedabad

<u>Item.</u>	<u>Capacity per annum (in Nos.)</u>
Industrial Centrifugal Humidifiers,	3,000.
Industrial HDC Units.	1,000.
" F Units.	400.
" Controls.	250.
" Non-freeze steam coils	2,000.
" Axial Flow Fans.	1,000.
" Atomisers.	5,000.

At an earlier meeting, the Licensing Committee had expressed the view that this scheme should be examined further in consultation with the Textile Commissioner especially with reference to the future requirements of this equipment in the textile mills. The Committee also desired that a detailed manufacturing programme should be obtained from the firm. The Committee, after considering the report of the Textile Commissioner and also the revised manufacturing programme submitted by the firm, recommended the grant of a licence. According to the revised manufacturing programme, the scheme involves import of capital equipment of the value of Rs.68,000/- only.

(106) Application from M/s. Bharat Carbon and Ribbon Mfg. Co., Ltd., New Delhi, for a licence for the establishment of a new industrial undertaking at Faridabad Township (Punjab) for the manufacture of Tissue paper 95-100 tons per month or 1,200 tons per annum.

The Scheme involves import of capital equipment of the value of Rs.2.5 lakhs. The firm have located a second hand paper making mill costing about Rs.1.8 lakhs. It has been estimated that there will be a saving of foreign exchange to the extent of Rs.12.6 lakhs per annum when this scheme is implemented. The Committee, therefore, recommended the grant of a licence.

- (107) Note regarding the grant of a licence to M/s.B.D.Gupta, for increasing their Cane crushing capacity from 500 tons to 800 tons. per day.

The firm had been granted a licence in November, 1957, for the establishment of a sugar factory with a daily crushing capacity of 500 tons. The firm have since been able to secure some second hand machinery which would enable them to raise the capacity of the proposed factory to an economic level, i.e., 800 tons per day. The Committee agreed to the original licence being amended accordingly.

- (108) Application from Dr.H.R.De-Vitre, Blackheath, London, for a licence for the establishment of a new industrial undertaking in Bihar, West Bengal or Bombay for the manufacture of 6,000 tons of Steel and alloy castings and Iron and Alloy iron castings per annum. (The scheme involves foreign investment).

The Committee recommended the grant of a licence subject to the following conditions:-

- (i) the capital structure of the applicant firm should be examined in consultation with the Ministry of Finance;
- (ii) the size and weight of the castings should not exceed 10 tons a piece except with the prior permission of Government.

- (109) Application from Shri G.P.Parikh, Ahmedabad, for a licence for the establishment of a new industrial undertaking (M/s. Hides & Leather Products Private Ltd.) at Palanpur, for the manufacture of 1,61,286 lbs of Picking Bands per annum on three shift basis (foreign collaboration envisaged.)

As the applicant firm had not furnished full details of raw material required to be imported for implementing the scheme and certain details of collaboration with an Irish firm, the Committee deferred consideration of the proposal.

- (110) Application from Shri G.P.Parikh, Ahmedabad for a licence for the establishment of a new industrial undertaking at Palanpur ("M/s.Hides and Leather Products Private Ltd.") for the manufacture of 107 tons of Leather Belting per annum on three shift basis, in collaboration with M/s. Chas A.Schieran & Co. U.S.A.

The Committee observed that full data regarding the import of raw material and foreign collaboration for implementing this scheme had not been fully worked out ~~by~~ ^{that} the applicant. The Committee also desired ~~the~~ question of the existing capacity being utilised to a greater extent might be examined in detail. The consideration of this application was, therefore, postponed to the next meeting.

- (111) Application from M/s.Mahindra & Mahindra Ltd., Bombay for a licence for the establishment of a new industrial undertaking ("M/s. Mahindra Owen Private Ltd.,") at Pimpri, Poona, in collaboration with M/s. Rubery Owen & Co., Ltd., U.K., for the manufacture of Trailors, (dead) agricultural and commercial axles, hydraulic jacks, airbrake equipment, suspensing units of heavy trailors etc.,.

The scheme involves import of capital equipment of the value of Rs.25.66 lakhs and raw materials and components of the value of Rs.12 to 23 lakhs. per annum over the first four years. It is, however, estimated that there will be a saving of foreign exchange to the extent of Rs.36 lakhs in the first year, increasing to Rs.96 lakhs. in the fourth year. The Committee, therefore, recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of Government and foreign exchange aspect being cleared by the C.G.Committee.

(112) Application from M/s. Bird and Co. (Private) Ltd., Calcutta for the establishment of a new undertaking at Titaghur (West Bengal) for the manufacture of the following articles in collaboration with M/s. Holman Brothers Ltd., Camborne, Cornwall, England:-

<u>Name of the Products</u>	<u>Capacity per annum</u>
1. Stationery air compressors.	72 Nos.
2. Portable -do-	72 Nos.
3. Tractor. -do-	12 "
4. Pneumatic Rock Drill.	400 "
5. Pneumatic Air Legs.	120 "
6. Pneumatic Tools.	1750 "
7. Air winches.	50 "

The Committee noted with satisfaction that the foreign collaborators in the scheme are a well-known firm in the field. The Committee, however, observed that the applicant firm did not intend to start the manufacture of all items applied for at the same time. The Committee felt that in these circumstances it might not be appropriate to grant a licence immediately for any item which would not be taken up for manufacture in the first three years of the manufacturing programme. The Committee, therefore, recommended the grant of a licence for the items shown below subject to the terms of foreign collaboration being settled to the satisfaction of the Government:

<u>Name of the item</u>	<u>Type</u>	<u>No. per year.</u>
Air Compressors.	120 cfm Stationary	12
	120 cfm (Portable)	12
	120 cfm (Tractair)	12
Airlegs	-	120
Airwinches	-	50
Roto Grin	-	200
Roto Drill (4000)	-	200
Roto Drill (3000)	-	100
Pick	-	100
Roto Pump	-	50
Spader	-	50

The Committee observed that this recommendation would not prevent the firm from applying for substantial expansion at a later date if this was considered necessary.

(113) Application for licence for the establishment of new undertakings for the manufacture of Hosiery machine needles from:-

- (a) M/s. Foreign Import and Export Association (India) Ltd., Delhi - (M/s. Poh Lee Needle Co.) .. Location: Delhi -
Capacity : 7.2 million pieces per annum
- (b) M/s. Foreign Import and Export Association (India) Ltd., Ludhiana (M/s. Excelalor/Manufacturing Co.) - Location: Ludhiana (Punjab) - Capacity : 7.2 million pieces per annum.
- (c) M/s. Arthur & Co., Ludhiana (Punjab) - Location: Ludhiana (Punjab) -
Capacity: One lakh needles per mensem.

Messrs. Foreign Import and Export Association (India) Limited, Delhi, Messrs. Foreign Import and Export Association (India) Ltd., Ludhiana, and Messrs. Arthur and Co., Ludhiana, have applied for licences for the manufacture of hosiery machine needles at Delhi, Ludhiana and Ludhiana respectively. Messrs. Rajan and Santosh (P) Limited, Ludhiana, have also applied for the establishment of a new industrial undertaking at Ludhiana for the manufacture of hosiery machine needles.

At the meeting of the Licensing Committee held on the 29th and 30th October, 1957, the Director of Industries, Punjab, was requested to examine these applications in detail and make specific recommendations in respect of the three applications for setting up new undertakings at Ludhiana. The Director of Industries since reported that Messrs. Rajan and Santosh (P) Limited might be given some priority and a licence granted to the firm and that if a second unit was to be approved, his preference was Messrs. Foreign Import and Export Association (India) Limited.

It was brought to the notice of the Committee that Messrs. Foreign Import and Export Association (India) Limited, Delhi, M/s. Foreign Import and Export Association (India) Ltd., Ludhiana, and Messrs. Arthur & Co., Ludhiana, are under the same managing agency. The Committee was also informed that the Foreign Import and Export Association (India) Limited had been granted a licence for the manufacture of hosiery needles at Bombay about a year ago and that details regarding the performance of the firm were not known.

The Licensing Committee suggested that the application of M/s. Rajen & Santosh Private Ltd., Ludhiana, might be examined in detail by the Development Wing and brought up before the Committee in due course along with the cases now put up.

In the meanwhile, the Licensing Committee suggested that it should be ascertained from M/s. Foreign Import and Export Association (India) whether they would like to locate their industrial undertaking at Bombay, Delhi or Ludhiana, it being made clear that they would not be given more than one licence.

The case will be put up to the licensing Committee again after the information on the above points have been obtained.

(114) Application from M/s Hindustan Meters (Private) Ltd., Amritsar, for a licence for the establishment of a new undertaking at Chandigarh (Punjab), for the manufacture of 60,000 Nos. of electric meters (A.C. Single phase) per annum in collaboration with M/s. Hitachi Ltd., Tokyo (Japan).

This case was considered by the Licensing Committee at its last meeting. The Committee desired to have full information regarding State Government participation in the scheme. The Committee was informed that the applicant firm was prepared to raise the capital necessary from its own resources and that the State Government would not therefore be extending any financial collaboration to the firm. After a consideration of the report of the Director of Industries, the Committee suggested that the Director of Industries might contact the applicant firm and ascertain:

- I) whether the firm could get Japanese investment to cover the cost of the capital equipment required, or
- ii) whether deferred payments could be started after April, 1961.

The case will be put up to the Committee again after the information on the above points has been obtained.

(115) Application from M/s. Maneklal Manufacturing Co., Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of the following items in collaboration with M/s. Benninger Engineering Co., Ltd., of Switzerland and M/s. Swiss Locomotive and Machine Works, Switzerland:-

<u>Name of the Products</u>	<u>Capacity per annum</u>
1. Mercerisers	4 Nos.
2. Pneumatic mangles	6 Nos.
3. Tensionless scrapers	8 Nos.
4. Aegors	5 Nos.
5. Rotary compressors	100 Nos. (both small and medium types)

p.t.c.

Name of the Products

Capacity per annum

6. Cranes

not indicated.

The Licensing Committee was informed that the applicant Firm were doing good work in the Textile Dyeing machinery line, and that they might be able to implement the proposed expansion scheme satisfactorily. The Committee, however, suggested that before they made any recommendation, the Industrial Adviser (Engg.) should call a representative of the applicant firm and ascertain whether the scheme was confined to mere assembly or whether it involved basic manufacture. Thereafter, the case should be brought up again before the Committee.

(116) Application from M/S. Sanitex Chemical Industries Ltd., Baroda, for a licence ~~involving~~ a substantial expansion to their undertaking for increasing the installed capacity of oxalic acid from 15 tons to 30 tons a month.

This firm had been granted a licence under the Industries (Development & Regulation) Act, in November, 1956 for the manufacture of Oxalic Acid upto 180 tons a year. The process proposed to be employed was the Sugar Oxidation process. The firm ~~now proposes~~ to change over to the most modern process called the Sodium Formate Process and to increase the capacity to 360 tons of oxalic acid per annum. This scheme would result in conserving sugar for other uses and also make the manufacture of oxalic acid more economical. It would involve the import of Plant and Machinery worth about Rs. 3½ lakhs. In the circumstances the Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the CG/IEP Committee.

III. Note regarding licensing of Cotton Waste Spindles.

The Committee was informed that against a total of 12.65 million cotton spindles in the country, only 61,036 spindles were engaged in the manufacture of cotton waste yarn. An expansion of the order of even 40 to 50 thousand spindles would not therefore materially alter the relative position of the productive capacity of the waste yarn as compared to that of good yarn. In these circumstances even if 10 to 15% of the total cotton consumption came out in the form of waste, about 160,000 spindles would be required to spin yarn out of this cotton waste. Otherwise the surplus waste would have to be used in a less profitable way or would have to be exported as waste. The Committee was informed that:

- 1) that Japan which had hitherto been the best customer for cotton waste was facing foreign exchange difficulty and so was likely to reduce imports sizeably; and
- 2) the U.S.A. was exporting subsidised off-colour cotton and so Indian cotton waste was likely to face increasing competition in foreign markets.

The Committee felt that it would be an economical proposition to allot additional spindles to existing spinning and composite mills for utilising this cotton waste in preference to units to be newly licensed. The Licensing Committee therefore, recommended the grant of a licence for the installation of spindles to the following firms as indicated below:-

<u>Name of the applicant.</u>	<u>No of spindles.</u>
1. The Lakshmi Mills, Coimbatore	334
2. The Vijay Kumar Mills, Palani.	1,200
3. The Coimbatore Spg. & Wvg. Co. Ltd., Coimbatore.	1,200
4. The Ashor Textiles Ltd., Tirupur.	720
5. The D.P.F. Textiles Private Ltd., Coimbatore.	1,200
6. The New Kaiser-1-Hind Spg. & Wvg. Co. Ltd., Bombay.	400
7. The Burhannpur Tapti Mills Ltd., Burhannpur.	693
8. M/s. Mahalaxmi Textile Mills, Madurai.	800

* In this case, an allotment of only 693 spidles was recommended as against 1,200 applied for in view of the fact

that this mill has already 507 cotton waste spindles installed.

2. As far as new undertakings were concerned, the Committee felt that it would not be an economical proposition for new entrants to set-up units only for spinning cotton waste. The Committee, therefore, recommended rejection of these applications:

<u>Name of the Applicant</u>	<u>Spindles applied for.</u>
1. Shri R.R. Ramaswami Naidu, Coimbatore.	4,000
2. Shri Jayantilal C. Patrani, Coimbatore.	6,000
3. Shri M. Rangappa Thimappa, Devangere	1,000

3. With regard to the application of Shri Kailash Chand Madanmohan, Panipat for setting up of a new undertaking with 2,000 spindles for spinning cotton waste, the representative of the Punjab Government urged that in the Punjab there was a lot of cotton waste available. The State representative was informed by the Committee that the applicant firm might work out the economies of the operation involved and send it to the Textile Commissioner for comment. The Committee deferred a decision on this case till the matter had been examined in this manner by the Textile Commissioner.

4. Application from Mr. Pathak for installation of additional spindles.

The Committee was informed that the Textile Commissioner had permitted Shri Pathak, a Textile Technologist at Ahmedabad, to instal 256 spindles as a new unit. Shri Pathak had now requested the allotment of 104 additional spindles to make the unit economically viable. As the additional spindleage required is small, the Committee recommended the grant of a licence for the additional spindleage.

IV. Question of regularisation of the excess of 296 spindles installed by M/S. Bechardas Spg. & Wvg. Mills, Ltd., Ahmedabad.

Please see under Item VII.

V. Recommendations of the Licensing Committee on the applications which were referred to the Members in circulation on the 17th October, 1957.

VI. Recommendations of the Licensing Committee on the applications referred to the Members in circulation on the 11th November, 1957.

These were noted.

VII. Note regarding regularisation of excess spindles.

The following mills have installed spindles in excess of the allotted spindleage by way of marginal adjustments:-

<u>Name of the Mills.</u>	<u>No. of spindles allotted.</u>	<u>No. of excess spindles.</u>
1. M/S. Sree Meenakshi Mills Ltd., Madurai.	12,000	40
2. M/S. Bechardas Spg. & Wvg. Mills Co. Ltd., Ahmedabad.	5,680	296
3. M/S. Sri Ramalinga Choodambikai Mills Ltd., Tirupur.	10,000	368

The Licensing Committee had decided on an earlier occasion that such excesses might be regularised provided the number of excess spindles did not exceed one Ring Frame. The three cases have, therefore, been regularised, in conformity with the above decision. The Committee took note of this position.

VIII. Question of grant of licence to M/S. India Cements Ltd., Talaiyutha, for the manufacture of 750 tons of cement per day instead of 600 tons per day already approved.

M/S. India Cements Ltd., Talaiyutha, was granted a licence for effecting substantial expansion to their factory by 600 tons per day and the expansion is scheduled for completion by November, 1958. The firm were also granted an import licence for the plant and machinery. Recently, the firm represented that it had been offered a complete plant almost ready for shipment with capacity of about 750 tons per day and it could be had without any extra foreign exchange expenditure. As this arrangement would accelerate production by at least one year approval was given by the Ministry of Commerce and Industry.

The Licensing Committee took note of the position.

IX Request of M/s. Ashok Silk Mills, Bombay, for a licence to add 24 powerlooms for the manufacture of velvet and velveteen fabrics in the existing industrial undertaking.

The Committee observed that the export promotion angle to the scheme deserved some encouragement. As the foreign exchange earning capacity was also not unfavourable the Committee recommended the grant of a licence.

X Note regarding the installation of additional spindles in uneconomic mills.

In accordance with the decision of the Government to licence an additional 5,60,000 spindles to uneconomical Mills, Co-operative units and mills which would instal automatic looms for the export of cloth 2,81,742 spindles have already been allotted leaving a balance of 2,78,258 spindles for allotment in the future. It has been decided that all uneconomical mills might be allowed extra spindleage so as to increase the number of spindles to 12,000 in each case so as to make them economical units. The Textile Commissioner has recommended that all mills already having 6,000 or more spindles might be considered straightaway for additional spindles and cases of mills having less than 6,000 spindles and requiring more than 6,000 additional spindles were examined in the light of this decision and the position as set out below was reported to the Licensing Committee for approval:-

Name of the Mills	Existing installed capacity.	Balance required for making the installed capacity to 12,000 spindles.
1.	2.	3.
1. M/s. Pollachi Bagyalakshmi Mills Private Ltd., Pollachi.	8,424	3,576
2. M/s. The Punjab Hosiery & Textiles Ltd., Ludhiana.	10,000	2,000
3. M/s. Shri Shanmugar Mills Ltd., Rajapalayam.	11,500	500
4. M/s. Rajah Mills, Madurai.	8,080	3,920
5. M/s. Nagammai Cotton Mills, Vikravandi.	10,000	2,000
6. M/s. Nandi Hasbi & Co., Cotton Spg. Mills, Nargud.	10,000	2,000
7. M/s. Anantpur Textiles Ltd., Calcutta.	8,000	4,000
8. M/s. Sri Natesar Spg. & Wvg. Mills (Private) Ltd., Erode.	9,852	2,148
9. M/s. Alagappa Cotton Mills, Rajapalayam.	10,000	2,000

The Licensing Committee recommended the grant of licences under the Industries (Development & Regulation) Act for the additional spindleage involved in each case.

XI Proposal of M/s. East India Corporation Ltd., Calcutta, to replace 2 plain looms by automatic looms for trial purposes.

M/s. East India Corporation Ltd., Calcutta, had applied for permission to replace 2 plain looms by an equal number of automatic looms to impart training to workers in the Mill. The Licensing Committee accepted the recommendations of the Government of West Bengal and the Textile Commissioner and

recommended the grant of permission to instal 2 additional automatic looms only for the purpose of imparting training to workers.

XIII Note regarding the review of Licensing Policy in respect of expansion of the Art Silk Weaving Industry.

The question of permitting Art Silk weaving units of uneconomic size to install additional looms to make them economically viable units was considered at the meeting of the Licensing Committee held on 21-3-57. In view of the difficult foreign exchange position and the consequent curtailment of imports, it was then decided to defer consideration of this matter for six months. As there has been no material change in the position since this question was last examined the Licensing Committee recommended, that the matter might be deferred for a further period of six months.

XIII Manufacture of A.C.S.R. and All Aluminium Conductors.

The Development Wing have reviewed the present position of licensing in this industry.

The targetted capacity during the Second Five Year Plan has been estimated at 30,000 tons per year. As against this, the existing and licensed capacity amount to about 25,170 tons per annum. There is, therefore, a gap of about 5,000 tons to be bridged. As a result of the review of the licensed or approved schemes, the Development Wing have come to the conclusion that about 3,600 tons per annum would be released as a result of some of the schemes not materialising.

Some of the firms whose schemes had recently been rejected have appealed against the decision. Amongst them is a scheme of Shri B.M. Patel, New Delhi, who has reported that it would be possible for him to negotiate suitable deferred payment terms. The Committee felt that Shri B.M. Patel's application might go before the CG/HEP Committee.

The Committee also desired that the Development Wing should contact all other applicants whose cases had been rejected in the past and ascertain from them whether they are still interested in their schemes and also whether it would be possible for them to arrange deferred payment terms conforming to the accepted pattern. It should, however, be made clear to these firms that they should not start actual negotiations for deferred payment terms without getting the consent of the Chief Controller of Imports and Exports.

The Committee also desired that in cases where applicants had failed to take "effective steps" or to complete their schemes within the prescribed periods, steps should be taken to revoke the licences.

XIV Applications for licences in the Cement Industry.

At its meeting held on 30th October, 1957, the Licensing Committee desired that the sub-committee on cement might examine all pending and new applications for licences and make their recommendations. The sub-committee's report was now considered by the Licensing Committee.

2. There had been some difference of opinion in the sub-committee as to whether any further capacity in the cement industry need be licensed now. The Committee felt that, for the present, they should proceed on the basis of the target of 16 million tons already approved by the Planning Commission, unless and until the target was revised. The licensing policy should be such as to ensure the attainment of this target. As foreign exchange difficulties were likely to impede many licensed units, the Committee might approve of additional cases which would be allowed to proceed, if terms, acceptable to the C.G./HEP Committee were offered by them - but the total volume of import licences should be related to the target of capacity.

3. The Licensing Committee accepted and endorsed the recommendation made by the Sub-Committee that a licence be granted to Messrs Quality Cement Manufacturing Co., of India, Jaipur, for the establishment of a Cement Factory at Sojat Road or Bilara in Rajasthan with an annual capacity of 66,000 tons.

4. It was agreed that the Sub-Committee should make out a list of schemes for approved by the Licensing Committee, so that licences might be issued as and when the applicant firms succeeded in negotiating deferred payment terms for the plant and machinery to the satisfaction of Government. This process would continue until the target capacity was reached.

5. The Committee desired that the following schemes should be put on the approved list

- i) M/s. Bagalkot Cement Company Ltd., Bombay, for the establishment of a cement factory at Rajur in Bombay State with an annual installed capacity of 2,40,000 tons (1st stage).
- ii) M/s. Associated Cement Company Ltd., Bombay, for effecting substantial expansion of 1,65,000 tons a year to the unit already licensed at Durg, Madhya Pradesh.
- iii) M/s. Birla Jute Manufacturing Company Ltd., Satna, for effecting substantial expansion of 3,30,000 tons a year to the existing factory at Satna. (This firm should satisfy the Government of India that the additional power required for the expansion programme would be available).

6. The Committee also suggested that an assessment of the element relating to transport charges in the cost price of cement might be made and reported to the Committee in due course.

XV. Summary of pending applications for licence under the Industries (Development & Regulation) Act, 1951, as on the 9th December, 1957.

This was noted.

XVI. Note regarding grant of licences for the manufacture of cycle and cycle parts.

At its last meeting the Licensing Committee accepted all the recommendations of the Sub-Committee consisting of representatives of the Ministry of Commerce and Industry and the Planning Commission which had examined the cases of all outstanding applications for the manufacture of cycles and cycle parts. The Licensing Committee authorised the sub-committee to make recommendations on all applications which were pending as soon as complete information had been received and then report the position to the Licensing Committee in due course.

Manufacture of complete cycles.

The Licensing Committee accepted the sub-committee's recommendations turning down the following applications:

Name of the firm	Capacity applied for per annum.
1. M/s. National Cycle Industries, Bankura, West Bengal.	24,000
2. M/s. Ajay Industries, Bahadurganj.	5,100
* 3. M/s. Abbasali Abdeali Haji & Sons, Amraoti.	12,000
4. M/s. Indian Metal & Steel Products, Ltd., Calcutta.	12,000

* This firm will, however, be permitted to work in the small-scale sector.

Schemes for expansion of capacity for manufacture of cycles.

The Licensing Committee had previously accepted the recommendation of the Sub-committee that, before considering individual cases for expansion, the following information would be collected from the applicants and the cases pending discussed with the Planning Commission:

- a) the quantity by which production of complete cycles could be stepped up without any additional equipment; and
- b) the additional balancing equipment required to be (i) imported and (ii) obtained from indigenous sources to attain the ultimate capacity proposed to be set up and their approximate value.

In accordance with these recommendations, all applicants for expansion of capacity were requested to furnish this information. Of these applicants only M/s. T.I. Cycles of India Ltd., has furnished the information. The cases of the other applicant firms will, therefore, be discussed with the Planning Commission on receipt of their replies.

The Licensing Committee took note of this position.

T.I. Cycles of India Ltd.

The applicant firm had originally applied for an increase in their capacity for the manufacture of cycles and cycle parts as follows:-

- i) Complete cycles-from 200,000 to 300,000 p.a.
- ii) Spare parts-from 100,000 sets to 150,000 sets per annum.
- iii) Additional production of the following cycleparts over and above (ii) above:-

Proposed annual capacity.

Hubs	50,000 pairs.
Spokes	50,000 sets
Pedals	50,000 pairs.
B.B. Fittings.	50,000 sets.

This application was considered by the Licensing Committee at its last meeting. In November, 1957, the firm applied for a licence for the manufacture of the following cycle parts which are at present being imported by the firm for incorporation in their cycles:

Proposed annual capacity.

Bottom Bracket Axles.	1,000,000 Nos.
Machining of B.B. Castings.	500,000 Nos.
Long Rods & Klunger Rods for Brakes.	500,000 Nos.
Springs (Handle-bar, Brakearch, freewheel).	500,000 sets.
Chain adjusters.	500,000 sets.
Special Rivets.	500,000 sets.
Freewheel forgings.	750,000

This application was also considered in consultation with the Planning Commission.

It was decided to approve of all the four schemes outlined above, for which it was estimated that capital equipment worth about Rs.30 lakhs would have to be obtained from abroad, subject to the following conditions:

- 1) While increasing their output for cycles, the firm would steadily supply / to other cycle manufacturers spare parts so that when their production reaches the level of 300,000 aimed at 150,000 sets of spare parts would be made available to other cycle manufacturers at reasonable prices;

- ii) the terms of payment for plant and machinery are settled to the satisfaction of the Government; and
- iii) in no case should any payment be allowed before the end of March, 1961.

On an enquiry made from the firm, it was learnt that the firm were agreeable to accept (i) and (iii) and that with regard to (ii) the firm indicated that they might be able to raise a foreign loan to cover the cost of the capital requirements involved in the scheme from abroad. It was reported to the Committee that the Industrial Credit and Investment Corporation of India had agreed to make foreign exchange available to the applicant firm upto Rs. 40 lakhs for the import of plant and machinery.

In the circumstances, the Sub-Committee recommended the issue of a licence to the applicant firm for the expansion of manufacture of cycles and cycle parts subject to the clearance of foreign exchange requirements by the CG/HEP Committee. The Licensing Committee took note of this position.

M/S. Eastern Industries Corporation, New Delhi.

The Licensing Committee noted that the application had been withdrawn.

XVII. Next Meeting of the Licensing Committee.

It was decided that the next meeting of the Committee will be held at 10.30 A.M., on Thursday, the 6th February, 1958, and if necessary, on the 7th February, 1958 also.

K.C. Madappa
30/1/58

(K.C. Madappa)
Deputy Secretary to the Government of India.

No. 3(26)IA(II)(4)/57
Government of India
Ministry of Commerce & Industry

New Delhi, the 5th February, 1958.

11 FEB 1958

From

Shri P. V. B. Menon,
Under Secretary to the Government of India

To

- (1) All Members of the Reviewing Sub-Committee of the Central Advisory Council of Industries,
- (2) All other members of the Central Advisory Council of Industries, and
- (3) All other members of the Standing Committee of Central Advisory Council of Industries.

Subject:-

Minutes of the 7th meeting of the Reviewing Sub-Committee of Central Advisory Council of Industries held in New Delhi on the 5th December 1957.

Sir,

I am directed to forward for your information a copy of the minutes of the 7th meeting of the Reviewing Sub-Committee of the Central Advisory Council of Industries held in New Delhi on the 5th December, 1957.

Yours faithfully,

P. V. B. Menon

(P. V. B. Menon)

5.2.58

Under Secretary to the Government of India.

MINISTRY OF COMMERCE & INDUSTRY

MINUTES OF THE 7TH MEETING OF THE REVIEWING SUB-COMMITTEE
OF THE CENTRAL ADVISORY COUNCIL OF INDUSTRIES HELD AT
NEW DELHI ON THE 5TH DECEMBER, 1957.

P R E S E N T

- | | | |
|---------------------------|---|----------|
| 1. Pt. H.N. Kunzru, M.P. | | CHAIRMAN |
| 2. Shri B.M. Chinai. | } | |
| 3. Mr. W.H.S. Michelmore. | | |
| 4. Shri B.C. Ghosh, M.P. | | MEMBERS |
| 5. Shri G. Basu. | | |
| 6. Shrimati Maniben Kara. | | |

REPRESENTATIVES OF MINISTRIES.

MINISTRY OF COMMERCE & INDUSTRY

- | | | |
|---|---|--------------------|
| 7. Shri S. Ranganathan, I.C.S.,
Secretary. | | |
| 8. Shri B.B. Saksena. | } | |
| 9. Shri N. Sibrahmnyam, I.C.S. | | JOINT SECRETARIES. |
| 10. Shri A. Zaman, I.C.S. | | |
| 11. Shri Ashfaq Husain,
Development Commissioner,
Small Scale Industries. | | |
| 12. Dr. G.P. Kane,
Industrial Adviser (Chemicals) | | |
| 13. Shri K.C. Madappa, I.A.S.,
Deputy Secretary. | | |
| 14. Shri S.K. Sinha,
Development Officer. | | |
| 15. Shri B.N. Nanda,
Deputy Chief Controller of Imports & Exports,
New Delhi. | | |
| 16. Shri S.V.R. Chari,
Under Secretary. | | |
| 17. Shri P.V.B. Menon,
Under Secretary. | | |

MINISTRY OF FOOD AND AGRICULTURE

18. Shri Hans Kumar,
Head of the Engineering Division,
Indian Agricultural Research Institute.
19. Shri Gyan Chandra,
Director,
Sugar & Vanaspathi Directorate.
20. Shri F.G.I. Menezes,
Deputy Director (Sugar),
Sugar & Vanaspathi Directorate.

MINISTRY OF LABOUR.

21. Shri S.R. Baise,
Deputy Chief Adviser, Factories.

In initiating the proceedings, the Chairman stated that since the Reviewing Committee met last on the 5th October, 1957, only one meeting of the Licensing Committee had taken place. At that meeting 148 applications were considered and licences were recommended in 97 cases. 28 applications were recommended for rejection. The remaining 18 applications were referred back for further particulars or revision of the schemes in the light of certain suggestions made by the Licensing Committee. In all these cases, the Government had accepted the recommendations of the Licensing Committee and no appeals were filed by any of the parties whose applications had been turned down. At the meeting, there was general appreciation of the manner in which the Licensing Committee had been discharging its duties. Satisfaction was also expressed over the work done by the Development Wing in connection with the schemes for licences under the Industries Act.

2. Follow-up of action on the recommendations of the Reviewing Committee made at the previous meeting. :-

A statement showing, in brief, the recommendations made by the Reviewing Committee at the last meeting and the action taken thereon was considered at the meeting. This statement dealt, among other things, with the recommendation of the Reviewing Committee that an analysis of cases where licences had been applied for by more than one industry with substantially the same interests should be made out. This recommendation was discussed at the meeting of the Standing Committee of the Central Advisory Council of Industries held on the 3rd December 1957. That Committee had observed that in view of the fact that only a limited number of industrialists were really in a position to undertake industrial schemes and implement them successfully, and that it would, therefore, be unwise to impose any restriction on a party entering more than one line. Care should, however, be taken to see, as far as possible, that the party which was allowed to embark on more than one scheme would be able to deliver the goods. In such a situation, it would really be unnecessary to compile a statement of the type recommended by the Reviewing Committee. Shri Ghosh, however, suggested that while there need be no bar to a party having licences for more than one industrial scheme, the statement recommended by the Reviewing Committee should nevertheless be prepared by the Secretariat and put up to that Committee. Shri Ranganathan pointed out that the decision of the Standing Committee of the Central Advisory Council of Industries was not in favour of the collection of such information, but that whatever information was available in the records of the Secretariat could be supplied to the members on request. This position was ultimately accepted.

The Chairman then invited those present to make such general observations, as they might like to offer.

DISPOSAL OF APPLICATIONS.

3. Shri Chinai observed that a large number of applications had been pending either because the technical scrutiny had not been completed or because they were to be referred to ad hoc committees appointed by Government for specific industries. He suggested that the examination of such cases might be expedited as much as possible, so that final decisions might be given within the prescribed period of 3 months from the date of application.

STATEMENT REGARDING REJECTED CASES.

4. Shri Chinai remarked that ever since the foreign exchange position became difficult, several applications had been rejected because the parties had not been able to arrange deferred payment terms to the satisfaction of Government. There were also instances where schemes were not allowed to be proceeded with because the terms of foreign collaboration were not deemed to be reasonable. In order that the Reviewing Committee might get a clear idea of the cases which, though recommended for licensing by the Licensing Committee, were ultimately turned down, he suggested that the Commerce & Industry Ministry might compile a statement of all such cases and put them up to the Committee at each meeting. The suggestion was accepted.

QUESTION OF LICENSING CAPACITY OVER AND ABOVE THE TARGETS FIXED

5. Shri Chinai observed that in a number of industries the target fixed under the Second 5-Year Plan had been covered by the existing capacity and the schemes licensed by Government on the recommendation of the Licensing Committee, but that quite a few licensees were not in a position to implement their plans because of the difficulty in getting plant and machinery on deferred payment terms acceptable to Government. The result was that the total capacity licensed might not materialise.

On the other hand, there might be parties which might be able to develop industries with very much less strain on foreign exchange resources. In his opinion, it would not be wise not to consider applications from fresh parties while the parties holding licences were struggling for suitable deferred payment terms for their machinery. The Chairman pointed out that in the case of certain industries, particularly consumer goods industries, Licensing Committee were taking a liberal view and were sanctioning some capacity over and above the target, as actual production might not come to the level covered by licences. In regard to the more important industries, a more cautious approach was necessary. Ordinarily, the parties holding licences were allowed a time-limit for taking effective steps as well as for the implementation of their schemes and it was only after the period allowed was over that the question of revocation could be taken up. In fact, in all such cases the parties were asked to explain why their licences should not be revoked and it is only when their explanations were found to be unsatisfactory that their licences were cancelled. Nevertheless, the Licensing Committee is prepared to consider fresh applications having regard to the approved schemes which, in their judgment, might not come to fruition. Shri Chinai was satisfied with the existing arrangements.

REVIEW OF SPECIFIC CASES.

(a) Application from Messrs Mahindra and Mahindra, Bombay, to manufacture 'Singer' sewing machines.

Mr. Michelmore remarked that he failed to understand why Government was opposed to the manufacture of Singer sewing machines which were internationally recognised as the best machines. In his opinion, the establishment of such a unit would intensify competition in the line and would be to the advantage of the consumer. Shri Ranganathan said that such

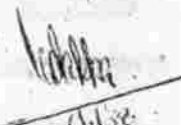
a view was tenable. On the other hand, there was the consideration that the manufacturers of 'Usha' machine and nearly half a dozen other organised units in this line were producing sewing machines of acceptable quality and in adequate quantities. It was also a fact that with the steady improvement in the indigenous production the prices of the machines were coming down. In such a situation, the establishment of a further unit of the standing of Singer would mean introduction of unhealthy competition and the foreign and Indian capital could be diverted to more fruitful spheres of activities. The Chairman also remarked that having allowed the industry to be started, Government could not naturally allow it being destroyed through unfair competition. Mr. Michelmore noted the position.

(b) Applications for manufacture of 3-wheeler automobiles. Shri Chinai observed that such applications had been rightly rejected by Government, as it would be undesirable to introduce a new type of vehicle in the country. He, however, thought that this case could have been referred by Government to the Committee appointed to enquire into the present position of the scooter industry. Shri Subrahmanyam pointed out that this question had been gone into very carefully and that it was considered not desirable to allow any diversion.

DATE OF THE
NEXT MEETING

7. It was agreed that the Reviewing Committee should meet at New Delhi on the 15th March 1958 at 10-30 A.M.

New Delhi,
January 1958.


(K.C. Madappa)
Secretary,
Central Advisory Council of Industries.

No. 2(5)IA(II)(G)/58
Government of India
Ministry of Commerce & Industry

New Delhi, the 7th April, 1958.

From

Shri P. V. B. Menon,
Under Secretary to the Government of India

To

- (1) All Members of the Reviewing Sub-Committee of the Central Advisory Council of Industries,
- (2) All other members of the Central Advisory Council of Industries, and
- (3) All other members of the Standing Committee of the Central Advisory Council of Industries.

SUBJECT: Minutes of the 8th meeting of the Reviewing Sub-Committee of the Central Advisory Council of Industries held in New Delhi on the 15th March, 1958.

Sir/Madam,

I am directed to forward herewith for your information a copy of the minutes of the 8th meeting of the Reviewing Sub-Committee of the Central Advisory Council of Industries held in New Delhi on the 15th March, 1958.

Yours faithfully,

P. V. B. Menon

(P. V. B. Menon) 7.4.58
Under Secretary to the Government of India.

MINISTRY OF COMMERCE & INDUSTRY

MINUTES OF THE 8TH MEETING OF THE REVIEWING SUB-COMMITTEE
OF THE CENTRAL ADVISORY COUNCIL OF INDUSTRIES HELD IN NEW
DELHI ON THE 15TH MARCH, 1958.

P R E S E N T

- | | | |
|----------------------------|--|----------|
| 1. Pt. H. N. Kunzru, M.P., | | CHAIRMAN |
| 2. Shri B. P. Singh Roy | | |
| 3. Mr. D. F. Macmillan | | |
| 4. Shri G. Basu | | MEMBERS |
| 5. Shrimati Maniben Kara | | |

REPRESENTATIVES OF MINISTRIES

MINISTRY OF COMMERCE & INDUSTRY.

- | | | |
|--|--|-------------------|
| 6. Shri S. Ranganathan, I.C.S.,
Secretary. | | |
| 7. Shri L. K. Jha, I.C.S.,
Special Secretary. | | |
| 8. Shri B.B. Saksena | | |
| 9. Shri A. Zaman, I.C.S. | | |
| 10. Shri C. S. Ramachandran, I.C.S. | | JOINT SECRETARIES |
| 11. Dr. B. D. Kalelkar,
Industrial Adviser(Engineering). | | |
| 12. Dr. G. P. Kane,
Industrial Adviser(Chemicals). | | |
| 13. Shri T. R. Sathe,
Industrial Adviser(Pharm. & Drugs). | | |
| 14. Shri N. Majumdar,
Industrial Adviser(Text. Prodn.). | | |
| 15. Shri K. C. Madappa, IAS.,
Deputy Secretary. | | |
| 16. Shri K. N. Shenoy,
Deputy Secretary. | | |
| 17. Shri S. K. Guha, IAS.,
Deputy Secretary. | | |

18. Shri C. J. Shah,
Development Officer,
19. Shri F. V. Badami,
Development Officer.
20. Shri S. S. Tomar,
Deputy Development Officer.
21. Shri P. V. B. Menon,
Under Secretary.

REPRESENTATIVES OF OTHER MINISTRIES.

22. Mr. E. P. Moon, I.C.S., (Retd.)
Adviser,
Planning Commission.
23. Shri T. C. Puri, I.C.S.,
Joint Secretary,
Ministry of Food & Agriculture.
24. Shri S. Vohra, I.C.S.,
Controller of Capital Issue,
Ministry of Finance.
25. A Representative of the Railway Ministry.

OTHER INVITEES

26. Dr. Ram Gopal Agarwal,
Asstt. Secretary,
Federation of Indian Chambers of Commerce
& Industry.

In opening the proceedings the Chairman invited the attention of members to the following statements which had been circulated to members of the Committee:-

APPENDIX I : Statement showing particulars of 1) applications recommended by the Licensing Committee for the grant of a licence and 2) applications deferred by the Licensing Committee for consideration at a later date.

APPENDIX II: Statement showing particulars of applications recommended by the Licensing Committee for rejection.

APPENDIX III: Statement showing particulars of applications where the Government did not either accept the recommendations of the Licensing Committee or else accepted the recommendations with certain modifications.

APPENDIX IV: Statement showing particulars of licences which had been revoked.

1. FOREIGN EXCHANGE

Before taking up detailed consideration of the position set out in these statements there was a brief discussion on the present foreign exchange position.

(a) LOAN ASSISTANCE FROM THE EXPORT IMPORT BANK OF THE U.S.A.

A suggestion was made that the current policy relating to the import of capital equipment on deferred payment terms particularly those items in respect of which assistance would be forthcoming from the Export Import Bank of the U.S.A. might be re-examined. It was explained to the Committee that assistance from the U.S.A. was largely intended for the purchase of capital equipment and parties wishing to import capital goods from the U.S.A. would not in future be required to negotiate deferred payment terms. The position regarding the import of capital goods from countries other than the U.S.A. would, however, not be altered. The assistance forthcoming from the U.S.A. would, however, assist to some extent in the completion of projects in the core of the Plan. Any release of foreign exchange on this account would most probably be absorbed in the

maintenance of existing allotments for the various industries. Generally speaking, however, licensing of imports of capital goods from the U.S.A. would be easier as compared to similar licensing from non-American sources.

In reply to an enquiry whether there would be any break up of the assistance from the U.S.A. it was explained to the Committee that broadly speaking five industries, i.e. Engineering industries, Chemical industries, the Automobile industry, the Cotton textile industry and the Coal mining industry would qualify in the first instance for assistance from the Export Import Bank of the U.S.A. and any further detailed break up if attempted would make the general pattern of assistance inflexible and therefore perhaps a little less effective.

The Committee was also informed that assistance from the Economic Development Loan Fund would be available for industries like the Cement and Jute industries. Assistance under this scheme could be availed of for import of capital goods from any countries except the iron curtain ones and there would be no need to negotiate deferred payment terms.

(a) Application from M/s. Indian Tool Manufacturers Ltd., Bombay, for effecting substantial expansion of the existing industrial undertaking for the manufacture of 10,000 dozen lathe tools per annum.

A suggestion was made that the reduced capacity of 5,000 dozen lathe tools per annum granted to the firm might dislocate the firm's manufacturing programme.

It was explained to the Committee that the scheme envisaged the import of raw material worth Rs. 9,60,000 a year and capital equipment worth Rs. 50,000. As the foreign exchange outlay involved was substantial, the Licensing Committee recommended a smaller capacity to start with. The Committee was also informed that if the firm experienced difficulty in going into production or if in the meantime there was any improvement in the foreign exchange position the matter would be reviewed.

The Committee noted the position.

P.T.O.

b) ECONOMIC
DEVELOPMENT
LOAN FUND.

REVIEW OF
SPECIFIC
CASES

(b) Application from M/s. Mcleod & Co., Ltd., Calcutta for the establishment of a new industrial undertaking for the manufacture of 3,000 Railway wagons, 300 coach underframes and 9,000 tons of steel structurals per annum.

A suggestion was made that sufficient capacity for the manufacture of wagons should be licensed because the Railways were dependent on the supply of wagons for reaching the targets prescribed for the Railways.

It was explained to the Committee that the individual applications had been examined in consultation with the Railway Ministry and the consensus of opinion was that dispersal of capacity for the manufacture of wagons all over the country was desirable. In accordance with this view sufficient capacity had been licensed for the manufacture of wagons and the capacity licensed had been distributed all over the country.

The Committee noted the position.

(c) Application from M/s. Howrah Trading Co. (P) Ltd., Calcutta for effecting substantial expansion of the existing industrial undertaking for the manufacture of a new article, viz., Universal Excavator and attachments :-

The Committee was informed that the Development Wing had held a meeting of manufacturers of representative makes and other including the applicants who had shown an interest in the manufacture of earth moving equipment and that as a result of this meeting concrete proposals were awaited from those persons interested in the manufacture of earth moving equipment. These proposals would be examined when received and placed before the Licensing Committee in due course.

The Committee took note of the position.

(d) Applications from (i) Shri Mulraj Kemandas, Bombay (M/s. Rajasthan Iron & Steel Works), (ii) M/s. Thakur Prasad Sao, Chaibasa (Bihar), (M/s. Sao Iron & Steel Industries Private Ltd.), (iii) M/s. Nandram Hunatram, Calcutta (M/s. Tomka Iron & Steel Industries Private Ltd.), (iv) M/s. Ramakrishna Industrial Private Ltd., and (v) Shri Harishchandra & Prasad, Tanuku, for the manufacture of pig iron:-

A suggestion was made that the production of pig iron should be increased and exports of iron ore substituted

by the export of pig iron.

It was explained to the Committee that some capacity had already been licensed for the manufacture of pig iron. Before more foreign exchange could be diverted to this field it was considered desirable to watch the progress made by the schemes already licensed and the repercussions that such manufacture would have on international trade in this commodity.

The Committee took note of the position.

(e) Application from M/s. South India Plywood Industries, Kottayam, Kerala State for effecting substantial expansion to the existing industrial undertaking for the manufacture of plywood :-

A suggestion was made that the case might be reviewed in view of the increasing demand for commercial plywood.

It was explained to the Committee that only such capacity as was considered necessary and which the country could afford in the context of the present foreign exchange position had already been licensed. The present application which is for additional capacity had, therefore, been turned down.

In view of this explanation, the Committee agreed with the Licensing Committee.

(f) Application from M/s. National Instruments (Private) Ltd., Calcutta. for effecting substantial expansion to the existing industrial undertaking for the manufacture of new articles, viz., Pressure and Vacuum Gauges (indicating, recording and controlling types) :

A suggestion was made that there should be some co-ordination between the public sector and the private sector in the matter of licensing of capacity. The Committee was informed that this factor had been taken into consideration by the Licensing Committee.

and (g) Application from M/s. Mukand Iron & Steel Works, Bombay. for effecting substantial expansion of the existing industrial undertaking for the manufacture of 12,000 tons of steel castings per annum :-

In reply to an enquiry regarding an annual capacity of 7,800 tons had been recommended in this case, it was explained to the Committee that this capacity was considered an economical proposition and the installation of an additional furnace was, therefore, not considered fully justified.

As the Steel Castings industry was dependent on the availability of scrap in the country the main consideration were whether the capacity which had been licensed would absorb all the scrap available in the country and whether there was at all any scope for the creation of additional capacity for steel castings in the country. These issues were under examination by the Ministry of Steel, Mines & Fuel (Department of Steel) and it was hoped that an early decision would be taken. In general terms, however, the capacity already licensed would meet the estimated demand for steel castings during the next 3 or 4 years.

3. IMPLEMENTATION
OF LICENCES
GRANTED.

A representation was made that in a number of cases licensees were not for one reason or another able to go ahead with production upto the licensed capacity. The Committee was informed that this factor was kept in mind and the Ministry was in close touch with licensees in matters like this. It was explained to the Committee that a condition was always incorporated in the licences granted specifying the time-limit within which "effective steps" should be taken by the licensees. The position was being reviewed periodically and a certain allowance was in fact being made for schemes which though licensed might not fructify for reasons beyond the control of the applicants.

The Chairman observed that this question had been considered by the Reviewing Sub-Committee on an earlier occasion also. The Committee had recommended that while issuing licences, especially in the case of consumer goods, capacities slightly in excess of what could be immediately absorbed by the market might be granted. The Government had accepted these views.

4. LICENSING OF
FLOUR MILLING
CAPACITY :-

A suggestion was made that while turning down applications for establishing new flour milling capacity or for effecting substantial expansion to existing capacity the Licensing Committee might bear in mind the present need to discourage the consumption of rice and to encourage the consumption of substitutes like cereals and cereal products. It was explained to the Committee that the policy relating to the licensing of flour milling capacity was under review and that if as a result of this review there should be a change

in the present policy an announcement would be made inviting applications from all those desirous of entering this field.

5. PROVISION OF HOUSING AND OTHER AMENITIES FOR LABOUR

A suggestion was made that in recommending applications for establishing new industrial undertakings the Licensing Committee should ensure that adequate provision was made for the housing of labour and for other amenities.

It was explained to the Committee that it would be difficult to turn down applications only on the ground that adequate provision for housing of labour had not been made because it would not be practicable for applicants to embark on housing schemes for labour in anticipation of the grant of a licence under the Industries (Development and Regulation) Act.

The Chairman observed that with the present unemployment problem it might not be wise to reject a scheme merely because adequate provision for housing and other amenities for labour had not been made. The Chairman suggested that such improvements would materialise in due course and that for the present it would be sufficient if applicants were first granted licences under the Industries (Development and Regulation) Act and then given a reasonable opportunity to comply with these requirements.

It was also explained to the Committee that aspiring industrialists were conscious of the need to provide housing and other amenities for labour. Even as matters stood now State laws prescribed certain conditions for the general welfare of labour. If the scope of these laws were to be substantially enlarged even at the stage when schemes were being formulated, it was possible that considerable capital would be in danger of being locked up in relatively unproductive spheres of activity.

DATE OF THE NEXT MEETING.

The Chairman suggested that future meetings of the Reviewing Sub-Committee might be arranged so as to suit the convenience of members who were also Members of Parliament.

It was agreed that the Reviewing Sub-Committee should meet next at New Delhi on the 12th July, 1958, at 10-30 A.M.

New Delhi,
the 7th April, 1958.

White
7/4/58
(K. C. Madappa)
Secretary,
Central Advisory Council of Industries.

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IMMEDIATE

No. 1(1)IA(II)(G)/58
Government of India
Ministry of Commerce and Industry
.....

New Delhi, the 22nd September, 1958

From

Shri A. K. Chakravarti,
Under Secretary to the Government of India.

To

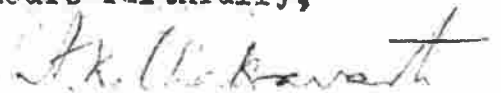
All Members of the Central Advisory Council
of Industries.

Subject:- Minutes of the 54th, 55th and 56th meeting
of the Licensing Committee held in New Delhi
on the 23rd May, 30th July and 5th September
1958 respectively.

Sir,

In continuation of this Ministry's letter No.
1(1)IA(II)(G)/58, dated the 9th May 1958, on the above
subject, I am directed to forward herewith a copy each
of the minutes of the 54th, 55th and 56th meeting of
the Licensing Committee held in New Delhi on the 23rd
May, 30th July and 5th September 1958 respectively,
for your information.

Yours faithfully,



(A. K. Chakravarti)
Under Secretary to the Government of India

Incl: 3

MOST IMMEDIATE.

No.40(17)/G/58-IA(III)
Government of India
Ministry of Commerce and Industry.

.....
New Delhi, the

31st May, 1958.

OFFICE MEMORANDUM.

Subject: ~~Minutes of the 54th meeting of the Licensing Committee held on the 23rd May, 1958.~~

The undersigned is directed to forward herewith a copy of the minutes of the 54th meeting of the ~~Licensing Committee held on the 23rd May, 1958.~~

S.V.R. Chari

(S.V.R. Chari)
Under Secretary to the Government of India.

To

All Members of the Licensing committee, and Representatives of State Governments concerned and other invitees.

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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY.

Minutes of the 54th meeting of the Licensing committee held at New-Delhi on the 23rd May, 1958.

P R E S E N T

MEMBERS.

1. Shri L.K. Jha, I.C.S., CHAIRMAN
Special Secretary,
Ministry of Commerce and Industry.
2. Shri B.P. Moon, I.C.S.,
Adviser,
Planning Commission.
3. Shri S.R. Dhise,
Deputy Chief Adviser (Factories),
Ministry of Labour and Employment.
4. Shri M.V. Bhavnani,
Deputy Director (Transportation)
Ministry of Railways (Railway Board).

REPRESENTATIVES OF STATE GOVERNMENT.

5. Dr. M.R. Mandlekar,
Director of Industries,
Bombay.
6. Shri B.M. Abu Baker, I.A.S.,
Director of Industries and Commerce,
Mysore.
7. Shri Ajit Mazoomdar, I.A.S.,
Director of Industries,
Bihar.
8. Shri P.K. Dave, I.A.S.,
Director of Industries,
Madhya Pradesh.
9. Shri B.V. Raman,
Director of Industries,
Orissa.
10. Shri J.M. Thadani, I.A.S.,
Director of Industries,
Punjab.
11. Shri S.R. Kaiwar, I.C.S.,
Secretary to the Government of Madras,
Department of Industries, Labour and Cooperation,
Madras.

12. Shri A.N. Raju,
Joint Director of Industries,
Andhra Pradesh.
13. Shri S.K. Sehgal, I.A.S.,
Deputy Secretary to the Government of U.P.,
Department of Industries.
14. Shri B.C. Mallik,
Director of Industries,
West Bengal.
15. Shri T.V. Krishnankutty Warriar,
Deputy Secretary to the Government of Kerala,
Department of Industries.
16. Dr. B.R. Seth,
Director of Industries and Labour,
Delhi.
17. OTHER INVITEES.
17. Shri B.B. Saksena,
Joint Secretary,
Ministry of Commerce and Industry.
18. Shri Nagendra Bahadur, I.A.S.,
Joint Secretary,
Ministry of Commerce and Industry.
19. Shri K.T. Satarawala, I.A.S.,
Joint Secretary,
Ministry of Commerce and Industry.
20. Dr. B.D. Kalalkar,
Industrial Adviser,
Ministry of Commerce and Industry.
21. Dr. G.P. Kane,
Industrial Adviser,
Ministry of Commerce and Industry.
22. Shri I.K. Borkar,
Industrial Adviser,
Ministry of Commerce and Industry.
23. Shri T.R. Sathe,
O.S.D. (Chemicals)
Ministry of Commerce and Industry.
24. Shri S.E.C. Vas,
Joint Divisional Manager,
State Trading Corporation.
25. Shri D.D. Suri, I.A.S.,
Deputy Secretary,
Ministry of Transport and Communication,
Department of Transport.
26. Shri S.K. Guha,
Deputy Secretary,
Ministry of Commerce and Industry.
27. Shri G.L. Mehta, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry...

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28. Shri V.V. Mene,
Deputy Secretary,
Ministry of Commerce and Industry.
 29. Shri B.N. Swaroop, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.
 30. Shri B.C. Mathur,
Deputy Secretary,
Ministry of Steel, mines and fuel,
(Department of Iron and steel.)
 31. Shri B.D. Kumar,
Secretary, S.A.C.,
Directorate General of supplies and disposal.
 32. Shri J.S. Mathur,
Deputy Director General (I),
Directorate General of supply and disposal.
 33. Shri S.N. Dandona,
Deputy Secretary,
Ministry of Commerce and Industry.
 34. Shri I.B. Dutt,
Director,
Office of the Textile Commissioner.
 35. Lt. Col. A.L. Talwar,
A.C.D. 5, T.D. Directorate,
Ministry of Defence.
 36. Shri S.K. Sinha,
Development Officer,
Development Wing.
 37. Dr. A. Seetharamiah,
Development Officer,
Development Wing.
 38. Shri F.V. Badami,
Development Officer,
Development Wing.
 39. Shri S.C. Mundy,
Development Officer,
Development Wing.
 40. Shri M.M. Vadi,
Development Officer,
Development Wing.
 41. Shri A.N. Kapur,
Development Officer,
Development Wing.
 42. Shri C.J. Shah,
Development Officer,
Development Wing.
 43. Shri V. Krishnamurthy,
Deputy Development Officer,
Development Wing.

44. Shri N.R. Srinivasan,
Deputy Development Officer,
Development wing.
45. Shri A.K. Bose,
Deputy Development Officer,
Development Wing.
46. Shri A. Venkatesiah,
Deputy Development Officer,
Development wing.
47. Shri S.C. Banerjee,
Development Officer,
Development Wing.
48. Shri Joginder Singh,
Deputy Development Officer,
Development wing.
49. Shri P.R. Latey,
Deputy Development Officer,
Development Wing.
50. Shri V.A. Mehta,
Deputy Development Officer,
Development wing.
51. Shri V. Rama Iyer,
Deputy Development Officer,
Development Wing.
52. Shri P.R. Gupta,
Deputy Development Officer,
Development Wing.
53. Shri K. Sankaranaryanan,
Assistant Development Officer,
Development wing.
54. Shri S.L. Mehra,
Assistant Development Officer,
Development wing.
55. Shri P.S. Kanwal,
Under Secretary,
Ministry of Steel, Mines and Fuel,
(Department of Iron and steel.)
56. Shri S.V.R. Chari,
Under Secretary,
Ministry of Commerce and Industry.
57. Shri M.C. Misra,
Under Secretary,
Ministry of Commerce and Industry.
58. Shri B.B. Nag,
Under Secretary,
Ministry of Commerce and Industry.
59. Shri R.J. Bhojwani,
Under Secretary,
Ministry of Commerce and Industry.

60. Shri K. Raja Ram,
Under Secretary,
Ministry of Commerce and Industry.
61. Shri B.K. Varma,
Under Secretary,
Ministry of Commerce and Industry.
62. Shri D.N. Krishnamurthy,
Under Secretary,
Ministry of Commerce and Industry.
63. Shri K. Srinivasan,
Under Secretary,
Ministry of Finance,
Department of Economic Affairs.
64. Shri F.N. Dhir,
Under Secretary,
Ministry of Steel, Mines and Fuel,
Department of Mines and Fuel.
65. Shri M.J. Srivastava,
Under Secretary,
Ministry of Rehabilitation.
66. Shri Harish Chandra,
Information Officer,
Ministry of Commerce and Industry.
67. Shri Gian Chandra,
Deputy Director, (Sugar),
Ministry of Food and Agriculture.

I. (i) Before the items on the agenda were taken up for consideration, the chairman invited attention of the members of the committee to the condensed statement circulated at the meeting regarding outstanding cases with reference to the minutes of the previous meetings of the committee. He suggested that if any of those present wanted further information about any particular item, they should contact Shri B.B. Saksena, Joint Secretary. However, he was prepared to discuss any case, if any member so desired. Shri Moon (Planning Commission) pointed out that some cases had been pending for more than a year for want of comments of our technical advisers.

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The Chairman emphasised that both the Development Wing and Textile Commissioner's Office should make a serious endeavour to clear all such cases without further delay.

(ii) The chairman also referred to the applications of M/S. Greaves Cotton Co., Ltd., Bombay, for the manufacture of worm reduction gears which had been considered by the Licensing Committee in February last. The manufacturing programme envisages the production of reduction gears of (a) 2½"-10" centre and (b) 12"-17" centre. While the programme for the former types of reduction gears would be spread over a period of 5 years, the programme for the latter sizes of reduction gears would commence in the third year. According to the minutes of the Licensing Committee meeting, a licence for the first phase of the manufacturing programme (providing for an annual capacity of 1088 sets of cases and couplings for gears 2½"-10" centre) was approved. This would mean that if the manufacture of such gears was stopped at phase I only, a high percentage of components for these gears would continue to be imported. Prima facie, it could not be the intention of the Licensing Committee that the progressive manufacture of reduction gears of 2½"-10" centre should not go beyond phase I. The Chairman remarked that what the committee obviously intended was that the manufacture of other types of reduction gears should not be taken up until the manufacture of smaller sizes of reduction gears had been completely established. The Licensing Committee endorsed the Chairman's remarks and recommended that a manufacturing licence should be issued accordingly. (The firm would have to apply afresh for the manufacture of gears of 12"-17" centre in due course.)

(iii) Lastly, the chairman observed that among the items included in the agenda there were several cases for regularisation regarding which the committee had very little to discuss. He suggested that henceforth such cases need not be brought before the Licensing Committee if both the State Governments and development wing agreed to the proposals. In such cases, Ministry of Commerce and Industry should initiate action to issue regularisation licences. However, a statement of such cases should be circulated for the information of the committee. Cases where the recommendations of the State Governments and the Technical Advisers at the centre were at variance should be brought before the committee for consideration.

The Committee endorsed these suggestions.

II.

- (1) Application from M/S. Avery cycle industries, Chandigarh (Punjab), for a licence for the establishment of a new undertaking at Chandigarh, for the manufacture of 500,000 Nos. of free-wheels per annum.

This was withdrawn for further examination in the Commerce and Industry Ministry.

- (2) Application from M/S. Grindwell Abrasives Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of grinding wheels, stones, segments and other abrasive products from 1,000 to 2,500 tons per annum.

The scheme involves the import of capital goods worth Rs. 17 lakhs and raw materials (Synthetic emery grains and synthetic resin) worth about Rs. 25 lakhs per annum. The Committee accepted the proposition that there would be need to expand their industry in question, but felt that as at present the capacity was on the whole adequate it could wait until the foreign exchange position improved. The Committee accordingly recommended the rejection of the application for the present but suggested that the firm might be advised to renew the application after about a year reducing the requirements of foreign exchange as much as possible.

- (3) Application from M/S. Beni Engineering works Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of new article viz. Turbo Generators for Railway Locomotives. (Capacity: 240 nos. per annum.)

The committee recommended the grant of a licence.

- (4) Application from M/S. Gore and company, Bombay, for a licence for the establishment of a new undertaking (M/S. National rubber works or Hind Rubber works) for the manufacture of 75,000 Nos. of bicycle tyres and 75,000 Nos. of bicycle tubes per annum, in collaboration with foreign associates.

The scheme would involve the import of capital goods worth Rs. 10 lakhs and raw materials of the value of about Rs. 14 lakhs per annum. Before considering a scheme of this magnitude, the Committee desired that the I.A.S (Engs. and chemicals) should jointly prepare a note bringing out clearly the present and projected capacity for cycle production and that for cycle tyres and tubes indicating the gap, if any, that need be filled in the cycle tyre and tube industry. The consideration of the application was, therefore, postponed to the next meeting.

- (5) Application from M/S. Sirpur Paper Mills Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of various types of printing, writing and wrapping papers and boards for coating from 3,050 tons to 6,050 tons per mensem.

This application was first considered by the Committee at its meeting held on 14th December, 1956. The Committee deferred consideration of this application on that occasion and directed that the Development wing should examine the present position regarding the production of paper, import of paper, progress of schemes and availability of raw materials. On receipt of the report of the development wing, this application was re-considered in the meeting held on the 21st March 1957 when it was again deferred till the report of the ad hoc committee appointed by the Ministry of Food and Agriculture was made available. Subsequently in the meeting held on the 5th July 1957, the committee had to defer consideration of the application again, as no data regarding surplus bamboo in Andhra Pradesh were available. The committee noted that the question of availability of raw materials for paper manufacture had since been examined by the Raw Materials Sub-Committee of the Paper Panel which had recommended that except in the case of Kerala, Mysore and Assam, in all other regions the available bamboo resources have been fully tapped. The Committee also noted that small surpluses in certain regions had to be kept as reserve for exigencies such as flowering fire hazards, etc. and there was no scope for further expansion with bamboo as raw material. In the circumstances, the committee recommended rejection of the application.

- (6) Application from M/S. Shri M.G. Potdar, Bhopal, for a licence for the establishment of a new undertaking (M/S. Jyoti Boards and Paper Mills) in Madhya Pradesh, for the manufacture of 3,000 tons of strawboards, greyboards, millboards and light weight straw paper per annum.

The scheme would involve the import of Capital goods worth Rs. 6 lakhs. The rest of the machinery of the value of about Rs. 8.5 lakhs would be fabricated locally. There is no import of raw materials.

The Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by CG/HEP committee.

- (7) Application from M/S. Metal Box Co. of India Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of a new article viz. composite tubes made of paper boards for manufacturing containers etc. (Capacity: 42 tons per mensem.)

As the implementation of this proposal will result in reducing the demand for import of tinfoil, the committee recommended the grant of a licence.

- (8) Application from M/S. Ajit glass works Private Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of glass bottles of all kinds suitable for pharmaceutical industry, cosmetics, ink etc. Tumblers glass jars and pressedware articles from 137½ tons to 287½ tons per mensem, on three shift basis.

The committee recommended the grant of a licence, particularly in view of the fact that no machinery need be imported.

- (9) Application from M/S. Biochemical and Synthetic Products Ltd., Sanathnagar, Hyderabad Deccan, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of PAS and its salts from 4 tons to 5.5 tons per mensem, on three shift basis, in collaboration with M/S. Cilag of Switzerland.

This application had been considered by the Licensing committee at its meeting held on 30th August, 1957. On that occasion, the committee recommended that the licence for further increase in capacity should be refused and that applicant firm advised to renew their request after adequate arrangements had been made for marketing their full production. The applicant firm have now reported that they have completed the arrangements for marketing the production as previously recommended by the Licensing committee and have requested reconsideration of the decision originally conveyed. In view of this, the committee recommended the grant of licence for expansion of the capacity to 66 tons a year subject to the following conditions:-

- (a) The applicant firm should make available to the other manufacturers atleast 25% of their expanded production; and
- (b) no special facilities would be allowed with regard to the supply of raw materials.

- (10) Application from M/S. Ulhas Oil and Chemical Private Ltd., Bombay, for a licence for effecting substantial expansion for the manufacture of 150 tons of tamarind seed oil and 1,395 tons of oil free tamarind seed powder per mensem.

The Scheme is based on indigenous equipment and raw material.

The Committee recommended the grant of a licence subject to the condition that the capacity agreed to would not be utilised for any other oilseed/oil cake other than "Tamarind seed" without the prior permission of government.

(11) Application from Mr. B.J. Gork, Calcutta,
for a licence for the establishment of a new
undertaking (M/S. Hindustan Milk Food
Manufacturers (Private) Ltd.,) for the
manufacture of 19 tons of powdered milk,
17 tons of butter and ghee, 19 tons of milkose
baby food, 75 tons of horlicks malted milk
and 4 tons of other health foods, per mensem,
on three shift basis in collaboration with
M/S. Horlicks Ltd., England.

(for M/S. Horlicks)
at Nabha Distt.
Patiala (Punjab)

The Committee observed that this scheme was the first venture of its kind in the country and that too by a firm of repute, involving practically no foreign exchange expenditure from India's own resources except payment of a nominal fee of Rs. 100/-/- a year. It also noted that the implementation of the Scheme would result in industrialisation of an agricultural area. The committee, therefore, recommended grant of a licence.

(12) Application from M/S. Koyal Biscuit Co.
(Private) Ltd., Calcutta, for a licence for
effecting substantial expansion for the manu-
facture of 50 tons of confectionery, mainly
biscuit per mensem.

The committee recommended the grant of a licence.

(This is a case of regularisation, effective steps having been taken before 1st March, 1957.)

(13) Application from M/S. Ulhas Oil and
Chemical Industries Ltd., Bombay, for a
licence for effecting a substantial expansion
for the manufacture of 225 tons of cotton
seed oil and 1,275 tons of extracted cotton
seed meal per mensem.

The Committee recommended the grant of a licence subject to the following conditions:-

- i) the capacity now licensed should not be utilised for treating any other oil seed and oil cake;
- ii) Cotton seed shall be delinted before extracting the oil.

- (14) Application from M/s. Commonwealth Spinning and Knitting Mills, Calcutta, for a licence for effecting a substantial expansion for the manufacture of worsted hand knitting and hosiery woollen yarn by the installation of 400 spindles.

The committee recommended the grant of a licence.

(This is a case of regularisation.)

- (15) Application from M/s. Mahalaxmi Mills Ltd., Bnavnagar, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of art silk fabrics on 120 powerlooms.

Although the power looms had been installed as early as 1936, the mills had not taken action to register them under the Industries (Development and Regulation) Act, 1951. The committee recommended the grant of a licence for carrying on their business for the manufacture of art silk fabrics subject to the warning that the mills should have applied for a registration certificate in respect of the looms much earlier.

- (16) Application from M/s. Parasram Karwa Mills, Harsan Ali, Bhiwandi, District Thana, Bombay State, for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of art silk fabrics on 44 powerlooms.

The committee noted that the applicant proposed to add 10 powerlooms purchased from another concern to their existing capacity (34 powerlooms). It recommended the grant of a licence, as it would not involve any increase in the overall capacity in the powerlooms in the country.// (The capacity of the industrial undertaking from whom 10 powerlooms have been purchased, would be correspondingly reduced.)

- (17) Application from The Suguna Mills (Private) Ltd., R.S. Puram, Coimbatore, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of staple fibre yarn per mensem on 6,000 spindles.

The committee recommended the grant of a licence. (This is a case of regularisation.)

- (18) Application from The New Kaiserli Hind Spinning and Weaving Co. Ltd., Bombay, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 30,000 lbs. of staple fibre fabrics per day.

The Committee recommended the grant of a licence.

- (19) Application from M/C. Sagar Textile Mills, Ahmedabad, for a licence for the installation of a processing plant having capacity to process about 150 bales of cloth.

The committee recommended the grant of a licence on the clear understanding that the scheme would be implemented with indigenous machinery alone.

- (20) Application from M/s. Kailash Chand Madan Mohan, Panipat, for a licence for the establishment of a new undertaking for the manufacture of cotton waste yarn with 2,000 spindles.

The application of this firm was considered at the meeting of the Licensing committee held on 19th and 20th december, 1957. The committee on that occasion, desired that the Textile Commissioner should examine the question of setting up of a new undertaking at Panipat with 2000 spindles for spinning of cotton waste yarn, in consultation the Punjab Government as lot of cotton waste was reported to be available in that area. The Director of Industries, Punjab, has since reported that the party does not wish to proceed with the proposals. This was brought to the notice of the Committee.

- (21) Application from M/s. Kirloskar Brother Ltd., Kirloskarwadi (Bombay), for a licence for the manufacture of a "New Article" viz: vertical turret lathes. (Capacity: 12 nos. per annum) (Foreign collaboration envisaged.)

This application was considered at the meeting of the Licensing committee held on 19th/20th december, 1957. The committee on that occasion recommended the grant of a licence for the manufacture of 12 vertical turret lathes per annum as the scheme involved import of plant and machinery of the value of Rs. 1.75 lacs only and also in view of the large demand for this type of vertical turret lathes. Since then the firm have intimated that the price of the machinery to be imported has gone up from Rs. 1.75 lakhs to Rs. 2.60 lakhs. The firm have now requested that they may also be permitted to import components to the extent of 35% of the unit cost of the machine for the first three years as against 25% of the unit cost originally anticipated by the Development wing. The committee noted that, in the past, imports of 'completely knocked down' components to extent of 60-70% for the first phase for machines like capstans and milling machines, which are less complicated in nature, had been approved and the present request of the firm for the import to the extent of 35% for the first 3 years was quite reasonable. The committee accordingly approved the scheme in the revised

form and recommended the grant of a licence as originally agreed to for the manufacture of 12 Nos. of vertical turret lathes.

- (22) Application from M/s. Shree Vijayalakshi Sugar Mills, Tanuku, Dist. West Godavari, for a licence for effecting a substantial expansion for increasing their crushing capacity for the manufacture of sugar from 300 tons to 1,000 tons cane per day.

The Committee recommended the rejection of the application for the following reasons:-

- (a) The target capacity for sugar has already been taken care of by the existing and licensed capacity.
- (b) The scheme envisaged the import of capital equipment worth about Rs. 42 lakhs.

(23) Applications for the manufacture of sugar from:-

- a) M/s. Jaora Sugar Mills Ltd., Jaora (Madhya Pradesh), for a licence for the establishment of a new 500 tons sugar factory at Mandar, Distt. Bhilwara, Rajasthan.
- b) M/s. Belvandi Sugar Farm Ltd., Belvandi, for a licence for effecting substantial expansion from 300 tons to 1,000 tons cane per day and for shifting the plant to a new site in Ghod project area.
- c) M/s. Sasamusa Sugar Works Ltd., Sasamusa, for a licence for effecting a substantial expansion for increasing their cane crushing capacity for the manufacture of sugar from 800 tons to 1,200 tons per day.
- d) M/s. Bhopal Sugar Industries, Sehore, for a licence for effecting a substantial expansion for increasing their cane crushing capacity for the manufacture of sugar from 750 tons to 1,250 tons per day.

The above applications were considered by the Licensing Committee at its meeting held on the 5th July 1957. The Committee deferred consideration of these applications and suggested that the Ministry of Food and Agriculture should examine the question of further licensing of sugar capacity with reference to the foreign exchange expenditure involved in the import of plant and machinery, the possibilities of export of sugar, availability of sugar cane etc. After considering the report of the Food and Agriculture Ministry in this regard the Committee made the following recommendations:-

- (a) Application from M/s. Belvandi Sugar Farm Ltd., Bombay.

The Committee noted that this factory having

the cane crushing capacity of 300 tons daily was uneconomic. It would be in conformity with the current licensing policy to expand its crushing capacity to 1000 tons a day. Moreover the requirements of foreign exchange have been reduced from about Rs. 27 lakhs to Rs. 3.89 lakhs. The Committee, therefore, recommended the grant of a licence subject to the foreign exchange requirements being screened by the OG/HEF Committee.

(2) Application from M/s. Jaora Sugar Mills Ltd.

The Committee recommended the rejection of the application in accordance with the policy of Government not to encourage joint stock companies to set up new units for manufacture of sugar.

(3) Application from M/s. Sasamusa Sugar Mills Ltd., Sasamusa.

The Committee noted that the applicant firm's existing cane crushing capacity was 800 tons a day. Normally expansion upto 1000 tons a day is allowed for such units to make them economic. In the present case, the factory was actually crushing 875 tons cane a day which was not considered uneconomic. In these circumstances and in view of the heavy foreign exchange expenditure involved the committee recommended the rejection of the application.

(4) Application from M/s. Bhopal Sugar Industries, Sehore.

The committee noted that in this case although the existing capacity was shown as 750 tons, the factory was actually crushing 893 tons of sugarcane a day which was not considered to be uneconomic. In view of this and also in view of the heavy foreign exchange expenditure involved the Committee recommended rejection of the application.

(24) Application from M/s. Saraya Sugar Factory, Sardarnagar, Dist. Gorakhpur, for a licence for effecting a substantial expansion for increasing their cane crushing capacity for the manufacture of sugar from 2,250 tons to 3,500 tons per day.

The Committee recommended the grant of a licence, as no foreign exchange expenditure was involved in the proposal.

(25) Application from M/s. Oriental ceramic works, P.O. Vijapur, Bombay State, for a licence for the establishment of a new undertaking at vijapur (Bombay), for the manufacture of 8,160 tons of rerractories, 3,000 tons of stoneware pipes fittings and 4,000 tons of porcelainware per annum.

The scheme envisages the manufacture of the following:-

- (i) Stoneware pipes fittings.
- (ii) Refractories and
- (iii) Porcelainware.

As regards Stoneware pipes fittings the Committee recommended the grant of a licence for the capacity of 3000 tons per annum.

As regards Refractories and Porcelainware the committee noted that the total investment proposed for the scheme as a whole was of the order of Rs. 3 lakhs only whereas normally an investment of at least ps. 30 lakhs was needed to implement such a scheme. The Committee also noted that the demand for refractories in the western Zone did not justify any additional capacity. It was also felt that it would not be easy to move finished products from western Zone to Eastern Zone where these products may be required.

So far as manufacture of Porcelainware was concerned the committee noted that it was a very specialised line and no unit has so far taken up manufacture of this item successfully. Further the applicant firm had no experience in this line and might not be able to produce porcelainware.// In these circumstances, the committee recommended rejection of this part of application.--i.e. for refractories and Porcelainware.

(26) Application ghri Onkar Nath Joshi, Delhi, for a licence for the establishment of a new undertaking at Mahpalpur, Delhi (M/s. Palam Potteries), for the manufacture of 600 tons of crockery and stoneware and 12 tons of chemical porcelain, per annum.

The Committee recommended the grant of a licence. (This is a case of regularisation.)

- (27) Application from M/S. Patan Chand Harjas Rai (Plastic) Private Ltd., Amritsar, for a licence for changing the location of their undertaking from Verka (Amritsar) to Vallabhgarh Dist., Gurgaon.

This was noted.

- (28) Application from M/S. Bando Plywood works, Calcutta, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of one lakh (approximately 1800,000 sq.ft.) Nos. of teacheast panels (marked B.F.W. assorted size), per annum.)

The committee recommended the grant of a licence. (This is a case of regularisation.)

- (29) Application from The National Match works, Sivakasi, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 41,700 gross of safety matches 40's & 60's and 30,000 gross of colour matches (seasonal) per mensem.

The committee recommended the grant of a licence. (This is a case of regularisation.)

- (30) Application from The Pioneer Chemical Industries (India) Ltd., Nagpur, for a licence for effecting a substantial expansion for the manufacture of new article viz., Potassium permanganate. (Capacity: 30 tons to be raised after 8 months of installation to 90 tons per mensem.)

The committee noted that the applicant firm had been given a licence for the manufacture of sulphuric acid, super-phosphate, barium chemicals, etc. and they have not been able to implement this scheme satisfactorily. In view of this and the fact that another unit has already been given permission to manufacture potassium permanganate, the committee recommended the rejection of the application.

- (31) Application from M/S. Warden and Co. Private Ltd., Bombay, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 450 lbs. of cones, 1,000 oz. of 40" tubes, 26,000 yards of wax paper, 30,000 yards of waterproof paper, 30,000 yards of aniline printing, 50,000 Nos. of multiwall paper sacks and 15,000 Nos. of chemical bags per mensem.

The Committee recommended the grant of a licence. (This is a case of regularisation.)

- (32) Application from M/S. Dunlop Rubber Co. (India) Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of cycle tubes from 700,300 Nos. to 937,500 Nos. per mensem.

The consideration of this application was postponed pending the preparation of a joint note of the I.As. (Engg. and Chemicals) on the existing and projected capacity for (i) cycles and (ii) cycle tyres and tubes and indicating the gap, if any, to be filled in the latter industry - cf. minutes under item (4).

- (33) Application from M/S. Bajaj Brothers Private Ltd., Bombay, for a licence for the establishment of a new undertaking for the manufacture of 1,100 lbs. of saccharine powder and crystals per mensem.

The Committee recommended rejection of the application as there is already sufficient capacity in the country to manufacture saccharine from the penultimate stage.

- (34) Application from M/S. Dumex Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new articles viz. para-amino-salicylic acid and its salts. (Capacity: 5,000 kgs. / 60 tons) per annum, on three shifts basis.

The Committee noted that at present these products are being imported in large quantities and the implementation of the scheme would result in saving of foreign exchange. The committee recommended the grant of a licence for the capacity applied for subject to the following conditions:-

- (a) the applicant firm should make available to other manufacturers at least 25% of their production; and
- (b) no special facilities would be allowed with regard to supply of raw materials.

(35) Application from M/s. Caprihans (India) Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new articles viz., cellulose acetate moulding powders and T.V.C. Composition. (Capacity: 25 tons/yr each item.)

per mensem

The proposal is for the manufacture of cellulose acetate moulding powders and T.V.C. Composition. As regards moulding powder the Committee noted there is a rising demand for this item, which is largely met by imports. It recommended the grant of a licence.

As regards T.V.C. compositions the Committee noted that the firm are already registered for unsupported T.V.C. sheets and that they proposed to manufacture T.V.C. compositions for their use. The Committee recommended the grant of a licence for this item also.

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(36) Application from M/s. Mandlal Phandari Mills Ltd., Indore for a licence for effecting a substantial expansion for increasing their looms from 115 to 300 for the manufacture of cotton cloth.

The Committee recommended the grant of a licence subject to the conditions that the additional looms to be installed should be automatic looms and should be obtained from indigenous sources. In case, however, the looms are proposed to be imported, the case should be brought up to the Committee again for consideration.

(37) Applications for licence for the regularisation of the excess spindles installed by:-

<u>Name of the Mills.</u>	<u>Type of installation.</u>	<u>No. of excess spindles.</u>
1. <u>M/s. Coimbatore Pioneer Mills Ltd., Peralamadu.</u>	New under-taking.	320
2. <u>M/s. Lakshmi Mills Co. Ltd., Coimbatore.</u>	---do---	24
3. <u>M/s. New Swadashi Mills of Ahmedabad Ltd., Ahmedabad.</u>	Replacement	848

The Licensing Committee on an earlier occasion had decided that excess of spindles may be regularised provided the number of excess spindles did not exceed one ging frame. The following mills have installed spindles in excess of the allotted spindles by way of marginal adjustment:-

<u>Name of the Mills</u>	<u>No. of excess spindles.</u>
1. <u>M/s. Coimbatore Pioneer Mills Ltd., Peralamadu.</u>	320

2. M/S. Lakshmi Mills Co. 24
3. M/c. New Swadeshi Mills 848
of Ahmedabad.

In the first two cases, the number of ring frames involved is less than one while in the third it is more than one. With regard to the third case, the ring frames having less number of spindles were permitted in 1955 to be replaced by equal number of ring frames with larger number of spindles, the committee regularised this case also.

- (38) Application from M/S. Madhavdas Amersey and Co., Bombay, for a licence for installation of a processing plant having capacity to process about 2,000 bales of textile per month.

In view of the fact that the scheme involved the import of machinery to the extent of Rs. 17 lakhs, the Committee recommended rejection of the application.

- (39) Application from M/S. Rajan (Textile) Mills Private Ltd., Barai, for a licence for effecting a substantial expansion for increasing their loomage from 288 to 300 for the manufacture of cotton cloth.

The scheme envisages the addition of 12 looms to the 288 already installed so as to make the undertaking an economic unit. As the scheme is in conformity with the present policy of the Government regarding the allotment of additional loomage to uneconomic units, the committee recommended the grant of a licence subject to the condition that the additional looms should be obtained from indigenous sources.

- (40) Application from M/c. Pukmini Mills Ltd., Mudurai, for a licence for the installation of 260 spindles in excess of 22,000 spindles already licensed.

The Licensing Committee, on an earlier occasion, had decided that excess spindles might be regularised provided the number of excess spindles did not exceed one ring frame. As it was in conformity with this policy, the committee recommended the grant of licence for the installation of additional 260 spindles.

(41) Application from M/s. Tata chemicals Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz. Ferric chloride (Ferric chloride Hexa Hydrate).
(Capacity: 12.5 tons per mensem.)

The committee observed that the successful implementation of the scheme would provide an outlet for the chlorine which they are already producing. The committee accordingly recommended the grant of licence.

(42) Application from Shri Ram Gopal Mittal, Pirozabad (U.P.), for a licence for the establishment of a new undertaking (M/S. Jai Hind Glass works), at Pirozabad (U.P.), for the manufacture of 107 tons of glassware, 30 tons of scientific glassware and 30 tons of electric shades per mensem.

The scheme envisages the manufacture of glassware and electric shades. So far as glassware are concerned, the committee was informed that the main interest of the firm was to manufacture ordinary glassware for which there is already considerable unused capacity in the country. The Committee therefore, recommended, rejection of this part of the application.

So far as the manufacture of scientific glassware and electric shades are concerned, the committee observed that the firm was not in possession of the technical know-how for the manufacture of this item. As the implementation of this part of the scheme alone would not be economical, the committee recommended the rejection of this part of the application also, although the scheme did not involve any expenditure on foreign exchange for import of capital goods.

(43) Application from M/s. Shree Laxmi Tannin Extract Factory, Bombay, for a licence for carrying on the business of their undertaking under Section 13 of the Industries Act, for the manufacture of 200 tons of spray dried tannin extract of myrobalans or solid extract of myrobalans, per mensem on three shift basis.

The Committee recommended the grant of a licence. (This is a case of regularisation.)

(44) Application from Shri P. T. Modi, for a licence for the establishment of a new undertaking (M/s. Orissa Firebrick and Potteries) at Jharsuguda, District Sambalpur (Orissa), for the manufacture of 750 tons of fire bricks, per mensem.

This application was considered by the Licensing Committee at its meeting held on 12.3.1958. On that occasion the Committee deferred consideration of this application as it was reported that the applicant firm had requested that the capacity applied for should be raised from 750 tons of fire bricks to 2000 tons a month. The development wing have since discussed this matter with the firm and have reported that the firm are not at present anxious to have a capacity of more than 750 tons per mensem as originally applied for. The committee accordingly recommended the grant of a licence for this reduced quantity.

(45) Application from M/s. Nundy Brothers, Calcutta, for a licence for the establishment of new undertaking (M/s. Automotive Enterprise Ltd.,) at Ballygunge, 24 Paraganas (West Bengal), for the manufacture of the following petrol/powerline engines:-

- | | | | |
|----|-----------|-------|--------------------------|
| 1. | 1.25 H.P. | | 1,000 engines per annum. |
| 2. | 1.75 H.P. | | 1,000 " " |
| 3. | 2.5 H.P. | | 1,000 " " |

The Committee deferred consideration of this application and directed that this case should be brought along with the pending applications for the manufacture of scooter, auto-cycles and three-wheelers.

(46) Application from M/S. Premier Automobiles Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of air conditioners from 1,000 to 3,600 Nos. per annum, in collaboration M/S. Chrysler Corporation of U.S.A.

M/S. Premier Automobiles had been permitted in 1956 to manufacture 1000 air conditioners per annum in collaboration with M/S. Chrysler Corporation of the U.S.A. Subsequently, when this item was brought under the purview of Industries (Development and Regulation) Act, the firm in their application for registration claimed a capacity of 3000 Nos. as against 1000 Nos. sanctioned in 1956 and have applied for a licence for the increased capacity.

The firm have pointed out in support of their application that they had installed after 1956 new machines for manufacture of a larger number of automobile components, which could be utilised for a larger production of components of air conditioners also without in any way affecting the normal production of vehicles. It was brought to the notice of the Licensing Committee that as the present proposal did not involve installation of any additional equipment no licence under the Industries (Development and Regulation) Act was necessary and that the firm had been informed accordingly and also that they could utilise their existing equipment for manufacture of 3600 units of air conditioners as proposed subject to the following conditions:-

- i) No additional plant and machinery will be required for the purpose.
- ii) No special concession in regard to the import of basic raw materials, etc. will be sought in relaxation of general import policy in force from time to time.
- iii) The increased production of airconditioners will not in any way affect the production of vehicles for which required machinery has been installed.

(47) Recommendations of the Licensing Committee on the applications which were referred to the members in circulation on the 31st March, 1958.

Noted.

(48) Application from M/s. C.P. Auluck and sons, Ludhiana (Punjab), for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 12,000 Nos. of sewing machines per annum.

The Committee observed that, in other similar cases, firms have generally been

granted licences for the manufacture of 5,000 domestic sewing machines per annum, subject to a limit of Rs. 10/- per pack for imported components for two years. The Committee had no objection to a licence for 5,000 sewing machines per annum being granted to this firm also, subject to the same ceiling. The Committee, however, had no objection to the grant of a licence for a capacity of 12,000 sewing machines per annum as applied for by the firm, provided the firm did not ask for import licences for components for more than 5,000 machines per annum.

49. Application from M/s Ashok Nuts Bolts Industries, Bombay, for licence, for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 900 tons of bolts (including bridge bolts, eye bolts and foundation bolts), nuts (including bright nuts castilated nuts and lock nuts etc), Trinails, rivets and washers, 600 tons of crow bars, 60,000 Nos of brake pull rods 60,000 Nos of spanners per annum and Pins (including cotter pins)

(i) Bolts, nuts, trinails, rivets and Washers:

Based on the actual production achieved by the firm and taking into account the fact that these bolts, nuts, etc., were of special types, the committee recommended the grant of a licence for a capacity of 220 tons per annum on single shifts basis.

(ii) Break pull rods:

Based on the actual production, the Committee recommended the grant of a licence for 75 numbers per day on two shifts basis.

(iii) Crow Bars:

On the basis of the actual production the Committee recommended the grant of a licence for 140 tons per annum on single shifts basis.

(iv) Spanners: The Committee had no objection to the capacity of one ton per annum being fixed for this item in order to enable the firm to put their production on a regular footing. (Pins including cotter pins are not covered by the Industries Act)

/Stainless steel,
Railway fittings
and 100 tons of

50. Application for a licence from M/s. Devidayal Stainless Steel Industries Private Ltd., Bombay, for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 1,625 tons of stainless steel utensils, 75 tons of electric domestic appliances, per annum.

On the basis of past production, the Committee recommended the grant of a licence for the manufacture of stainless steel utensils for 1000 tons only per annum. As regards stainless steel Railway fittings, the Committee desired that the question whether this item was covered or not under the provision of the Industries Act should be examined. If, however, the item is covered by the Act, the Committee had no objection to the grant of a licence for a capacity of 75 tons per annum.

(The Committee noted that the firm had already obtained a licence under the Industries Act for Electric Domestic Appliances for a capacity of 100 tons per annum).

51. Application for a licence from M/s. Ganges-Gil Mill, Kanpur, for carrying on the business of their undertaking under Section 13 of the Industries Act, for the manufacture of approximately 7,777 tons of vegetable oils in terms of seeds per annum.

The Committee recommended the grant of a licence. (This is a case of regulation).

52. Application for a licence from Sri M.A.D.A. Narayanan, Madras, for the establishment of a new undertaking (M/s. Hindustan Flour Mills) at Madras, for the manufacture of 750 tons of maida, suji and atta from flour per mensem, on double shift basis.

The Committee observed that there was already surplus capacity for flour milling in the country and the foreign exchange outlay envisaged in the scheme was not justifiable. The Committee, therefore, recommended rejection of the application.

53. Application for a licence from M/s. Indian Plastics Ltd., Bombay, for effecting a substantial expansion for the manufacture of new article viz- urea formaldehyde moulding powder. (Capacity: 400 tons per annum on three shifts basis).

The Committee observed that the firm was registered for the manufacture of phenol, F.M. powder and various other plastic

moulding goods under the Industries Act. The firm was also in possession of the machinery required for manufacturing Urea Formaldehyde Moulding Powder which they had imported prior to the promulgation of the Industries Act.

In view of the above and the savings in foreign exchange to the extent of Rs. 4 lakhs per annum the Committee recommended the grant of a licence.

54. Application for a licence from M/s. M.M. Khambhatwala, Ahmedabad, for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of one lac lbs. of hair oil, hair oil mesalas, perfume compounds etc. per mensem.

The Committee recommended the grant of a licence. (This is a case of regularisation).

55. Application for a licence from M/s. Hill Eliot & Co. Private Ltd., Calcutta, for the establishment of a new undertaking (M/s. Matita Cosmetics) for the manufacture of the following articles:-

<u>Name of product.</u>	<u>Monthly units.</u>	<u>Weight lbs</u>
1. Bottled nail enamel and nail preparations.	40,000	1,250
2. Lipsticks.	50,000	1,562½
3. Hand Lotion.	4,000	1,250
4. Face powder.	2,000	500
5. Complexion Soap.	2,000	500
6. Deodorant cream.	3,000	562½
7. Cleansing cream.	4,000	1,500
8. Face powder.	5,000	1,500
9. Make up cream.	10,000	1,250

The Committee recommended the rejection of the application as there was no justification at the present juncture for incurring foreign exchange expenditure to the extent envisaged in a non-essential scheme.

56. Question of restoration of licence No. L/10/33/53 dated the 26th September, 1953 granted to M/s. Ranilakshmi Ginning, Spinning & Weaving Mills Ltd., Chinniamalayam, Coimbatore District, for the setting up of a spinning mill with an installed capacity of 10,000 spindles.

The Committee observed that detailed information regarding the source from which

the plant and machinery would be obtained and the terms on which payment would be made, had not been indicated. The Committee, therefore, suggested that the case might be brought up again after the Industries Department of Madras Government had ascertained these details from the applicant firm together with an indication of the time required to go into production.

57. Application for a licence from M/s Electronics Ltd., Faridabad (Punjab), for effecting a substantial expansion for the manufacture of new articles viz. fractional horse power motors required for blowers in air-conditioners. (Capacity: 3,500 Nos. per annum.)

The Committee recommended the grant of a licence.

58. Application for a licence from M/s Ganapathy Engineering Manufacturers Private Ltd., Ganapathy P.O. Coimbatore, (Madras), for effecting a substantial expansion for the manufacture of 15,000 Nos of motor starters and 15,000 Nos. of L.T. Iron Clad Switches per annum.

As the firm would not require any substantial outlay on plant and equipment and proposed to obtain majority of the raw materials from indigenous sources, the Committee recommended the grant of a licence.

59. Application for a licence from M/s. Standard Bolts and Tools Co. Private Ltd., Kanpur (U.P.) for the establishment of a new undertaking at Kanpur, for the manufacture of the following items (Foreign collaboration is envisaged);

- i) Bolts and Nuts. ... 2,100 tons per annum on double shift basis or according to market requirements.
- ii) Ball Bearings. ... According to market requirements.
- iii) Drills. ... 36,000 Nos. per annum (shift wise) or according to market requirements.

As the firm proposed to manufacture ordinary bolts and nuts in which line there is no scope for establishing further capacity, the Committee

rejected the application for these items. The Committee, however, suggested that the firm's case could be reconsidered provided it put forward a satisfactory phased programme for the manufacture of specialised types of bolts and nuts.

Ball bearings and Drills:- The Committee rejected the grant of a licence for these items for the following reasons:-

- (a) Manufacture of ball bearings, which is a highly precision item, involves installation of modern plant and machinery, requiring very considerable capital investment. With the proposed capital investment, the firm will not be able to put up a ball bearing plant.
- (b) The applicant firm have stated that they would manufacture drills and ball bearings on the same plant proposed to be imported for the fabrication of bolts and nuts. This is not feasible technically.

(60) Application from Messrs. Mahabir Export and Import Co. Private Ltd., Delhi, for a licence for effecting a substantial expansion for the manufacture of 36,000 Nos. of domestic sewing machines per annum, in technical collaboration with a Japanese firm.

This Firm are already licensed under the Industries Act for the manufacture of 5,000 Nos. of Domestic Sewing Machines and 12,000 Nos. Industrial Sewing Machines. They have already built up a factory where the production of Domestic Sewing Machines is being carried on. Arrangements for manufacture of the Industrial Sewing Machines are already under way. The Firm had also recently applied for permission to enter into foreign collaboration with a Japanese firm, M/s. Mitsubishi, Tokyo, for giving them technical know-how for the manufacture of 12 parts hitherto being imported and Industrial Sewing Machines. These parts will be produced not only for their use but also for other sewing machine makers, mainly in the small scale sector. As this coupled with the capacity for complete machinery already licensed would not be an economical proposition, the Firm have asked for a licence for expanding their capacity for domestic sewing machines from 5000 to 36000 machines per annum. The Committee felt that there was some justification for increasing the Firm's existing capacity and recommended the grant of a licence to manufacture 20,000 domestic sewing machines per annum subject to following conditions;

- (a) sewing machines should not bear any foreign brand names;
- (b) the expansion should be implemented by first manufacturing about a dozen parts which are now imported;
- (c) the Firm would not be allowed to import any components in connection with the proposed expansion; and
- (d) the terms of foreign collaboration, if any, would be settled to the satisfaction of the Government.

- (61) Application from M/s. Ganara Workshops Ltd., Mangalore, for a licence for effecting a substantial expansion for the manufacture of a new article viz. bolts and nuts (capacities 12 tons per annum.)

The Committee recommended the grant of a licence subject to the condition that the firm shall not manufacture ordinary types of nuts and bolts, but only special types such as centre bolts and clamp bolts and nuts.

- (62) Application from M/s. Radio Lamp Works Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of scientific instruments for a value of Rs. 100,000 per annum.

The Committee recommended the grant of a licence.

- (63) Application from M/s. Karan Chand Premchand Private Ltd., Ahmedabad, for a licence for the establishment of a new Undertaking (M/s. Sarabhai Merck Private Ltd.) for the manufacture of laboratory and reagent chemicals in collaboration with M/s. E. Merck A.G., Darmstadt (West Germany.)
(List of Items as per enclosure.)

The Committee observed that the laboratory and reagent chemicals manufactured in the country were not of satisfactory standard. Moreover, in the scientific world, the reagent chemicals produced by M/s. E. Merck, (with whom collaboration has been entered into) are well known. The Committee also noted that the firm had rightly left some difficult laboratory chemicals required by research and analytical laboratories, to be taken up in the second stage.

In view of the above, the Committee recommended the grant of a licence subject to the condition that the first 15 chemicals in the list given below should also be included in the first stage of manufacture.

- (54)
1. Ammonium Carbonate.
 2. Ammonium Molybdate.
 3. Arsenious Anhydride (Resublimed).
 4. Iodine Resublimed.
 5. Ferric Chloride.
 6. Phosphorous Pentachloride.
 7. Potassium Bromate.
 8. Potassium Iodate.
 9. Potassium Pyroantimonate.
 10. Succinic Acid.
 11. Borates.
 12. Cobalt and Nickel Salts.
 13. Manganese Salts.
 14. Sodium Chromate and Dichromate.
 15. Calcium Salts.

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ENCLOSURE TO ITEM NO. 63.

List of chemicals proposed to be manufactured.

- | | |
|--|---|
| 1. Acetaldehyde | (a) technical, absolute
(b) extra pure |
| 2. Acetone. | (a) extra pure P.B.
(b) G.R. |
| 3. Acid Boric. | (a) extra pur cryst. P.B.
(b) G.R. (Electro Industry) |
| 4. Acid Citric | (a) very white extra pure cryst. P.B.
(b) G.R. |
| 5. Acid Oxalic. | (a) extra pure cryst.
(b) G.R. |
| 6. Acid Perchloric | (a) 70%
(b) G.R. |
| 7. Acid Tartaric | (a) extra pure cryst. P.B.
(b) G.R. |
| 8. Alcohol Butyl normal | |
| 9. Alcohol Isobutyl. | |
| 10. Alum Ammonium pure cryst. | |
| 11. Aluminium Oxide | (a) anhydrous extra pure
(b) G.R. |
| 12. Ammonium Acetate | (a) cryst.
(b) G.R. |
| 13. Ammonium Citrate. | |
| 14. Ammonium Citrate Solution | G.R. |
| 15. Ammonium Chloride | (a) pure P.B.
(b) G.R. |
| 16. Ammonium Dichromate extra pure cryst. | |
| 17. Ammonium Nitrate | (a) extra pure cryst.
(b) G.R. |
| 18. Ammonium Oxalate | (a) extra pure Erg.B.6.
(b) G.R. |
| 19. Ammonium Phosphate | (a) dibasic extra pure
(b) tribasic
(c) tribasic G.R. |
| 20. Ammonium Sulphate | (a) pure
(b) extra pure
(c) G.R. |
| 21. Ammonia Solution | (a) G.R.
(b) 0,910 extra pure |
| 22. Ammonium Thiocyanate | (a) pure cryst. Erg.B.6.
(b) G.R. |
| 23. Barium Acetate | (a) extra pure cryst.
(b) G.R. |
| 24. Barium Bromide cryst. | |
| 25. Barium Chloride | (a) extra pure cryst. DAB.6.
(b) G.R. |
| 26. Barium Hydroxide | (a) extra pure cryst.
(b) G.R. |
| 27. Barium Nitrate | (a) extra pure cryst. Erg.B.6.
(b) G.R. |
| 28. Benzene | (a) extra pure free from thiophene
(b) G.R. |
| 29. Borax | (a) pure cryst. P.B.
(b) G.R. |
| 30. Calcium Chloride | |
| 31. Calcium Chloride G.R. | |
| 32. Calcium Nitrate | (a) extra pure cryst.
(b) G.R. |
| 33. Carbon Tetrachloride | (a) extra pure free from Sulphur P.B.
(b) G.R. |
| 34. Casein pure (soluble in alkali) | |
| 35. Charcoal activated extra pure dry | |
| 36. Chloroform | (a) P.B.
(b) G.R. |
| 37. Cupric Sulphate extra pure cryst. P.B. | |
| 38. Copper Sulphate G.R. | |

39. Ether Petroleum (a) 40° C
(b) 40° - 60° C
40. Ferric Ammonium Sulphate (a) cryst.
(b) G.R.
41. Ferrous Ammonium Sulphate (a) extra pure cryst.
(b) G.R.
42. Ferrous Chloride G.R.
43. Ferrous Sulphate (a) pure cryst P.B.
(b) G.R.
44. Formaldehyde
45. Formaldehyde G.R.
46. Hydrogen Peroxide (a) pure
(b) G.R.
47. Lead Acetate (a) extra pure cryst. P.B.
(b) (basic) acc. to Horn
(c) (basic) G.R.
48. Lead Nitrate extra pure cryst.
49. Magnesium Chloride (a) extra pure cryst.
(b) G.R.
50. Magnesium Nitrate (a) extra pure cryst.
(b) G.R.
51. Magnesium Sulphate (a) extra pure cryst P.B.
(b) G.R.
52. Methanol (a) extra pure
(b) extra pure free from acetone
(c) G.R.
53. Mercury Acetate.
54. Mercurous Chloride sublimed P.B.
55. Mercury Nitrate Erg. B.6.
56. Mercurous Nitrate (a) cryst.
(b) G.R.
57. Mercury Sulphate neutral
58. Mercury Chloride fine cryst. P.B.
59. Paraldehyde extra pure P.B.
60. Phos. (a) loose cryst. P.B.
(b) G.R.
61. Potassium Aluminium Sulphate (a) extra pure cryst P.B.
(b) G.R.
62. Potassium Bicarbonate extra pure cryst. P.B.
63. Potassium Bisulphate (a) extra pure cryst.
(b) G.R.
64. Potassium Bromide (a) extra pure cryst. P.B.
(b) G.R.
65. Potassium Carbonate (a) pure P.B.
(b) G.R.
66. Potassium Chloride (a) extra pure
(b) G.R.
67. Potassium Citrate pure
68. Potassium Chromate (a) yellow extra pure
(b) G.R.
69. Potassium Dichromate (a) extra pure cryst. P.B.
(b) G.R.
70. Potassium Ferricyanide (a) pure cryst.
(b) G.R.
71. Potassium Ferrocyanide (a) pure cryst.
(b) G.R.
72. Potassium Hydroxide pellets.
73. Potassium Hydroxide pellets G.R.
74. Potassium Iodide (a) extra pure P.B.
(b) G.R.
75. Potassium Nitrate (a) extra pure P.B.
(b) G.R.
76. Potassium Oxalate (a) neutral extra pure
(b) G.R.
77. Potassium phosphate (Primary) monobasic
(extra pure cryst.)
78. Potassium Sodium Tartarate (a) cryst P.B.
(b) G.R.
79. Potassium Sulphate (a) extra pure cryst.
(b) G.R.

- 80. Potassium sulphocyanide (a) pure cryst.
(b) G.R.
- 81. Sodium Acetate (a) extra pure cryst. P.B.
(b) G.R.
- 82. Sodium Bicarbonate (a) extra pure P.B.
(b) G.R.
- 83. Sodium Bisulphate (a) Pure cryst.
(b) G.R.
- 84. Sodium Bromide extra pure dry P.B.
- 85. Sodium Carbonate (a) extra pure dried
(b) anhydrous P.B. B.P.C.
(c) G.R.
- 86. Sodium Chloride (a) Extra pure cryst. P.B.
(b) G.R.
- 87. Sodium Citrate (a) Neutral P.B.
(b) G.R.
- 88. Sodium Hydrozide pellets.
- 89. Sodium Hydroxide pellets G.R.
- 90. Sodium Nitrate (a) Extra pure cryst. DAB, 6.
(b) G.R.
- 91. Sodium Nitrite (a) extra pure cryst. P.B.
(b) G.R.
- 92. Sodium Phosphate (a) Monobasic extra pure
P.B. (Primary)
(b) Dibasic extra pure
cryst. P.B. (Secondary)
(c) G.R. (dibsic)
- 93. Sodium Sulphate (a) extra pure dry DAB, 6.
(b) G.R.
(c) anhydrous
- 94. Sodium Thisulphate (a) extra pure cryst. P.B.
(b) G.R.
- 95. Strontium Chloride extra pure cryst.
- 96. Strontium Nitrate (a) pure dry
(b) anhydrous G.R.

- 97. Thiourea
- 98. Thiourea G.R.
- 99. Toluene (a) Erg. B. 6.
(b) G.R.

- 100. Xylene extra pure.
- 101. Zinc Acetate (a) pure B.P.C.
(b) G.R.

- 102. Zinc Chloride (a) extra pure dry USP.
(b) G.R.

- 103. Zinc sulphate (a) extra pure cryst. P.B.
(b) G.R.

- (64) Application from M/s. Travancore Chemical and Manufacturing Co. Ltd., Alwaye (Kerala), for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 3,000 tons of copper sulphate per annum on three shift basis.

The Committee recommended the grant of a licence. (This is a case of regularisation.)

- (65) Application from M/s. Adcco Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of the following articles:-

NAME OF THE PRODUCTS	UNIT	PRESENT MONTHLY INSTALLED CAPA- CITY.	MONTHLY INSTALLED CAPACITY AFTER EXPANSION.
1. <u>Cal-inicals:</u>			
<u>Spirituous.</u>	lbs.	25 00	10,000
<u>Non-spirituous.</u>	lbs.	15 00	6,000
2. <u>Injectibles.</u>	Amps.	20,000	80,000
3. <u>Tablets.</u>	Tab.	405,000	22,00,000
4. <u>Biologicals liquid.</u>	lbs.	13,000	5,000
5. <u>Disinfectant.</u>	lbs.	300	1,100
6. <u>Pharmaceutical chemicals.</u>	lbs.	600	2,500

In view of the fact that the scheme would involve the import of chemicals worth about Rs.5,44,000 and packing materials and boxes worth Rs.1,20,000 the Committee recommended rejection of the application.

- (66) Application from M/s. Dumex Private Ltd., Bombay, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 110 tons of Dumex Baby Food, per mensem.

The Committee recommended the grant of a licence. (This is a case of regularisations.)

- (67) Application from M/s. Sarabhai Chemical, Baroda, for a licence for effecting a substantial expansion, for the manufacture of new articles viz. glass vials for pharmaceuticals. (Capacity: 150 tons per mensem.)

The Committee observed that the firm proposed to manufacture Glass Vials for bottling their products. The Committee also noted that if the demand for Vials dropped at a later stage, the firm would be able to switch over to other types of bottles for packing pharmaceuticals. The Committee, therefore, recommended the Grant of a licence subject to the following conditions:

(a) The terms of technicals "Know how" fees should be settled to the satisfaction of the Government; and

(b) the foreign exchange requirements should be screened by the OG/HBP Committee.

- (68) Application from M/s. Parke, Davis & Co. Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 1,15,000 Nos. of tablets of sulphamethoxy pyridiazine per mensem.

This application was considered at the meeting of Licensing Committee held on 10th April, 1958. On that occasion, the Committee deferred consideration of this case at the request of the Drug Controller who wanted to re-examine the proposal. He has since expressed the view that it would be desirable to introduce an element of competition in this line. It is also noted that the scheme would not involve import of capital equipment or payment of Royalty. The Committee therefore, agreed to the grant of a licence subject to the condition that no special facilities would be allowed in regard to the supply of raw materials.

- (69) Application from M/s. Calcutta Chemical Co. Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of 200 lbs. of Saccharine, per mensem.

The Committee recommended the grant of a licence.

- (70) Application from M/s. Glaxo Laboratories (India) Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 50,000 tabs. of prednisolone, 36 litres of injections of prednisolone, 36 litres of skin lotion of prednisolone, 90 litres of nasal spray of prednisolone, 36 litres of eye drop of prednisolone and 36 kilos of ointment of prednisolone per mensem.

The Committee recommended the grant of a licence subject to the condition that the Prednisolone required for making these preparations should be imported against their Established Importers Quota.

- (71) Application from The Bhar Industries Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 480 tons of PVC film and sheeting, PVC rigid sheets, PVC flooring materials and PVC compounding per annum.

The Committee observed that the firm had already imported the necessary plant and equipment for the manufacture PVC sheets and films by the Calendering process and also the PVC composition before this Industry was brought under the purview of the Act. The firm commenced production in the last quarter of 1957. The Committee, therefore, recommended the grant of a licence subject to the condition that licensing of raw materials would be regulated not on the basis of compounding capacity but on the production of sheetings and leather cloth. (This is a case of regularisation.)

- (72) Application from M/s. Ganbalingesam Textiles, Tirupur (Madras), for a licence for the installation of 12,500 spindles for the manufacture of staple fibre yarn.

It was brought to the notice of the Committee that the Textile Commissioner had granted this firm a permit to instal 12,500 spindles for manufacture of staple fibre yarn as early as October, 1956, but that the firm had not taken any effective steps. The Committee, therefore, recommended rejection of the application.

- (73) Application from M/s. Narendra Silk Mills, Bombay, for a licence for effecting a substantial expansion for increasing their loomage from 72 to 87 for the manufacture of art silk fabrics.

The proposal involved the transfer of powerlooms from one undertaking to another without any increase in the number of powerlooms installed in the Country. The Committee, therefore, recommended the grant of a licence. (The Capacity of the unit from which the powerlooms are purchased would be correspondingly reduced.)

- (74) Application from Shri Nanubhai Jhaveri, Bombay, for a licence for the establishment of a new undertaking (Nanubhai Industries (Private) Ltd.) at Bombay, for the manufacture of 30,000 K.G. of Monofilament and multifilament Nylon Yarn, per mensem.

This was withdrawn for submission along with other similar applications already received in the Ministry of Commerce and Industry.

- (75) Application from M/s. Shyam Glass Works, Sashi (Aligarh), for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 30 tons of glass bottles, tubes, cups, saucers, rods, etc. per mensem, and effecting a substantial expansion for increasing their capacity from 30 tons to 125 tons per mensem, on three shift basis.

This application is for the regularisation of the existing capacity of 30 tons per month and also for the expansion of the capacity by 95 tons per month, for manufacture of glass bottles, cups, saucers, etc. The Committee noted that, although there was adequate capacity for bottles and phials for common use, there was hardly any unit which had specialised in the manufacture 1/4 oz. to 4 oz. bottles used for filling scents and the demand for which has been progressively increasing. The implementation of the scheme would enable the applicant firm to have economic production and also improve their quality. The Committee accordingly recommended the grant of a licence both for carrying on of their existing capacity and for the expansion applied for.

(76) Application from M/s. Parke Davis Co. Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new articles, viz. drugs and pharmaceuticals as given below:-

Name of products and capacity proposed.

<u>ITEM.</u>	<u>MONTHLY CAPACITY.</u>
1. Adrenalin in Oil Ampoules 1 cc.	20,000 ampoules.
2. Emetine Hydrochloride Ampoules 1 grain.	12,000 "
3. Emetine Hydrochloride Ampoules 1/2 grain.	24,000 "
4. Eye Ointment Yellow Mercuric Oxide 1%.	25 lbs.
5. Liver Extract Parenteral 10 cc., 2 mgm. Vitamin B12 per cc.	4,000 vials.
6. Liver Extract Parenteral 100 cc., 10 mgm. Vitamin B12 per cc.	500 "
7. Milk of Magnesia.	1,000 litres.
8. Ephedrine Compound Elixir.	500 "
9. Chloromycetin Applicaps.	125,000 capsules.
10. Chloromycetin Ophthalmic Ointment.	150 lbs.
11. Chloromycetin Intramuscular, 1Gm.	6,000 vials.
12. Chloromycetin Intramuscular, 2 Gm.	1,000 "
13. Chloromycetin Hydrocortisone Ophthalmic Ointment.	15 lbs. 1 lb.
14. Abdec Kapseals.	200,000-capsules.
15. Ambodryl Kapseals.	50,000 "
16. Ambodryl Syrup.	250 litres.
17. Bena Fedrin.	50 "

18. Dilantin Suspension.	100 litres.
19. Bardase Liquid.	150 "
20. Bardase tablets.	200,000 tablets.
21. Cemoform tablets.	50,000 "
22. Carbrital capsules.	10,000 capsules.
23. Mycozol Ointment.	100 lbs.
24. Mycozol Liquid.	50 litres.
25. Mercloran tablets.	40,000 tablets.
26. Taka Compex Elixir.	500 litres.
27. Taka Diastase tablets.	25,000 tablets.
28. Taka Diastase & Pepsin Compound tablets.	50,000 tablets.
29. Vibex Liquid.	500 litres.
30. Desicol Kapseals.	30,000 capsules.
31. Gas Evac.	250 litres.
32. Citralka Liquid.	750 litres.
33. Liquor Sedans.	500 litres.
34. Palol Compound.	875 litres.
35. Combex Papenteral, 10 cc.	90 litres.
36. Promin Ampoules, 2 Gm.	4,500 ampoules.
37. Promin Ampoules, 5 Gm.	400 ampoules.

The Committee recommended the grant of a licence subject to the condition that no special facilities would be allowed with regard to the supply of raw materials.

(77) Application from M/s. Indian Oxygen Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of the following gases in their factories at Burnpur, Bangalore, Jamshedpur, Calcutta, Delhi, Visakapatnam, Bombay, Madras and Kanpur:-

Name of product.	Existing monthly installed capacity. (M. Cft.)	Expansion. (M. Cft.)	Total monthly installed capacity after expansion. (M. Cft.)
1. Oxygen.	33.99.	45.00	78.99
2. Acetylene.	7.38	4.02	11.40
3. Pure Nitrogen.	3.81	3.44	7.25
4. Oxygen free nitrogen.	-	0.45	0.45
5. Argon.	-	0.36	0.36

It was brought to the notice of the Committee that the annual requirements of Oxygen and Dissolved Acetylene gases in the country are likely to be of the order of 800 million cft. and 130 m.cft. respectively by 1961 as against the present consumption of 400 m.cft and 60 million cft. respectively. There are also other firms in the field who may be able to meet the demand to some extent. The applicant firm would themselves be able to meet the entire demand of these gases by 1961 if the expansion applied for by them was sanctioned in full. Having regard to the desirability of avoiding the creation of virtual monopoly the Committee recommended the grant of a licence for reduced capacities as indicated below in the following factories of the Indian Oxygen

Co.

	OXYGEN		DISSOLVED ACETYLENE	
	Expansion applied. (M. Cft.) per month	Expansion recommended (M. Cft. p.m.)	Expansion applied (M. Cft. p.m.)	Expansion recommended (M. Cft. per month)
Burnpur.	18.00	18.00	00.72	00.36
Bangalore.	-	-	00.15	00.15
Jamshedpur.	9.00	4.50	00.54	-
Calcutta.	9.00	4.50	0.80	-
Delhi.	-	-	0.54	-
Visakhapatnam.	0.60	0.60	-	-
Bombay	6.60	6.60	0.55	-
Madras	1.80	0.90	0.54	0.27
Kanpur.	-	-	0.18	-
TOTAL:	45.00	35.10	4.02	0.78

(78) Application from M/s. Hapur Flour Mills, Hapur (U.P.), for a licence for the manufacture of wheat products.

At its meeting held on 12-3-1958, the Licensing Committee, while considering the application of M/s. Hapur Flour Mills, for the manufacture of wheat products suggested that the possibility of manufacture of flour milling machinery in the country might be investigated in detail by the Development Wing. The Development Wing who have accordingly been in correspondence with certain likely interested parties are awaiting detailed schemes. The case would be examined and brought up before the Committee in due course. The Committee noted the position.

(79) Application from M/s. The Western India Match Co. Ltd., Bombay for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the Manufacture of 60 tons or 0.35 million yards of ocean craft paper per annum.

The Committee recommended the grant of a licence. (This is a case of regularisations.)

(80) Application from M/s. Eastern Paper Mills Ltd., Calcutta, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 3,000 tons of strawboards, millboards (cheap board) and greyboard per annum.

The Committee recommended the grant of a licence. (This is a case of regularisations.)

81. Application for a licence from M/s. Govind Ram and Sons, Ludhiana (Punjab) for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture 66,000 Nos. of hand attachments per annum for sewing machines.

Based on the report of the Director of Industries, Punjab, and the past production of applicant firm the Committee recommended the grant of a licence for a capacity of 36,000 nos. per annum of hand attachments for sewing machines as against 66,000 nos. applied for by the firm. (Grant of a licence would not entitle the firm to get pig iron or steel allocation from the Central S.P.I. Quota).

82. Application from Shri B. K. Aggarwala, Calcutta, for a licence for the establishment of a new undertaking (M/s. Agarwala Iron and Steel Works) at Calcutta, for the manufacture of 1,800 tons of complete bolts and nuts, rivets, dogs pins per annum.

It was brought to the notice of the Committee that from a study of the samples submitted to the Development Wing, it was apparent that the items proposed to be manufactured by the firm were ordinary bolts and nuts, although the firm had stated that they would manufacture specialised bolts and nuts. The Committee noted that there was enough of capacity for ordinary types of bolts in the country and in conformity with the policy not to encourage the setting up of fresh capacity for these items the Committee recommended the rejection of the application.

83. Application from M/s. Bromhappa Tavanappanavar (Mysore) Private Ltd., Madras, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 1,33,200 nos. tin containers (4 imp. gallons) per annum.

The Committee noted that a licence had been granted to the applicant firm as requested by them.

84. Application from Messrs. Bharat Electric Co. (Private) Ltd., Trivandrum, for a licence for the establishment of a new industrial undertaking at Trivandrum for the manufacture of 324,000 Nos. of G.L.S. Lamps, (15 to 22 watts in 230/250 volts) per annum in collaboration with Messrs. Quadrant Export Ltd., London.

At its meeting held on the 30th August, 1957, the Licensing Committee considered the application of this firm for the establishment of a new industrial undertaking at Trivandrum for the manufacture of 324,000 Nos. G.L.S. lamps

per annum in collaboration with Messrs. Luxrum Electric Ltd., London, for use of the trade mark 'Luxrum' and with Messrs. Quadrant Export Ltd., London, for the supply of machinery and technical know-how. Having regard to the fact that the lamp industry was not then working to its full capacity and also to the fact that the scheme involved expenditure of foreign exchange to the extent of Rs. 5.5 lakhs on the import of capital equipment and raw materials, the Committee felt that there was little justification at that stage for licensing fresh capacity in the field. Accordingly the Committee recommended rejection of the application. Government accepted this recommendation and the firm was informed accordingly. The firm have now represented against the decision and have also stated that 40 per cent of the cost of capital equipment of Rs. 4.6 lakhs would be contributed by the suppliers of machinery through participating in the equity capital. The firm have also urged that there was no adequate capacity in South India and that their products would be sold cheaper than those of ELMI's products. The firm have also mentioned that they would reduce foreign expenditure in the matter of raw materials to the minimum. In the circumstances and particularly having regard to the fact that some of the expansion schemes already approved are not expected to materialise, the Committee felt that a small additional capacity involved in this case (624,000 Nos. of G.L.S. lamps) could be allowed. It accordingly recommended the grant of a licence subject to the foreign exchange requirements being screened by the C.G./H.E.P. Committee, and the terms of foreign collaboration being settled to the satisfaction of Government.

85. Application for a licence from M/s. Associated Battery Makers (Eastern) Private Ltd., Calcutta, for effecting a substantial expansion for the manufacture inter alia of 9,000 additional Nos. of stationary batteries and components.

At its meeting held on the 6th February, 1958, the Licensing Committee considered the application of this firm for the manufacture, inter alia of 9,000 additional numbers of stationary batteries and components which are wholly imported now. The Committee had on that occasion suggested that it should be ascertained whether the applicant firm would be prepared to place orders for the necessary equipment for the manufacture of all the components and also whether it would undertake the manufacture of components right from the beginning. The firm was addressed in the matter and they submitted a revised programme for the manufacture of the batteries and components. The revised programme was considered to be satisfactory by the Development Wing. The Committee accordingly recommended the grant of a licence for the capacity applied for.

86. Application from M/s Electronics Ltd., New Delhi, for a licence for effecting a substantial expansion and for the manufacture of the following new articles:

<u>1. New Articles.</u>	<u>Capacity applied for</u>
i) Transistorised radion receivers for use in community listening and home.	10,000 Nos. per annum.
ii) Microphones for public address amplifiers.	10,000 Nos. per annum.
i ii) Ferrograph tape recorders.	750 Nos. in the 1st year 1,500 Nos. in the 2nd year and 3,000 Nos. from the 3rd year.
iv) University power mikes.	5,000 Nos. per annum
v) Cone type loudspeaker for radio receivers.	50,000 Nos. per annum.

<u>II. Expansion.</u>	<u>Capacity after expansion.</u>
1. (a) University Loudspeakers, driver units & horns.	25,000 Nos. per annum.
(b) University horns.	25,000 Nos. per annum
2. Amplifiers.	3,000 Nos. per annum.

(Collaboration with foreign firm envisaged).

At its meeting held on the 19th/20th December, 1957, the Licensing Committee considered the application from this firm for the manufacture inter alia of Ferrograph Tape Recorders and Cone Type Loudspeakers. In regard to Ferrograph Tape Recorders, the Committee was inclined to favour the manufacture of this item but for the heavy foreign exchange expenditure involved. The Committee then suggested that the manufacturing programme might be examined by the Development Wing with a view to making it more acceptable by reducing the foreign exchange expenditure on the employment of experts or otherwise. The firm have now submitted a revised programme providing for an accelerated pace of manufacture. The foreign exchange expenditure has also been reduced. While the Committee felt inclined to the grant of a licence, it noted that demand for this item would mainly be from the All India Radio and the Civil Aviation Department. As these organisations would be getting their licences for import of necessary components as Actual Users, it might be possible for the applicant firm to manufacture these recorders against the orders placed by them without depending on sale to outsiders which is not likely to be large. The Committee, therefore, suggested that it may be ascertained from the applicant firm

whether they would be willing to go ahead with this part of the scheme on the basis indicated above.

As regards Cone Type Loudspeakers, the Committee observed at the earlier meeting that the scheme was based on the import of paper cones which are vital components of loudspeakers. It was not, therefore, inclined on that occasion to recommend the grant of a licence but suggested that the case could be reconsidered provided the foreign exchange requirements were reduced to reasonable limits. The firm have revised their programme cutting down their requirements to Rs. 82,500 against the original estimates of Rs. 3-16 lakhs. The Committee, however, suggested that the foreign exchange requirements should be further reduced to a ceiling of Rs. 50,000 and recommended the grant of a licence, subject to this ceiling.

87. Application from M/s. Hinduk Trading Co. (India Private Ltd., Calcutta, for the establishment of a new undertaking near Danapur (Bihar), for the manufacture of 60,000 Nos. of single phase electricity meters per annum, in collaboration with M/s Komplex, Hungarian Trading Co.

This application was considered by the Licensing Committee at its meeting held on 10/20th December, 1957. On that occasion, the Committee observed that the manufacturing programme was not sufficiently precise and the firm might be advised to discuss with the State authorities and the Development Wing, the possibility of improving their manufacturing programme. The firm had accordingly done so and have now submitted a revised phased programme which the Development Wing considered to be satisfactory. The Committee accordingly recommended the grant of a licence subject to the foreign exchange requirements being screened by CG/HEP Committee.

(On a question raised by Mr. Moon, the Director of Industries, Bihar, stated that the required power supply would be available for this scheme).

88. Application from The Sarangpur Cotton Company Ltd., Ahmedabad, for a licence for effecting a substantial expansion by transferring 10,000 spindles from M/S. Harshad Textile Mills (Private) Ltd., Jamnagar, for the manufacture of cotton yarn.

The committee recommended the grant of a licence, as the implementation of the proposal would not involve any increase in the overall spindleage of the country.

(The capacity of M/S. Harshad Textile Mills will be reduced correspondingly.)

- (89) Application from M/S. T.G.T. Industries, Bombay, for a licence for the establishment of a new undertaking with 50 automatic velvet looms for the manufacture of 40,000 yards of velvet, velveteen and corduroy cloth per mensem on double shift basis.

The Committee recommended rejection of the application as in the present circumstances foreign exchange expenditure to the tune of Rs. 3 lakhs for import of machinery for the manufacture of the articles in question was not justifiable.

- (90) Application from M/S. Texway Textiles, Bombay, for a licence for the establishment of a new undertaking with 25 automatic velvet looms for the manufacture of 25,000 yards of velvet, velveteen and corduroy cloth per mensem on double shift basis.

The Committee recommended the rejection of this application, as the foreign exchange expenditure to the tune of Rs. 2 lakhs for import of machinery for the manufacture of the articles in question could not be justified in the present circumstances.

- (91) Application from M/S. Shree Bhagwati Spinning and Weaving Works, Ahmedabad, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of cotton yarn on 4,260 spindles and change of location from Ahmedabad to Jamkhamalia (Bombay).

The committee recommended the grant of a licence.

- (92) Application from M/S. Hedavakar Metal Pressing works, Bombay, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 125 nos. of hand fly presses and power cutting presses per annum.

The committee recommended the grant of a licence. (This is a case of regularisation.)

(90) Application from M/s. Textile Machinery Corporation Ltd., Belgharia, for a licence for effecting a substantial expansion for the manufacture of new articles viz. ward No. 2A Capstan Lathes (Plain and Automatic Saddle) and ward No. 3A Capstan Lathes (Plain and Automatic Saddle) in collaboration with M/S. Ward and Co. (Capacity: 200 nos. per annum.)

This application was considered by the Licensing Committee at its meeting held on 6th February, 1958. The Committee on that occasion deferred its decision pending the examination of the issues involved in the proposal in the light of the Machine Tool Committee's report. This has now been done. The view held is that the introduction of a limited competition would be in the interest of the industry taking into account the demand for diverse types of machine tools.

The development wing also discussed this proposal with the representatives of firm and advised the firm to manufacture ward 3A Capstans in the first stage, ward 7 in the next stage and finally Ward 2A. Though Ward 7 Turret lathes were not included in the original manufacturing programme of the firm, they have been advised to take up manufacture of the same in the light of discussions which took place, the capacities to be fixed as 200 nos. (composite) per annum of Ward 3A capstans, Ward 7 Turret lathes and Ward 2A capstans. The Ministry of Defence were also consulted in order to find out how far the present proposal would affect the production programme of the Ambernath proto-type factory. That Ministry has taken the view that adequate capacity exists in the factory for meeting the country's requirements of these two items, and there was no necessity to encourage additional production. The Development wing, however, felt that the factory at Ambernath had certain limitations as a defence factory and it would not be possible for them to meet the civilian demand completely. Therefore, it was essential that alternative sources of supply should be established. They have accordingly recommended that the scheme submitted by Texmaco as modified by them may be accepted. The committee, after taking into consideration all these facts, recommended grant of a licence to the applicant firm for the manufacture of ward 3 capstan and ward 7 turret lathes in the beginning with a total capacity of 200 nos. per annum, subject to the foreign exchange requirements being screened by the CG/IEP committee. The committee also suggested that any difference of opinion between the Development wing and the Defence, that may still persist, may be resolved by the Commerce and Industry Ministry.

(94) Application from M/S. G.G. Dandekar
Machine works, Bhiwandi, for a licence
for effecting a substantial expansion
for the manufacture of the following new
articles:-

<u>Product.</u>	<u>Proposed annual Capacity.</u>
1. Geared shaping machine 12" to 22"	250 nos.
2. Hydraulic shaping machine 22" stroke	125 "
3. Hack saw machines 5" capacity.	500 "
4. Hack saw machines 9" capacity.	500 "
5. Oil fired crucible furnace.	50 "
6. Heat treatment furnace.	50 "
7. Lathes cone pulley 9" centre.	50 "
8. Drilling machines 1" bench type.	450 "
9. Drilling machine 1½" capacity pillar type.	250 "
10. Hydraulic jacks.	6,000 "
11. Overhead cranes upto 1 to 5 tons.	100 "

Taking into account the demand and the production of the various items in the country, the Committee recommended the grant of a licence for the capacities indicated below:-

(a) Machine Tools:

- i) Hack-saw machine (5" & 9" capacities) 50 nos. per annum
- ii) Oil fired crucible furnace. 50 nos. per annum
- iii) Heat treatment furnace. 50 nos. per annum
- iv) Lathes cone pulley type 50 nos. per annum

(b) Garage Tools.

Hydraulic Jacks upto 6 tons: 6000 nos. per annum.

(c) OVERHEAD CRANES

Over-head cranes upto 1 to 5 tons capacity: 100 nos. per annum.

- (95) Application from M/s. Kirloskar Oil Engines Ltd., Poona, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of 5 to 40 H.P. stationary diesel engines by 3,000 nos. per annum and for the manufacture of new article viz. 3 H.P. stationary diesel engines. (Capacity 12,000 Nos. per annum)

The Committee noted that the firm would import machinery only if it was absolutely necessary. The Committee, accordingly recommended the grant of a licence for the expansion asked for subject to the condition that the foreign exchange requirements should be screened by the CG/HEP Committee if the firm found it necessary to import plant and equipment.

- (96) Application from M/s. Ballabram Baurmardan, Calcutta, for a licence for the establishment of a new undertaking (M/s. Sajin Rolling Mills and Engineering Works) at Howrah (West Bengal), for the manufacture of 1,200 tons of copper brass wire, 500 tons of copper brass pipes and tubes and 500 tons of zinc sheets and lead pipes per annum.

500 tons of copper brass rods,

The Committee noted that there was more than adequate capacity existing in the field to meet the demand and there was no scope for creation of additional capacity. It therefore, recommended rejection of the application.

- (97) Application from M/s. Toptniwal Brothers Private Ltd., Bombay for a licence for the establishment of a new undertaking at Ameer (Rajasthan), for the manufacture of the following industrial electrical instruments in collaboration with M/s. Hartup and Braun of Germany:-

Items		Annual capacities (in nos.)
(1) Switch boards instruments like ammeters and voltmeters etc.	I Year	2,150
	II Year	2,250
	III Year	3,325
	IV Year	4,000
	V Year	4,600
(11) Industrial process and and control instruments, such as thermocouples, temperature indicators etc.	I Year	100
	II Year	400
	III Year	900
	IV Year	1,590
	V Year	1,950

The Committee recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of the Government.

- (98) Application from M/s. Metal Box Co. of India Ltd., Calcutta, for a licence for changing the location of their undertaking from Delhi to Faridabad (Punjab) for the manufacture of tin containers.

The Committee recommended the grant of a licence.

- (99) Application from M/s. Baltex Private Ltd., Ahmedabad, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 50 tons of picking bands, 20 tons of beltanz, 20 tons of buffers, 20 tons of picker saws, 10,000 pcs. of leather pickers, 5 tons of laces and 20 tons of sole leather and miscellaneous goods per annum, foreign collaboration approved on 17-9-1955.

The Committee recommended the grant of a licence. (This is a case of regularisation.)

(100) Application from M/s. Davidson of India (Private) Ltd., Calcutta, for a licence for the establishment of a new undertaking at Jiniarpal, Calcutta for the manufacture of tea machinery and industrial fans and blowers as given below in collaboration with M/s. Davidson & Co. Ltd., Belfast.

The Committee considered the representation made by M/s. Britannia Engineering Co. against creation of further capacity for manufacture of tea machinery and felt that there was scope for creating further capacity in the country with a view to reducing our dependence on imports. The Committee, therefore, recommended the grant of a licence to this company for the manufacture of (1) Industrial fans and blowers for the capacity applied for and (2) Tea machinery items, except Multi-cellular heaters. The latter item (Multi-cellular heaters) was not recommended in order to ensure substantial reduction in foreign exchange commitments. The grant of licence will be subject to the conditions that (1) foreign collaboration terms should be settled to the satisfaction of the Government and (2) foreign exchange requirements should be screened by the CG/HEP Committee.

NAME OF PRODUCT & BYE-PRODUCT	Monthly proposed installed capacity
"Sirocco" Tea Machinery	
"Sirocco" Multi Air Heaters: Sizes No. 6, No.8, No.12	One unit size
"Sirocco" Multi Cellular Air Heaters: Sizes No.10, No.14, No. No. 16.	Three to four unit size.
"Sirocco" Super Special E.C.P. } Tea Drying Machines: } 3ft, 4ft, 5ft, 6ft, & 7ft.	Four to five units.
"Sirocco" Seventy-five "E.C.P." } Tea Drying Machines }	
"Sirocco" Tea Leaf processing Machine	Two units.
"Sirocco" Green Leaf Sifters	Two units.
"Sirocco" Double Enclosed type Tea Packing Machine	One unit.
"Sirocco" 36" dia. O.C.B. Tea Leaf Rolling Machines.	One unit.
"Sirocco" 46.6 dia. Senior O.C.B. Tea Leaf Rolling Machines.	
"Sirocco" "Rootes" Rotary Blowers.	One unit.
"Sirocco" Oil Fuel Burning Equipment	One unit.
"Sirocco" Tea Fluff Removal Plants (tounking & hoods)	Four units.
"Sirocco" Tea Machinery Spare Parts.	Two plants 20% of monthly requirements.
Notes: The above indicates productive capacity assuming imports of finished parts initially to build with indigenously manufactured parts complete machines, and assumes present market demand.	
"Sirocco" Industrial Fans & Blowers	
"Sirocco" Full width Cased Fans in 12 sizes	Seven units.
"Sirocco" 3/4 width cases Fans in 12 sizes	
"Sirocco" full width Dust Fans in 12 sizes	Eight Units.
"Sirocco" Class 'B' Dust Fans in 9 sizes	
"Sirocco" Cast Iron High Pressure Fans 8 sizes	Ten units.
"Sirocco" Cast Iron Narrow Pressure Fans 4 sizes	
"Sirocco" Single Inlet Cupola Fans in 6 sizes	Three units.
"Sirocco" Belt Driven Propeller Fans in 12 sizes	
"Sirocco" Electric propeller Fans in 12 sizes	One unit.
"Sirocco" 'D' Type Dust Collectors in 16 sizes	
"Sirocco" Dumpy 'D' Type Collectors in 29 sizes	
"Sirocco" Air Washers for Evaporative Cooling & Humidification Plants, - 11 sizes	
Total number of different fan sizes	145
Total number of types of fans.	12
Notes: The above indicates productive capacity assuming imports of finished parts initially to build with indigenously manufactured parts into complete units on present market demand.	

- (101) Application from M/S. Jairamdas & Sons, Bombay, for a licence for effecting a substantial expansion for the manufacture of 5 to 7 lakhs of twist drills and 24,000 sets of 2 or 4 pcs. threading dies per annum, in collaboration with German, U.K. or Spanish firms.

The application of this firm was considered at an earlier meeting of the Licensing Committee. The Committee on that occasion recommended the rejection of the application for the reasons that no details of capital equipment and foreign collaboration had been given and a previous scheme already sanctioned for the manufacture of twist drills, tapers, etc. had not been implemented by the firm so far. This decision was communicated to the applicant firm. While giving their recommendations on the previous occasion, the Development Wing had recommended the grant of a licence for threading dies, as they were complementary to the taps for the manufacture of which the firm had been given a licence. This point was brought to the notice of the Committee, which felt that the part of the scheme relating to twist drills only should have been rejected. The Committee, therefore, recommended the grant of a licence for the manufacture of threading dies as applied for with the location of the factory at Bangalore as requested by the applicant firm subject to the condition that the terms of foreign collaboration which the firm are contemplating to enter into should be settled to the satisfaction of the Government.

- (102) Application from the Mysore Kirloskar Ltd., Yantrapur, P.O. Harihar, for a licence for effecting a substantial expansion for the manufacture of 100 tons of machine tool castings, 100 tons of agricultural implements and 150 tons of castings for diesel engines, hydraulic and mech. jacks, fuel pumps, flour mills, typewriters and pedestal grinders per mensem.

It was brought to the notice of the Committee that although the applicant firm had requested for a licence for a capacity of 350 tons of cast iron castings per mensem for machine tools, agricultural implements, diesel engines, etc., their capacity for manufacture of castings for sale to the public as reported to the Development Wing was only 250 tons a month. The Committee recommended the grant of a licence for this capacity.

- (103) Application from M/S. Kalinga Industries Ltd., Calcutta, for a licence for the establishment of a new undertaking at Chowdwar, Cuttack (Orissa), for the manufacture of 1,200 tons of tubular steel structures including roofing structures, lighting towers etc., per annum.

This application had been considered by the Licensing at its meeting held on 10th March, 1958. On that occasion the Committee observed that the scheme involved the grant of a loan of Rs.6 lakhs by the

Government of Orissa to the firm and it desired that it should be ascertained whether the concurrence of the Planning Commission had been obtained for the grant of this loan before a decision could be taken. Mr. Moon confirmed at the meeting that the clearance of the Planning Commission had been obtained. The Committee accordingly recommended the grant of a licence on the clear understanding that the tubular steel structures now being allowed to be manufactured should not include any item of furniture and that the import of steel pipes and tubes as raw materials would not be asked for.

(104) Application from Shri Ramgopal Gupta, Bombay for a licence for the establishment of a new undertaking (M/S. India Card Clothing Manufacturing Co.) at Bombay, for the manufacture of 3,600 sets of card clothing & cylinder fillets, doffer fillets & top fillets etc. worth Rs. 36 lakhs per annum, in collaboration with M/S. Ferunion Hungarian Trading Co., Budapest (Hungary).

Two schemes for the manufacture of Card Clothing have already been approved by Government - namely (1) English Card Clothing Co. of U.K. and (2) Textile Machinery Corporation Ltd. The English Card Clothing Co., of U.K. have been permitted to float a private limited company in the name and style of M/S. Indian Card Clothing Co., Bombay, for the manufacture of 1500 sets per annum in the initial stages and subsequently 3000 sets per annum. M/S. Texmaco propose to manufacture 4000 sets of Card Clothing in collaboration with a Japanese firm. While the Indian Card Clothing Co. is expected to go into production within 3 to 4 months M/S. Texmaco are reported to have made no progress in the matter. As such, the licensed capacity may be taken at 3000 sets of Card Clothing per annum.

Having regard to the above position as well as to the fact that the Card Clothing manufactured by the Hungarian firm has been reported to be satisfactory by the Textile mills in India and the price of Hungarian Card Clothing is much cheaper than that of British make, the Licensing Committee recommended the grant of a licence to the applicant firm for the manufacture of 1500 sets of card clothing per annum as against 3600 sets asked for by them subject to the following conditions:-

- (a) the foreign exchange requirements should be screened by the CG/HEP Committee; and
- (b) the terms of foreign collaboration should be settled to the satisfaction of Government.

(105) Application from the Indian Textile Paper Tube Co. Ltd., Madurai, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 900 tons of paper cones and 2,040 tons of paper tubes, per annum in collaboration with M/S. The Textile Paper Tube Co. Ltd., U.K.

The Committee recommended the grant of a licence. (This is a case of regularisation)

(106) Application for a licence from M/S. Ramakrishna Industrials Private Ltd., Peelamedu P.O., Coimbatore for effecting a substantial expansion for the manufacture of the following articles in collaboration with M/S. Om Spinning Machinery Manufacturing Co. Ltd., Osaka, Japan:-

<u>Articles.</u>	<u>ANNUAL CAPACITY ON DOUBLE SHIFT BASIS.</u>		
	<u>Existing capacity</u>	<u>Additional capacity envisaged.</u>	<u>Total expansion agreed</u>
	<u>Nos.</u>	<u>Nos.</u>	<u>Nos.</u>
1. Spinning ring frames.	84	252	336
2. Carding engines.	48	72	120
3. Drawing frames.	24	48	72
4. Simplex frames	-	72	72
5. Blowing rooms machinery.	-	12 lines	12 lines.

The Committee recommended the grant of a licence for all the items mentioned above excepting Carding engines for the capacities indicated below:-

<u>Articles.</u>	<u>Additional capacity per annum</u>	
	<u>Single shift</u> <u>Nos.</u>	<u>Double shift</u> <u>Nos.</u>
1. Spinning ring frames. (The additional capacity allowed is based on the existing registered capacity, which is less than what the applicant firm have claimed)	138	276 (i.e. 23 frames per month)
2. Drawing frames.	24	48
3. Simplex frames.	36	72
4. Blowing rooms machinery	6 lines	12 lines.

As regards Carding engines the Committee recommended rejection of the application as sufficient capacity already exists in the country in this line.

(107) Application from M/S. Krishna Industrial Corporation Ltd., Madras, for a licence for the establishment of a new undertaking at Tadepallegudem Taluk, West Godavari District Andhra Pradesh, for the manufacture of 1,400 tons of sulphuric acid & 4,200 tons of superphosphate (16% P2O5) per mensem.

The Committee observed that M/S. Andhra Fertilizers had been given a licence for manufacture of 33,000 tons of sulphuric acid and 100,000 tons of superphosphate a year at Guntur (Andhra Pradesh) in three stages. Out of this, capacity to the extent of the second stage viz. 16,500 tons of sulphuric acid and 50,000 tons of superphosphate is being established at Guntur. The present application is for establishing the remaining capacity of 16,500 tons of sulphuric acid and 50,000 tons of superphosphate in a different place in the same State and has been made by an organisation under the same management as M/S. Andhra Fertilizers. It was brought to the notice of the Committee by the representative of the Government that this request of the applicant firm really amounted to a change of location and the party had not submitted a copy of their application to the State Government for comments although they had been requested to do so. The State Government's representative therefore urged that the grant of a licence should be subject to the concurrence of the State Government, as the change of location was in the same State. In the circumstances, the Committee suggested that the State Government should make their recommendation to the Commerce and Industry Ministry within a week and if they agreed, a licence should be issued as recommended by the Committee. In case the State Government's recommendation was not made within a week, the Licensing Committee's recommendation may be given effect to. In case the State Government did not recommend the splitting up of the capacity, the case should be brought up again before the Licensing Committee.

State

(108) Application from M/S. Industrial Air Control (India) Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of the following new articles in collaboration with M/S. Westinghouse Electric Co., U.S.A.:-

<u>Items.</u>	<u>Capacity per annum</u>
1. <u>Precipitorns (trade name)</u>	300 sets (1st year) 420 sets (2nd year) 600 sets (3rd year)
2. Room Air Conditioners (1 and 1½ H.P)	300 units (1st year) 600 units (2nd year and onwards)
3. Air conditioning units (3, 5 and 7½ H.P)	180 units (1st year) 300 units (2nd year) 420 units (3rd year)

This application was considered by the Licensing Committee at its meeting held on 19/20th December, 1957. On that occasion the Committee

recommended the rejection of the application, as the proposal involved heavy foreign exchange expenditure by way of import of components and raw-materials. The applicant firm was informed of this decision. The firm have now represented for reconsideration of the case and submitted a revised manufacturing programme, according to which the firm would not be manufacturing room air conditioners thus leaving only 2 items to be considered namely, precipitorns and air conditioning units. The Committee noted that the foreign exchange requirements in the revised programme have been suitably revised. The Committee, however, felt that so far as air-conditioning units were concerned any further foreign exchange expenditure was not justified at the present moment and it, therefore, recommended rejection of this part of the application. As regards precipitorns, the Committee recommended the grant of a licence for the capacity applied for, as such equipment is not at present being manufactured in the country. The grant of this licence should be subject to the condition that the terms of foreign collaboration should be settled to the satisfaction of Government.

(109) Application from the Saraswati Sugar Mills, P.O. Yamunagar, District Ambala, Punjab, for a licence for effecting a substantial expansion for the manufacture of a new article viz., straw-boards. (Capacity:- 10 lakhs maunds per season).

The Committee recommended the rejection of the application for the following reasons:-

- (a) The scheme of the firm which is based on use of bagasse was incomplete in many respects,
- (b) the scheme of Shri Gopal Paper Mills for the manufacture of paper is also based on supply of bagasse from the applicant firm, viz., Saraswati Sugar Mills and this is under implementation. It is, therefore, doubtful whether bagasse would be available for both the parties and sanctioning of the applicant firm's proposal might adversely affect the scheme of Shri Gopal Paper Mills,
- (c) in the interest of better utilisation of bagasse, paper manufacture should be accorded priority over straw-board manufacture.

(110) Application from M/s. Amrit Chemicals, Ahmedabad, for a licence for effecting a substantial expansion for the manufacture of a new article viz. acetic acid (glacial). (Capacity: 75 tons per mensem.)

The Committee recommended the rejection of the application for the following reasons:-

(a) It is not desirable to encourage the manufacture of acetic acid alone which the applicant firm proposes to do; further adequate capacity has already been licensed for meeting the current demand which is not likely to increase till further developments take place in the pharmaceutical and dye-stuff industries;

(b) it is doubtful whether the firm would be able to take up such large scale production of acetic acid which involves an investment of the order of Rs. 25 lakhs.

(111) Application from M/s. Excel Industries, Bombay, for a licence for effecting a substantial expansion for the manufacture of the following articles:-

EXPANSION

<u>Items</u>	<u>Present yearly capacity</u>	<u>Expansion envisaged</u>	<u>Annual installed capacity after expansion</u>
1. Phosphoric acid	120 tons	180 tons	300 tons
2. Phosphorous tri-chloride.	120 tons	180 tons	300 tons

(b) NEW ARTICLES:

1. Chlorinated paraffin.	100 tons per annum.
2. Mono chloro Benzene.	100 tons per annum.
3. Mono Chloro Acetic Acid	50 tons per annum.
4. Acetyl Chloride	50 tons per annum.
5. Tetra Chloro Ethane	150 tons per annum.

The Committee recommended the grant of a licence for the following items as asked for: expansion upto

(a) Phosphorus Trichloride.	300 tons per annum.
(b) Chlorinated Paraffin.	100 tons per annum.
(c) Mono Chloro Acetic Acid.	50 tons per annum.
(d) Acetyl Chloride.	50 tons per annum.
(e) Tetra Chloro Ethane.	150 tons per annum.

The Committee recommended the rejection of that part of application relating to the manufacture of following items for the reasons given against each:

(i) Phosphoric acid: There is already large unutilised capacity existing in the country and the applicant firm are utilising only 33% of their existing capacity.

(ii) Mono Chloro Benzene: Manufacture of this item is already included in the programme in the public sector and there is no scope for further capacity in this line.

112. Application from M/S. Biochemical and Synthetic Products Ltd.; Sanatnagar, Hyderabad, for a licence for effecting a substantial expansion for the manufacture of new articles viz. Amyl Acetate and Ethyl Acetate. (Capacity: 5 tons and 10 tons respectively per mensem on three shift basis.

The Committee notes that the applicant firm while submitting their proposal have requested that no other application for the manufacture of the same articles should not be entertained. The Committee felt that such an assurance could not be given by Government and recommended the grant of a licence on that understanding.

113. Application for a licence from Administrator, Durgapur Industries Board, Calcutta for effecting a substantial expansion for the manufacture of the following articles:

<u>Items.</u>		<u>Capacity per mensem</u>
1. Ammonium Chloride		435 tons
2. Caustic soda		551 "
3. Phenol.		147 "
4. D-Dicalorobenzene.		18 "
5. Diphenyl Oxide.		9 "
6. Soda Ash.		119 "
7. Lithophane		290 "
8. Phthalic Anhydride.		100 "

The scheme envisages the manufacture of Ammonium Chloride, Caustic Soda, Phenol etc. in the Coke oven plant at Durgapur. The economics of the scheme were examined by the Development Wing and the Planning Commission and the following conclusions were arrived at:

- (a) the economics of the scheme should be improved by the party undertaking the manufacture of special types of coke required for use in Ferromanganese and Calcium Carbide Industries, as these can pay a higher price for coke than other users.
- (b) the ceiling price for coke produced in the Durgapur Coke Oven Plant should be determined on the basis of cost examination.
- (c) the expansion of the unit to make it more economical should be considered only after the unit under installation at present is completed and put into satisfactory operation and visa-vis the claims and suitability of other locations for securing additional coke production. The party has been apprised of this position. The Committee took note of it.

114. Application from M/s. Central India Coal Fields Ltd., Calcutta for a licence for effecting a substantial expansion to their Khas Badjina Colliery (Bihar) and Orient Colliery (Orissa) for lifting coal.

Two applications from this firm for effecting substantial expansions were considered at earlier meetings of the Licensing Committee. On those Occasions, the Committee recommended the grant of licences subject to the foreign exchange requirements being screened by the OG/HEP Committee. Licences under the Industries Act were not, however, issued, as the firm could not get necessary clearance from the Chief Controller of Imports and Exports. The firm have since given an assurance that they would be able to implement their schemes by reducing their foreign exchange requirements, would import only such items for which import licences could be issued and would not require further import licences for machinery immediately. In these circumstances, licences under the Industries Act have been issued to them. The Committee noted this position.

(115) Application from Shri Hamendra Shah, for a licence for the establishment of a new undertaking (M/s. Palia Bina Co-operative Cane Society Ltd.) at Palia Kalan (U.P.) for the manufacture of sugar with 2,000 tons of cane crushing capacity per day.

(115) Application from The Hindustan Sugar Mills Ltd., Gholapganath (U.P.) for a licence for the establishment of a new sugar factory of 1,000 tons cane crushing capacity per day.

The Committee was of the view, that it should recommend rejection of the applications as there was no possibility of getting them approved in view of the tight foreign exchange position and want of any further capacity for sugar production. However, at the special request of the representative of the U.P. Government, the Committee recommended that the decision to reject the applications might not be communicated to the parties until the next meeting of the Licensing Committee when the matter would be discussed further.

(116) Statement of licences revoked during the quarter January-March, 1958.

None.

(117) Application from Administrator, Durgapur Industries Board, Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of road tar from 335 tons to 666 tons and wash oil from 58.5 tons to 117 tons per mensem and for the manufacture of the articles viz: Phenol-formaldehyde resin and tar varnish. (Capacity 150 tons and 150 tons per mensem respectively.)

The economics of the scheme have been examined by the Planning Commission and the Development Wing and the conclusion arrived at was that there was no great urgency, from the point of view of the overall needs of the country, for road tar and other allied chemicals, at this stage. Further, the occasion was not appropriate for incurring large foreign exchange expenditure unless it was absolutely unavoidable. In the circumstances, it was decided in the Planning Commission to reject the proposal. The Committee took note of this position.

(118) Application from M/s. Indian Aluminium Company Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of aluminium ingots from 833 to 1,666 tons per mensem and alumina from 30,000 to 40,000 tons per annum.

The Committee observed that there was an application from M/s. Birla (Gwalior) Private Ltd., for an aluminium smelter at Rihand with an installed capacity of 10,000 tons per annum and is still under consideration. Even if this case was licensed, there was scope for the expansion now proposed at Hirakud. The Committee noted that the expansion at Hirakud would be more economical both in capital investment and cost of production than any other capacity of this magnitude to be developed elsewhere. The Committee also observed that it was necessary for the applicant firm to expand the capacity for the alumina works say upto 50,000 tons instead of 40,000 tons only as proposed in order to accommodate the requirements of not only the expansion at Hirakud but also of the existing smelter in Always. The supply of additional electric power was also an important factor to be considered in this connection. It was also noted that the import of drawings and design from Canada would involve some foreign exchange expenditure. Taking into account all the above factors, the Committee recommended the grant of a licence subject to the following conditions:

which

- (a) arrangements should be made with the Orissa Government for the supply of additional power from Hirakud;
- (b) arrangements should be made for meeting the increasing requirements of alumina for the project in a manner that may be considered suitable by Government;
- (c) arrangements should be made for securing the necessary foreign exchange on terms acceptable to Government and to raise the necessary rupee finance; and
- (d) the purchase of drawings and designs from Canada should be reduced to the minimum and the terms on which they would be purchased should have the prior approval of Government.

The Committee also directed that the licence to the applicant firm should issue only after satisfactory arrangements for the power supply had been made.

(119) Application from M/s. Voltas Limited, Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz. Universal Att^o frame with set of implements. (Capacity: 500 sets per mensem.)

The Committee observed that although the scheme is sound, it was doubtful whether steel worth about Rs. 26 lakhs per annum could be made available for the present. The rejection of the application was, therefore, recommended. The Committee, however, suggested that if the party so desired, the application might be renewed after a year or so.

(120) Applications for the establishment of re-rolling mills.

In the Press Notes dated April, 1956 and 5th June, 1956 applications had been invited for setting up re-rolling mills indicating that preference would be given to parties who proposed to roll special sections and also locate mills in States where no capacity existed. In July 1956, a Committee under the Chairmanship of Shri B.B. Saksena was appointed to study the present position and make recommendations in regard to the future development of electric furnaces, steel foundries and re-rolling mills. This Committee submitted two interim reports which were considered by the Licensing Committee. At its meeting held on 22-1-1957, the Licensing Committee suggested that each State Government should arrange applications for the establishment of new units in order of priority and forward names of five applicants to the Central Government for further action. The Saksena Committee submitted its final Report in April, 1957. It was duly examined by Government who took the view that there was little scope for additional capacity in the re-rolling industry. However, having regard to regional considerations, the Government decided that there might be scope for one unit each to be set up in Assam, Bihar (North of Ganga), Andhra and Kerala, where no capacity exists at present. The Government also decided that there was no point in ignoring units already in existence for considerable period but still unrecognised.

On the basis of these Government decisions the Committee recommended the grant of a licence for one Re-rolling Mill in each of the following States :-

- (a) Andhra State : M/s. Mittal & Sons, Calcutta (Andhra Steel Corporation Ltd.)

In case there is an application for import to complete the project, the foreign exchange requirements should be screened by the CG/HEP Committee.

- (b) Assam : M/s. K.K. Jajodia, Calcutta, (Kumar Iron and Steel Co., Ltd.)

Subject to foreign exchange requirements being screened by CG/HEP Committee.

(c) Bihar : The Committee was at first inclined to recommend a licence to the South Bihar Sugar Mills Ltd., Bihta, as the foreign exchange involved was only to the extent of Rs. 1 lakh. At this stage the State Government's representative stated that his Government would like to reconsider the recommendations from the point of view of location (North of Ganga). The Committee, therefore, suggested that the State Government should reconsider the applications and submit proposals indicating the order of priority keeping in view particularly the present foreign exchange position.

(d) Kerala : The Committee observed that certain areas of the old Madras State have now merged in the new Kerala State. It was, therefore, necessary that applications from these areas also should be considered in selecting the firm for establishing a re-rolling mill in Kerala State. The Committee recommended that Kerala State Government should re-examine the the applications in the above context and submit their proposals indicating the order of priority.

(ii) The Committee also recommended regularisation of 28 existing factories indicated in Appendix 'A' subject to the usual safeguards, viz., verifying whether or not the mills have been working during the last one year and also to check their capacities. One application from the Indian Steel and Wire Products Ltd., is being considered separately. There are 16 other applications falling within the purview of the Industries (Development and Regulation) Act. These are still screened by the Steel Ministry in consultation with the State Governments concerned.

(iii) The remaining applications for the establishment of re-rolling capacity were rejected.

While these applications were being considered by the Committee a point was made by one of the State Government's representative that some portion of the capacity should ^{be} reserved for the small scale sector of the industry. The Committee observed that even large units in the industry were not getting even 20% of their requirements of raw materials and therefore there was no use reserving any capacity for the small scale sector. In any case, it was a matter not for the Licensing Committee but for the Ministry of Steel, Mines and Fuel to consider.

Statement showing particulars of existing re-rolling units
which have applied for a licence under the Industries
(Development and Regulation) Act, 1951.

S.No.	Name of the undertaking	Location	Annual capacity as shown in application (one shift) tons.	Products.
1	2	3	4	5
1.	Kumar Iron and Steel Works.	Sonepat.	518	Bars, rods and tonga channels.
2.	Sirkird Steel Rolling Mills.	Sirhind.	540	Bars, rods and thin flats (hoops).
3.	Vishavakarma Iron Works.	Ludhiana.	330	Bars, thin flats (hoops) and angles.
4.	Ambala Rolling Mills & Foundry Works.	Chandigarh.	1,200	Bars and rods.
5.	Service Iron & Steel Rolling Mills.	Morinda.	1,200	Bars and rods.
6.	Indersing Tipper Chand.	Sunam.	1,200	Bars, rods, thin flats (hoops) and angles.
7.	Amrit Steel Rolling Mills.	Barnala.	1,200	Bars, rods, and thin flats (Hoops).
8.	Shri Ganesl. Iron & Steel Rolling Mills.	Gobindgarh.	Not stated (I.&S.G. estimates it at 1800).	Bars and rods, thin flats (hoops), angles, hexagons, octagons & spring steel flats.
9.	Vijaya Iron & Steel Rolling Mills.	Gobindgarh.	1,020	Bars, rods, thin flats (hoops) and angles.
10.	Chawla Metal Works.	Delhi.	1,500	Bars, rods and thin flats.
11.	Rajendra Prasad Jawaharlal.	Shahdra Jodhpur	750	Bars.
12.	Steel Rolling Mills of Bengal Ltd.	Paharpur, Calcutta.	2,400	Steel, bars, section rounds, squares, flats gate channels, light angles, etc.
13.	Bombay Steel Rolling Mills Ltd.,	-do-	3,000	Steel bars & squares, flats, gate channels, light angles etc.
14.	Shri Hanuman Steel Foundries.	Lillooah. Howrah.	2,400	Rods, bars, hexagons, octagons, Lt. Structural sections.
15.	National Steel Works Ltd.	Bombay.	7,200	M.S. Bars & Rods.
16.	Guru Nanik Steel Rolling Mills.	Bharatpur.	900	Wire products rods (rounds, squares) Bars (rounds, squares) flats, angles.
17.	Indian Rolling Mills.	Kanpur.	6,000	hoops and M.S. rounds, squares, flats, angles and channels.
18.	Bhagwan Industries Private Limited.	Lucknow.	6,000	M.S. flats, rods and rounds.
19.	Jadish Rolling Works.	Kanpur.	1,200	Factory under construction at present.
20.	Panesar Iron & Steel Rolling Mill.	Gobindgarh.	900	Bars, rods, hoops and flats.
21.	The Iron Factory.	-do-	900	Bars, rods, hoops flats and angle iron.

1	2	3	4	5
22.	The Punjab Steel Rolling Mills.	Gobindgarh.	9,300	Flats, rounds, squares, angle iron and bailing hoops.
23.	Surt Ram Ramji Das Iron and Steel Re-rolling Mills.	-do-	Not stated	Bailing hoops, flats, patti angles etc.,
24.	Sulekh Ram Banarsi Das Steel Rolling Mills.	-do-	2,460	Rods and angle iron.
25.	Guru Arjan Iron and Steel Rolling Mills.	Govindgarh	2,400	Bars, rods, hoops and flats.
26.	Chaliha Rolling Mills.	Calcutta.	14,400	Rounds, Hexagons channels (small sections) and special sections.
27.	Shree Hanuman Steel Rolling Mills Co. Ltd., Howrah.	Ghusuri.	6,000	M.S. Bars, rods flats, channels angles (light), hexagons, half rounds, bars etc.
28.	National Industries Corporation, Bombay.	Bhandup	20,000	M.S. Bars, rods, and channels.

(121) (a) Application for a licence from M/S. Kala Silk Factory, Bombay, for diversion of 4 looms out of licensed substantial expansion for 12 looms for the manufacture of velveteen.

(b) Application for a licence from The Bharat Survodaya Mills Co. Ahmedabad, for effecting a substantial expansion for increasing their spindleage from the existing 1,100 to 5,000 for the manufacture of staple fibre yarn.

(a) This case was withdrawn for further examination in the Commerce and Industry Ministry.

(b) The Committee noted that the firm had taken "effective steps" prior to 1st March, 1957 and, therefore, recommended the grant of a licence. (This is a case of regularisation).

(122) Application for licences from:

(a) Shri D.J. Patel, for the establishment of a new undertaking at Udhna (Bombay) for the manufacture of 250 tons of paper board, cheap wrapping paper, straw board, and mill board, per mensem.

(b) Shri Ramnath Somani, Poona, for the establishment of a new undertaking at Tansa (Bombay), for the manufacture of 150 tons of cheap writing, wrapping, packing and printing papers and strawboards, per mensem.

(c) M/S. Baldota Brothers, Bombay, for the establishment of a new undertaking in Thana District (Bombay), for the manufacture of 150 tons of cheap printing and wrapping paper and boards, per mensem.

These applications were first considered by the Committee at its meeting held on the 6th February, 1958. The Committee, deferred consideration of these applications on that occasion and desired that the application of Shri D.J. Patel along with other applications of similar nature might be brought for consideration at a later date after the Development Wing had examined the difficulties encountered by the parties, whose schemes had already been sanctioned. The Committee also desired that the requirements of plant and machinery might be assessed. Pending finalisation of proposals by manufacturers of paper machinery, the Development Wing had recommended that cases where sponsors of schemes were able to find foreign exchange for investment by their overseas collaborators could be considered.

In view of the above, the Committee made the following recommendation:

(a) Shri D.J. Patel: In the present case the applicant stated that the foreign exchange required for the purpose would be met by the funds arranged by his friends abroad as equity capital. The Committee recommended the grant of a licence provided the firm produced satisfactory evidence to Government as to how exactly the finance would be arranged from abroad.

(b) & (c) Shri Ram Nath Somani & M/S. Baldota Bros. The Committee recommended rejection of applications as the total value of the imported equipment vary in both the cases and no satisfactory arrangements have been made to meet the foreign exchange required.

(123) Application for a licence from M/S. National Peroxide Ltd., Bombay for effecting a substantial expansion for increasing their capacity for the manufacture of hydrogen peroxide from 1,200 tons to 1,500 tons per annum (by continuous process) in collaboration with M/S. Laporte Chemicals Ltd., London.

(The Committee recommended the grant of licence subject to foreign exchange requirements being screened by the CG/HFP Committee. It also suggested that the applicant firm should negotiate with their collaborators to provide the foreign exchange of Rs.1.2 lakhs for the capital equipment to be imported.

(124) Application from M/s. Nizamabad Co-operative Sugar Factory Ltd. for a licence for the establishment of a new undertaking at Jankampet, District Nizamabad (Andhra Pradesh), for the manufacture of sugar with 1,000 tons cane crushing capacity per day.

This application was considered by the Licensing Committee at its meeting held on 12-3-58. It then recommended its rejection for the following reasons:

- (a) Six Co-operative Sugar factories were already licensed in Andhra Pradesh;
- (b) No spare capacity for cane crushing was available; and
- (c) Foreign exchange involved in the scheme was heavy.

The Andhra Pradesh Government, thereupon, represented against the decision and requested the grant of a license to this society by transferring the license already granted to the Hindupur society (which has wound up its affairs) in the same State, as that society had already collected a sum of Rs.4.88 lakhs by way of share capital. Further the State Government also advanced another reason that the Sugar Factory at Bodhan which was nearby was not able to consume the entire production of cane in that area.

The Committee observed that as regards transfer of License, no Statewise allocation of additional capacity was made under the Second Five Year Plan. Moreover, the State Government was advised by the Food and Agriculture Ministry a year ago that they should go slow with their programme of cooperative factories in view of the foreign exchange difficulties. The Committee also noted that the existing sugar factory at Bodhan was granted a license for effecting substantial expansion in its capacity from 3,200 tons to 4,500 tons of cane per day. It would, therefore, crush the surplus cane now grown in the Area. The Committee also noted that about a dozen cooperative societies who have already been granted licences under the Industries Act had not been able to arrange for import of plant and machinery due to foreign exchange difficulties.

In these circumstances the Committee recommended rejection of the application. It also recommended that the Licence granted to Hindupur Society should be revoked in accordance with the prescribed procedure.

(125) Application from M/s. J.G. Glass Industries, Pimpri, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Penicillin Vials from 7,500 gross to 3,05,000 gross per mensem and for the manufacture of a new article viz. Glass Tubings (Capacity: 30 tons per mensem).

The Committee observed that there was scope for additional capacity. It further noted that the firm were already manufacturing penicillin vials and being in the vicinity of M/s. Hindustan Antibiotics were in an advantageous position in tying up their production to the off take by the said firm, (Hindustan Antibiotics) which now import large quantities of vials to meet their requirements.

The Committee, therefore, recommended the grant of a licence, subject to the foreign exchange requirements being screened by CG/HFP Committee.

(126)

Application from M/S. Basantlal Hiralal, Hathras (U.P.), for a licence for effecting a substantial expansion for the manufacture of new articles viz. tin containers. (Capacity: 25,000 tins of 4 gallons capacity and 5,000 tins of 5 seers capacity per mensem.)

The application of M/S. Basantlal Hiralal, Hathras for a licence to manufacture tin containers in their undertaking was first considered in the meeting of the Licensing Committee held on the 29th/30th October 1957. The committee at that time recommended that in view of the large idle capacity in the tin container industry and the large production of tin containers nearabout Hathras, an enquiry might be made from the firm as to whether it would not be possible for them to obtain their requirements of tin containers from nearby sources. The firm were addressed accordingly and they represented that they wanted to manufacture bungless tin containers to avoid adulteration and that such an arrangement would make them independent of other suppliers.

This case was again considered at the meeting of the Licensing Committee held on 12th March, 1958, at which the representative of U.P. Government was not present. The Committee after careful consideration did not see any reason for changing the decision already taken as it still felt that it would not be difficult to get supplies of tin containers from nearby sources.

After careful consideration, the committee decided to stick to its original recommendation to reject the application.

(127) Application from The Indian Steel and Wire Products Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of wire rods, rounds and bars 3/16 inch diameter to 1/2 inch diameter from 10,000 tons to 20,000 to 25,000 tons per mensem.

It was brought to the notice of the committee that the capacity of 240,000 to 300,000 tons a year upto which the firm wanted to expand was rather large. It was felt that this capacity should, therefore, be reduced in order to prevent the firm from becoming a very serious competitor to the entire re-rolling industry. In conformity with this view, the Committee noted that the firm had agreed to reduce the capacity applied for to 160,000 tons a year. The Committee also observed that foreign exchange requirements were proposed to be met by raising loan from the International Finance Corporation, Washington, Industrial Credit and Investment Corporation, Bombay, and the First National City Bank of New York.

/transport

The Railway Ministry's representative, however, observed that it might be difficult to meet the requirements to the desired extent. These would involve, according to the firm, 40 BFRS. per day. The requirements would now be less with reference to the reduced capacity proposed to be allowed.

The Committee finally recommended the grant of a licence subject to the following conditions:-

- i) The arrangements which the firm proposed to make to meet the foreign exchange requirements should be settled to satisfaction of Government; and
- ii) the applicant firm should discuss with the Ministry of Railways and finalise the arrangements regarding movement of the billets and other raw materials.

(128) Summary of pending applications for licence under the Industries (Development and Regulation) Act, 1951 - as on the 10th May, 1958.

The Committee noted that there were a few cases pending for more than a year for want of technical scrutiny. It, therefore, desired that the technical scrutiny on such applications should be completed as early as possible.

DATE OF NEXT MEETING.

THE NEXT MEETING OF THE LICENSING COMMITTEE WILL BE HELD AT 10-30 A.M. ON TUESDAY, THE 8TH JULY 1958.

V. V. Nene

(V.V. Nene) 31/5/58

Deputy secretary to the Government of India.

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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY.

Minutes of the 55th meeting of the Licensing Committee held at New Delhi on the 30th July, 1958.

PRESENT

1. Shri L.K. Jha, I.C.S., CHAIRMAN.
Special Secretary,
Ministry of Commerce and Industry.
2. Shri M. Satya Pal,
Planning Commission,
New Delhi.
3. Shri K.G.S. Iyer,
Joint Director (Transportation),
Ministry of Railways (Railway Board).
4. Shri S.R. Bhise,
Deputy Chief Adviser,
(Factories), Ministry of Labour & Employment.

REPRESENTATIVES OF STATE GOVERNMENTS.

5. Shri K.P. Mathrani, I.C.S.,
Secretary to the Government of Bombay,
Department of Industries & Cooperation,
Bombay.
6. Dr. M.R. Mandlekar,
Director of Industries,
Bombay.
7. Shri B.M. Abu Baker, I.A.S.,
Director of Industries and Commerce,
Mysore.
8. Shri Ajit Mazoomdar, I.A.S.,
Director of Industries,
Bihar.
9. Shri N.V. Bordia,
Director of Industries,
Madhya Pradesh.
10. Shri D.L. Purkayastha, I.A.S.,
Secretary to the Government of Orissa,
Industries Department,
Bhubaneswar.
11. Shri J.N. Thadani, I.A.S.,
Director of Industries,
Punjab.
12. Shri S.R. Kaiwar, I.C.S.,
Secretary to the Government of Madras,
Department of Industries, Labour & Cooperation.
13. Shri A.N. Raju,
Joint Director of Industries,
Andhra Pradesh.

14. Shri S.K. Sahgal, I.A.S.,
Deputy Secretary to the Govt. of U.P.,
Department of Industries, Lucknow.
15. Shri B.C. Mallik,
Director of Industries,
West Bengal.
16. Dr. P.V. Nair,
Director of Industries,
Kerala.
17. Shri K.V. Srinivasan,
Director of Industries, Assam.
18. Shri G.C. Mukherjee,
Deputy Director of Industries and Labour,
Delhi.

OTHER INVITEES.

19. Shri N. Subrahmanyam, I.C.S.,
Joint Secretary,
Ministry of Commerce and Industry.
20. Shri K.T. Satarwala, I.A.S.,
Joint Secretary,
Ministry of Commerce and Industry.
21. Shri B.B. Saksena,
Joint Secretary,
Ministry of Commerce and Industry.
22. Dr.A. Nagaraja Rao,
Joint Secretary,
Ministry of Commerce and Industry.
23. Shri B.G. Rau, I.C.S.,
Joint Secretary,
Ministry of Defence.
24. Shri F.C. Gera,
Chairman, Central Tractor Organisation,
Ministry of Food and Agriculture.
25. Dr. B.D. Kalelkar,
Senior Industrial Adviser, (Engg.)
Ministry of Commerce and Industry.
26. Dr. G.P. Kane,
Senior Industrial Adviser, (Chemical),
Ministry of Commerce and Industry.
27. Shri M.M. Vadi,
Industrial Adviser,
Ministry of Commerce and Industry.
28. Shri N. Srinivasan,
Industrial Adviser,
Ministry of Commerce and Industry.
29. Shri V.P.S. Menon,
Industrial Adviser,
Ministry of Commerce and Industry.
30. Shri N. Majumdar,
Industrial Adviser (Textile production).
Office of the Textile Commissioner,
Bombay.

31. Shri B.V. Baliga,
Managing Director,
Bharat Electronics (Private) Ltd.
32. Shri S.T. Thadani,
Deputy Director General, office of the
Director General of Supplies & Disposals.
33. Shri S.E.C. Vas,
Joint Divisional Manager,
State Trading Corporation.
34. Shri A.S. Bhatnagar,
Deputy Secretary,
Ministry of Transport and Communication,
Department of Transport.
35. Shri K.C. Madappa, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.
36. Shri K.N. Shenoy,
Deputy Secretary,
Ministry of Commerce and Industry.
37. Shri G.L. Mehta, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.
38. Shri M.M. Saklani,
Deputy Secretary,
Ministry of Commerce and Industry.
39. Shri T.A.S. Balakrishnan, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.
40. Shri G. Ramanathan, I.A.S.,
Deputy Secretary,
Ministry of Steel, Mines and Fuel.
41. Shri Y.N. Lakshman,
S.S.O., Office of the Director General,
of Research & Development,
Ministry of Defence.
42. Shri M.L. Gupta,
Deputy Chief Controller of Imports & Exports.
43. Shri R.K. Gojji,
Development Officer,
Development Wing.
44. Shri S.K. Sinha,
Development Officer,
Development Wing.
45. Shri C.J. Shah,
Development Officer,
Development Wing.
46. Dr. A. Sentharamiah,
Development Officer,
Development Wing.
47. Shri F.V. Badami,
Development Officer,
Development Wing.

48. Shri S.G. Mondy,
Development Officer,
Development Wing.
49. Shri A.N. Kapur,
Development Officer,
Development Wing.
50. Shri R.V. Ramiah,
Development Officer,
Small Scale Industries,
Ministry of Commerce and Industry.
51. Shri P.S. Bhatnagar,
Deputy Development Officer,
Development Wing.
52. Shri P.P. Srinivasan,
Deputy Development Officer,
Development Wing.
53. Shri M.T. Gopala Iyengar,
Deputy Development Officer,
Development Wing.
54. Shri V. Vankatasiah,
Deputy Development Officer,
Development Wing.
55. Shri S.H. Ramaswamy,
Deputy Development Officer,
Development Wing.
56. Shri Joginder Singh,
Deputy Development Officer,
Development Wing.
57. Shri M.R. Jetey,
Deputy Development Officer,
Development Wing.
58. Shri V. Krishnamurthy,
Deputy Development Officer,
Development Wing.
59. Shri T.R. Moha,
Deputy Development Officer,
Development Wing.
60. Shri A.N. Mukerjee,
Deputy Development Officer,
Development Wing.
61. Shri V. Rama Iyer,
Deputy Development Officer,
Development Wing.
62. Shri S.N. Deobhakta,
Deputy Development Officer,
Development Wing.
63. Shri M.V.C. Rao,
Deputy Development Officer,
Development Wing.
64. Shri A.E. Bose,
Deputy Development Officer,
Development Wing.

65. Shri S.C. Banerjee,
Deputy Development Officer,
Development Wing.
66. Shri P.S. Rao,
Deputy Development Officer,
Development Wing.
67. Shri V.V. Nene,
Under Secretary,
Ministry of Commerce and Industry.
68. Shri S.V.R. Chari,
Under Secretary,
Ministry of Commerce and Industry.
69. Shri M.C. Misra,
Under Secretary,
Ministry of Commerce and Industry.
70. Shri B.B. Nag,
Under Secretary,
Ministry of Commerce and Industry.
71. Shri N. Radhakrishnan,
Under Secretary,
Ministry of Commerce and Industry.
72. Shri R. Kalyanasundram,
Under Secretary,
Ministry of Commerce and Industry.
73. Shri M.S. Sadasivam, I.A.S.,
Under Secretary,
Ministry of Commerce and Industry.
74. Shri K. Raja Ram,
Under Secretary,
Ministry of Commerce and Industry.
75. Shri K.V. Geshadri, I.A.S.,
Under Secretary,
Ministry of Commerce and Industry.
76. Shri D.N. Krishnamoorthy,
Under Secretary,
Ministry of Commerce and Industry.
77. Shri R.J. Bhojwani,
Under Secretary,
Ministry of Commerce and Industry.
78. Shri K. Srinivasan,
Under Secretary,
Ministry of Finance (Deptt. of Economic Affairs).
79. Shri P.N. Dhir,
Under Secretary,
Ministry of Steel, Mines and Fuel,
(Deptt. of Mines and Fuel).
80. Shri S.B. Lal I.A.S.,
Under Secretary,
Ministry of Defence.
81. Shri Gurbachan Singh,
Under Secretary,
Ministry of Food & Agriculture.
82. Shri B.D. Kumar,
Director (Coordination),
Director General of Supplies & Disposals.

I. (i) Before the items on the agenda were taken up for consideration, the Chairman invited the attention of the Members of the Committee to the condensed statement circulated at the meeting regarding outstanding cases with reference to previous meetings of the Licensing Committee.

(ii) The Chairman drew attention to the fact that there were a substantial number of cases, which had been approved by the Licensing Committee, but which could not be proceeded further for lack of foreign exchange. It would be a waste of the Committee's time as well as of the applicants concerned, to consider in detail fresh schemes of the same kind, unless such schemes were accompanied by proposals regarding the financing of capital goods imports, which seemed prima facie acceptable. He therefore suggested that it might be advisable if applicants for setting up new capacity for the production of goods, for which already three or more cases approved by the Licensing Committee were unable to proceed for lack of foreign exchange, were informed by the Ministry without bringing the case before the Licensing Committee that their scheme was unlikely to receive favourable consideration, unless they were able to indicate what kind of arrangements they had in view for financing the import of capital goods. The Committee agreed with this view and suggested that such applications might be disposed of without reference to the Committee, unless the proposal was one in which indigenous machinery was to be used or suitable proposals for finding the foreign exchange were put forth by the applicant, in which case the application will be placed before the Licensing Committee.

II. The Committee then took up for consideration the items on the agenda.

II.

(1) Application from M/S. Hoechst-Fedco Pharma Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of a new articles viz. Tolbutamide. (Capacity: 3,000 kg. per mensem) in collaboration with M/S. Farbwerks Hoechst AG of Germany.

The Committee recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of Government.

(2) Application from Shri Sandhya Dass, for a licence for the establishment of a new undertaking (M/S. Shiwalak Cooperative Rosin and General Mills Ltd.,) at Una, Distt. Hoshiarpur (Punjab), for the manufacture of 15,785 maunds of Rosin, .5,000 maunds of varnish and 3,075 maunds of Turpentine Oil per mensem on three shift basis.

The Committee recommended the grant of a licence for the manufacture of varnishes. It was noted that the machinery would be obtained from indigenous sources, and it was a small cooperative enterprise.

[Resin and Turpentine Oil do not come within the purview of the Industries (Development and Regulation) Act, 1951.]

(3) Application from M/S. Modern Moulders, Calcutta, for a licence for the manufacture of the following new articles:-

<u>Name of the product.</u>	<u>Monthly capacity.</u>
Glass Chimneys and flood light (Oyster) glass covers, bearing the Trademark 'M.M. Glass.	7½ tons within the existing capacity of 125 tons.

The Committee recommended the grant of a licence.

(4) Application from M/S. Martin and Harris (Private) Ltd., Calcutta, for a licence for the manufacture of new article viz. Aspirin B.P. (Capacity: 100 tons per annum.)

(5) Application from M/S. May and Baker Ltd., Bombay, for a licence for effecting substantial expansion for increasing their capacity for the manufacture of Sulphadiazine, Sulphathiazole, Sulpha- / sulphazyridine, Phthalyl-sulphathiazole, Succinyl-sulphathiazole and Sulphadiazine from 5 tons to 17.5 tons per mensem. (This establishment is a branch of M/S. May and Baker Ltd., England.)

[Sulphadiazine,

It was brought to the notice of the Committee that a team of Russian experts was shortly expected to visit India and discuss with our team the scope and the programme of manufacture of synthetic drugs and intermediates and antibiotics in the Public Sector. The Committee was therefore of the view that these cases might be examined/dealt with only after the report of the team of Soviet experts was available to the Government. The Committee, therefore deferred consideration of these cases.

/and

(6) Application from M/S. Unichem Laboratories, Bombay, for a licence for the manufacture of the following new articles:-

<u>Name of the product.</u>	<u>Capacity per mensem (lbs.)</u>
1. Sticky Wax, Modelling Wax, Carving Wax.	1,250 (12)
2. Base Plates.	1,000
3. Alginate impression material.	500
4. Impression compound.	500
5. Impression Paste.	500
6. Separating Medium.	100
7. Methyl Metha Acrylate, Polymer and Monomer.	100
8. Impression Plaster.	500
9. Lidocaine Cartridges.	25,000 Nos.
10. Other chemicals for further experiments.	Not specified.

The Committee recommended the grant of a licence.

(7) Application from M/S. British Drug House (India) Private Ltd., Bombay, for a licence for the manufacture of new articles viz. Pectamol Linctus and Ancoloxin Tablets (Capacity: 300 litres and 50,000 tablets per mensem respectively.)

The Committee recommended the grant of a licence subject to the condition that no special facilities would be allowed with regard to the supply of raw materials.

(8) Application from M/S. Bijli Cotton Mills (Private) Ltd., Hathras (U.P.), for a licence for allotment of additional automatic looms for effecting substantial expansion by increasing their loomage from 20 to 300.

The applicant firm has an installed capacity of 17290 spindles and 20 looms. In order to raise the capacity to the economic level of 300 looms the firm applied for an allotment of 230 looms. Before this request was considered the firm was allotted 240 automatic looms under the Cloth Export Promotion Scheme, thus raising the capacity of the undertaking to 260 looms.

At the meeting of the Licensing Committee held on 10.1.58 the Committee took into account the 240 looms allotted to the firm under the Cloth Export Promotion Scheme and recommended the allotment of only 40 automatic looms so as to bring the loomage in the undertaking to the economic level of 300 looms. The firm, however, surrendered the allotment of the 240 automatic looms allotted to it under the Cloth Export Promotion Scheme before this decision could be communicated to it. The applicant firm, therefore has a capacity of only 20 looms now.

The Committee was informed that the Cotton Textile Enquiry Committee had only recently submitted its report and a suggestion was made by the Industrial Advisor (Textile Production) that this and other cases of a similar nature might be considered in the light of the final decision on the Committee's report. The Committee, therefore, deferred consideration of this case.

(9) Application from M/S. Maxmi Weaving Factory, Katargam, Surat, W. P., for a licence for the manufacture of new articles viz., Staple fibre fabrics on 23 powerloom.

This is a case of transfer of powerlooms to the applicant firm from another undertaking holding a valid installation/acquisition permit, without any corresponding increase in the overall installed loomage in the country. The Committee recommended the grant of a licence, on the understanding that the capacity of the unit from which the powerlooms would be taken over, would be correspondingly reduced.

... The Licensing Committee recommended that in future cases of this nature where there was no increase in the overall loomage in the country, might be sanctioned without being brought before the Committee for consideration provided (a) the transfer effected was within the same State (b) the units from which looms were transferred were not rendered an uneconomic proposition by reason of the transfer, and (c) a reduction is made in the licensed loom capacity of the mill which makes the transfer.

(10) Application from M/s. S.P. Industries, Surat, for a licence for effecting substantial expansion for the manufacture of Art Silk Fabrics on 30 powerlooms.

The firm made further representations against this decision on the ground that it had entered into financial commitments in respect of 20 looms by depositing rs. 1000/- with M/S. Ahmedabad Jaya Bharat Cotton Mills, before the crucial date i.e., 8th March, 1956. This claim was examined by the Industrial Adviser (IP) who reported that the commitment entered into was by no means irrevocable and was only a nominal deposit which would have been refunded in case a licence under the Industries (Development and Regulation) Act was not granted to the applicant firm. The applicant firm's request for the installation of these 20 looms was, therefore, rejected on 18th March, 1958.

The firm then served a notice on the Government of India under Section 80 of the Civil Procedure Code claiming damages for the loss suffered by it because a licence under the Industries (Development and Regulation) Act had not been granted to the firm. This suit notice was examined by the Legal Adviser attached to the Textile Commissioner, Bombay, who expressed the following opinion:-

"If a deposit is paid and the balance of the full price is yet to be paid that is a matter which concerns the seller and buyer and the Government should not in any fashion be influenced by the transaction. Since the Government have undertaken to consider on merits all applications received prior to 8th March, 1956 and in view of the fact that the application in question has been received before that date, there is a ground for party to sue the Office of the Textile Commissioner for malafide refusal to grant a licence. If there is no objection on merits, the permission asked for may be granted irrespective of the fact whether the full price was paid or not."

The Industrial Adviser (Textile Production) reconsidered this application in the light of this legal opinion and recommended the grant of a licence for the installation of 20 additional powerlooms for working on art silk yarn. The recommendation of the Industrial Adviser (Textile Production) was now considered by the Licensing Committee who felt that it would be better to secure a second opinion on the legal issues involved in this case from the Ministry of Law as the Committee was strongly of the view that the mere fact that a ban had not been announced did not mean that licences would necessarily be given to all parties who had entered into commitments prior to the ban. The committee, therefore, deferred consideration of this case pending such an examination.

(11) Application from M/S. Eldee velvet and Silk Mills (Private) Ltd., for a licence for effecting a substantial expansion for the manufacture of moquet and other furnishing fabrics on 5 powerlooms.

The Committee noted that the firm proposed to instal the looms for the manufacture of moquet and other furnishing fabrics and that the foreign exchange requirements of the scheme were of the order of Rs. 2 lakhs. The Committee was not inclined to consider the proposal favourably in view of the present foreign exchange difficulty. The Committee, however, suggested that the Textile Commissioner might contact the applicant firm to see whether there was a firm basis for the export of the firm's production. The Committee, therefore, deferred consideration of this case.

(12) Application from Shri D.V. Parkhani, Calcutta, for a licence for the establishment of a new undertaking (M/s. Vishveshwari Khandra Colliery) for the production of 30,000 tons of coal per mensem on double shift basis.

The Committee recommended the grant of a licence, subject to the scheme being cleared by the C.G. Committee.

(13) Note on the Licensing of industrial undertakings for the manufacture of Scooter, motor cycle and 3-wheeler Industry.

Applications for a licence from:-

(i) M/S. Premnath Motors Ltd., New Delhi, for the establishment of a new industrial undertaking at Faridabad (Punjab) under the name of "M/S. India Popular Motor Cycle Co. Ltd.," for the manufacture of 1,200 Nos. of mopeds per annum, (a kind of motorised bicycle) in technical collaboration with M/S. Zundapp Werke, Munich, Germany.

(ii) M/S. Overseas Supplies and Industries (Private) Ltd., Calcutta, for the establishment of a new industrial undertaking at Kalyani (West Bengal) under name of "M/S. Rolls Automobiles Industries Ltd." for the manufacture of Auto-cycles (98 c.c. and 48 c.c.) and accessories approximately 650 units of each per mensem, in foreign collaboration with M/S. Spatta bate Ditta Denati Mecchina of Bologna, Italy.

(iii) M/S. Biswas Bros. (Private) Ltd., Calcutta, for the establishment of a new industrial undertaking at Kalyani (West Bengal) under name of M/S. Auto-Biswa Ltd.," for the manufacture of 3 wheeled 150 c.c. motorized chassis for 2 seater tricycles, trucks etc. (over 2½ cwt. pay load) 200 units per annum on single shift basis, in collaboration with M/S. ASO, SFA Autover-colibresso (MILANO).

(XI) M/S. Nundy Brothers, Calcutta, for the establishment of a new industrial undertaking at Ballygunge, 24, Parganas, West Bengal under name of "M/S. Automotive Enterprise Ltd.," for the manufacture of the following:-

<u>Name of product.</u>	<u>Capacity proposed.</u>
Petrol Powerine Engines.	
1.25	H.P. 1,000 engines per annum.
1.75	H.P. 1,000 " "
2.5	H.P. 1,000 " "

The Committee discussed the question of demand for Scooters and Motor Cycles and came to the conclusion that even though there was definitely an indication of a rising demand, it would not be possible at this stage to forecast what might be the probable figures after some years. In this regard, the Committee endorsed the view expressed by the Planning Commission on the subject.

The Committee recommended that there was no need at this stage to licence any additional capacity for the manufacture of motor cycles and medium three wheelers. It was considered that as and when demand goes up existing undertaking (M/S. Enfield India) might be able to achieve a higher level of production with the existing machinery or by suitable expansion, which may be considered then separately.

In regard to scooters and auto-cycles, it was felt that there were some advantages in licensing a second unit for their manufacture but that, as pointed out by the Planning Commission,

it would be more advantageous at this stage of the industry, to concentrate

effort on achieving lower costs of production. In this regard the Committee also felt that, as M/S. Bachhraj Trading Corporation had been pioneers in the development of the auto-rickshaw industry in the country and had pressed the case for such vehicles before the tariff commission/and since they are already licensed for a heavier three wheeler with a very small output possibility, it would be fair and proper to restrict consideration of new licensing to this firm, in addition to the pending application of M/S. Automobile Products of India for expansion of their existing capacity.

In the case of M/S. Automobile Products of India, the Committee took note also of the fact that the firm's foreign collaborators had agreed to supply machinery for the manufacture of Lambretta engines on terms of deferred payment and that this machinery could result in a much higher level of output than what the firm was already licensed for. It was also noted that their foreign collaborators had agreed to the export of 20% of the output of their factory. The Committee felt that it would in all the circumstances be reasonable to agree to a capacity of 8,000 scooters and 4,000 auto-cycles for M/S. Automobile Products of India exclusive of such production as would go for export, subject to the clear understanding that in the immediate future they would not be given any foreign exchange for the import of components in respect of this extra capacity. A.P.I. could be further told that when they have installed the machinery which they propose to import and when their requirement of foreign exchange per scooter is very low (25% or less) an opportunity would be given to them to raise their production still further if they are able to do so by making fuller use of installed capacity.

As regards M/S. Bachhraj Trading Corporation, the Committee felt that the capacity to be approved for them should be 6,000 scooters which was the number with which A.P.I. made its start. However, it would be necessary to warn them also that the availability of foreign exchange during the next two or three years would depend upon exigencies of the foreign exchange situation and no assurances in this matter can be given.

The import of plant and equipment required both by A.P.I. and by Bachhraj Trading Corporation will be subject to the usual screening from the foreign exchange point of view as regards terms of payment, etc.

- (14) Application from M/S. K.G. Khosla and Co. Private Ltd., New Delhi, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Air Compressors from 96 Nos. (100 Cfm to 536 Cfm) to 350 Nos. (100 Cfm to 636 Cfm) per annum under existing technical collaboration with M/S. M.A.W. Wormals' Strager and Co., Strager and Co., Vienna.

The Committee noted that the applicant firm had not yet implemented the scheme for the manufacture of air compressors for which the first licence under the Industries (Development and Regulation) Act had been granted as early as August 1956. The Committee desired that the present application for substantial expansion might be reviewed 3 months after the firm had gone into production. The Committee, therefore, recommended that for the present the case should be turned down.

- (15) Note regarding the progress in obtaining import licences for plant and machinery required for petrol pumps schemes.

This was noted.

- (16) Recommendations of the Licensing Committee on the applications which were referred to the members in circulation on the 29th April, 1958 and 2nd May, 1958.

These were noted.

- (17) Application from M/S. Assam Plywood Co. Ltd., Calcutta, for a licence for changing the location of their undertaking for the manufacture of Plywood from Ulubari (Assam) to Mariani (Assam).

This was noted.

- (18) Application from M/S. Ruby Rubber Works Ltd., Madras, for a licence for the establishment of a new undertaking at Thiruvottiyur (Madras), for the manufacture of 10,000 lbs. of Latex Foam Rubber per mensem.

The Committee noted that there was an export angle implied in this scheme and in the other schemes for the manufacture of Latex Foam Rubber that had already been licensed in the past. The Committee desired that the Development Wing should explore the possibility of export of this commodity and reach a firm understanding regarding exports with the industry as such. The Committee, however recommended that if a specific assurance regarding exports was forthcoming from the industry the applicant firm may be granted a licence for the manufacture of Latex Foam Rubber. The Committee also desired that if such an assurance was not forthcoming from the industry the application may be placed before the Committee in due course for formal rejection.

(19) Application from M/S. Indian Rubber Manufacturers Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Slazengers Tennis Balls from 24,000 doz. to 100,000 doz. per annum.

The applicant firm has already been licensed for the manufacture of 24,000 doz. tennis balls per annum. The firm has now applied for a licence to manufacture 75000 doz. tennis balls per annum by way of substantial expansion. The State Director of Industries advised the Committee that production has been reached to the full capacity already licensed. The Committee, therefore, had no objection to the grant of a licence for expansion.

(20) Application from M/S. New Zamindar Foundry, Batala (Punjab), for a licence for the manufacture of new articles viz. 240 tons of ferrous bolts and rivets and 60 tons of ferrous nuts per annum.

The Committee recommended rejection of the application for the following reasons:-

- (a) The capacity already licensed is sufficient to meet the current demand of the country;
- (b) It has not been possible to provide the required quantity of steel even to existing manufacturers. The Committee desired that fresh applications for the manufacture of ordinary types of nuts, bolts and rivets need not hereafter be placed before the Committee for consideration.

(21) Application from M/S. Karthikeya Foundry, Coimbatore (Madras), for a licence for the manufacture of new article viz. 1,200 Nos. or 5,000 H.P. of A.C. Squirrel cage induction motors I-25 H.P. 3 phase 50 cycles 400/440 volts per annum.

The applicant firm has already been licensed for the manufacture of pumps. The firm now wants to manufacture electric motors for being coupled to these pumps. The Committee noted that the scheme does not involve the installation of any additional plant and machinery and that the capacity applied for, namely, 5,000 H.P. is also not large. The Committee, therefore, recommended the grant of a licence.

(22) Application from M/S. Bharath Techno Mechanical Industries Private Ltd., Navsari (Bombay), for the manufacture of new article viz. 3,000 H.P. of Electric Motors upto 10 H.P. per annum.

The Committee noted that scheme involved the import of plant and machinery worth Rs. 1 lakh.

The Committee observed that a number of cases which had already been licensed for the manufacture of electric motors had been held up because of the present foreign exchange difficulty. The Committee, therefore recommended rejection of the application, on the understanding that it could be renewed later on specially if it is coupled with suitable arrangements regarding foreign exchange.

(23) Application from M/S. P. Natesan (Industries) Private Ltd., Madras, for a licence for the manufacture of new articles viz. 480 Nos. of Horn Gap Fuses 11, 22, 33, 66 KV, 480 Nos. of Drop Out Fuses 11, 22, 33, 66 KV and 60 Nos. of Air break switches 66 KV per annum.

The Committee recommended the grant of a licence, subject to the condition that the firm would arrange with the indenting authorities for the import of insulators as actual users against the ceiling earmarked for power plants.

(24) Application from M/S. Texmo Industries, Coimbatore (Madras), for a licence for the manufacture of new articles viz. 1,800 Nos. of Electric Motors 1 to 20 H.P. and 1,200 Nos. of Power driven pumps 1" to 10" per annum, on double shift basis.

(i) Power Driven Pumps: The Committee recommended the grant of a licence.

(ii) Electric Motors: The Committee noted that the electric motors which the firm want to manufacture are required for being coupled to the pumps also proposed to be manufactured by the applicant firm. As the scheme does not involve the import of capital equipment or components, the Committee recommended the grant of a licence.

(25) Application from M/S. Ogale Glass Works Ltd., Ogalevadi (Bombay), for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Single and three phase electric motors from 1/10 H.P. to 60 H.P. with controls from 900 H.P. to 12,000 H.P. per annum.

The Committee recommended rejection of the application for the following reasons:-

(i) Sufficient capacity for the manufacture of electric motors has already been approved / licensed.

(ii) The applicant firm's existing capacity i.e. 900 H.P. was sanctioned on the basis that the firm would utilise the surplus plant and machinery in its factory for the manufacture of electric motors and would not require any additional plant and machinery.

(iii) A number of schemes for which licences had been granted have been held up on account of the difficulty over foreign exchange.

(iv) The firm has not yet reached production to the extent already licensed, i.e. 900 H.P.

(26) Application from M/S. General Electric Co. of India (Manufacturing) Private Ltd., Calcutta, for a licence for shifting the transformer portion of their existing works at Paharpur (West Bengal) to Naini (Uttar Pradesh). (Capacity proposed to be transferred: 36,000 KVA per annum.)

The firm is licensed for the manufacture, inter alia, of transformers at its industrial undertaking at Paharpur, West Bengal, with a capacity of 36,000 KVA per annum. In 1956, the firm was permitted to shift the transformer section of the industrial undertaking at Paharpur to Asansol. The firm was also permitted to effect substantial expansion to the factory at Asansol by increasing the capacity from 36,000 K.V.A. to 136,000 K.V.A. per annum. The firm subsequently gave up the idea of shifting the transformer section to Asansol, but submitted a fresh application to set up a new industrial undertaking at Naini, Allahabad. A licence to set up a new industrial undertaking at Naini with a capacity of 100,000 K.V.A. per annum was granted to the firm. The applicant firm now wants to transfer the transformer section with a capacity of 36,000 K.V.A. from Paharpur to Naini.

The representative of the Government of West Bengal represented that the State Government would like to re-examine the case with reference to the transfer of the capacity of 36,000 KVA which had been licensed for the firm's factory at Paharpur. The Committee recommended that if the Government of West Bengal were agreeable to the transfer of the capacity of 36,000 KVA from Paharpur to Naini, a licence might be granted to the applicant firm's industrial undertaking at Naini for a total capacity of 136,000 KVA.

(27) Application from M/S. Devidayal Stainless Steel Industries Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of the following articles:-

<u>Articles.</u>	<u>Expansion applied for (Monthly capacity)</u>
1. Electric kettles 5 pints.	1,250
2. Electric kettles 3 pints.	1,250
3. Fire Bowls.	1,000
4. Sauce Pans.	1,000
5. Drink Mixers.	400 Nos.

The Committee noted that the scheme involves considerable import of raw materials and components. Having regard to the nature of the items proposed to be manufactured and the present foreign exchange difficulty, the Committee recommended rejection of the application.

(28) Application from Shri S.P. Bhattacharjee, Calcutta, for a licence for the establishment of a new undertaking (M/S. Ashis Rolling Mills) at Lillooah (West Bengal), for the manufacture of 300 tons of non-ferrous bars and rounds, angles, squares, hexagone, octagons and sheets per mensem.

The Committee recommended rejection of the application as the capacity already licensed is sufficient to meet the current demand of the country.

(29) Application from M/S. Jagmohan Silk Mills (Private) Ltd., Bombay, for a licence for effecting a substantial expansion by increasing their loomage from 50 powerlooms to 60 powerlooms for the manufacture of art silk fabrics.

This is a case of transfer of powerlooms to the applicant firm from another undertaking, without any corresponding increase in the overall installed loomage in the country. The Committee recommended the grant of a licence, on the understanding that the capacity of the unit from which the powerlooms would be taken over, would be correspondingly reduced.

(30) Application from M/S. Dralle (Private) Ltd., Madras, for a licence for effecting a substantial expansion for the manufacture of new articles viz. 1½ tons of tooth powder, 3/4 ton of tooth paste, 1 Cwt. of nail polish and 400 lbs. of toilet waters like Eau-de-cologno, Levender etc. per mensem.

The scheme envisages the manufacture of the articles listed above by way of substantial expansion to the applicant firm's existing undertaking. The Committee observed that the foreign exchange expenditure involved in the manufacture of nail polish and toilet waters was not justified. The Committee, therefore, recommended rejection of this part of the application.

With regard to the manufacture of tooth powder and tooth paste, the Committee observed that if the applicant firm could put up proposals for the manufacture of these articles involving the least amount of foreign exchange on the import of raw materials, the proposition might be considered at a later meeting. The Committee also desired that the Development Wing should examine the foreign exchange requirements of the different firms manufacturing tooth paste and tooth powder.

(31) Application from M/S. Bengal Rolling Mills Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of bars and rods from 600 tons to 2,000 tons per mensem and to change the location of their undertaking from Lilloah (Howrah) to Sodepur (24-Parganas).

The proposal envisages (1) change of location from Lilloah (Howrah) to Sodepur (24-Parganas) and (2) expansion of the existing capacity for the manufacture of bars and rods from 600 tons per mensem (as claimed by the firm) to 2000 tons per mensem.

The Committee recommended the grant of a licence for the change of location subject to the re-assessment of the capacity proposed to be made by the Ministry of Steel, Mines and Fuel.

With regard to the proposed expansion, the Committee observed that although the firm had claimed a capacity of 600 tons, the capacity recognised by Government was only 162 tons per mensem. The Committee was informed that the applicant firm had presumably applied for substantial expansion of its existing industrial undertaking because it had been permitted to import 2 medium rolling mills in 1956 as replacement for some obsolete equipment. The Committee was also informed that the import of this equipment was allowed on the condition that the import of this equipment was allowed on the condition that the import was only by way of replacement and would not entitle the firm to claim any additional allotment of raw material. The Committee, therefore, recommended rejection of this application for the following reasons:-

- i) There is a shortage of raw materials required for the manufacture of bars and rods.
- ii) The equipment imported was specifically intended to be by way of replacement of obsolete equipment in the possession of the firm and not for effecting substantial expansion to the existing industrial undertaking.

(32) Application from M/S. Alta Laboratories (Private) Ltd., Bombay, for a licence for the manufacture of new articles viz. 4 tons of Vitamin C and 10 tons of Penta Cholra Phenol per mensem.

The scheme envisages the manufacture of 1) Vitamin C, (2) Penta Chloro Phenol.

With regard to the manufacture of Vitamin C, the Committee recommended that until the demand for Vitamin C was developed to justify increased production in both the units under development, the applicant firm might be permitted to manufacture only 25 tons of Vitamin C per annum.

The Committee recommended the grant of a licence for the manufacture of Penta Chlora Phenol for the capacity applied for.

Blue

(33) Application from M/S. Colour Chemical Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 100 tons of Phthaloyanine/per annum in collaboration with M/S. Farbbonfabriken Bayer AG, Leverkusen-Bayerwerke and M/S. Farbwreke Hoochest A.G. of Germany.

The Committee recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of Government.

(34) Application from M/S. Standar Chemical and Pharmaceutical Co., Bombay, for a licence for effecting a substantial expansion for the manufacture of new articles viz. 5,000 lbs. of Vanillin and 5,000 lbs. of Ethyl Vanillin per mensem, in collaboration with M/S. Riedel-De Haen of West Germany.

The Committee recommended rejection of the application for the following reasons:-

(i) The scheme would involve heavy expenditure of foreign exchange (Rs. 12 lakhs on machinery and about Rs. 6 lakhs per annum on raw materials.)

(ii) The scheme envisages manufacture from the penultimate product which is to be imported, there being no provision for its manufacture within the country.

(35) Application from M/S. Champaklal Lalwani and Co., Bombay, for a licence for the establishment of a new undertaking at Vidisha (Madhya Pradesh) for the manufacture of 225 tons of printing, writing, wrapping paper and box boards per mensem (2,700 tons per annum.

Committee

The scheme would involve the import of capital equipment worth about Rs. 10 lakhs. As there were quite a few similar schemes which had already been approved by the Committee but held up for lack of foreign exchange for the import of plant, the Committee was not inclined to recommend any more schemes of this type, and recommended the rejection of the application.

The Committee also desired that fresh applications for the manufacture of printing, writing, wrapping paper, need not be placed before it for consideration in future unless the proposals were such that they would be acceptable in the present foreign exchange position.

(36) Application from M/S. Shaw Wallace and Co.Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of 32.5 tons of Sodium Silicofluoride per mensem.

An application from this firm for the manufacture of 10 tons of sodium silicofluoride a month was considered by the Licensing Committee at the meeting held on 6th February, 1958. The Committee recommended the grant of a licence.

In April, 1958, the firm represented that by working the plant with certain types of rock phosphate used in the manufacture of superphosphate, the firm was able to produce upto 32.5 tons of sodium silicofluoride per month without the installation of additional machinery. This representation was considered by the Government and a licence under the Industries (Dev. & Reg.) Act was granted for the manufacture of 32.5 tons of sodium silicofluoride per month. The Committee took note of this position.

(37) Application from M/S. Supreme Woollen Mills, Ludhiana, for a licence for the establishment of a new undertaking for the manufacture of worsted weaving, hosiery and hand-knitting yarn by the installation of 900 worsted spindles.

This was noted.

(38) Application from Shri Jawahar Lal, Hathras (U.P.), for a licence for the establishment of a new undertaking for the manufacture of bed niwar on 75 looms.

The Committee recommended rejection of the application for the following reasons:-

- 1) there is already idle capacity in this line of manufacture,
- 2) the production of bed niwar is more than the demand.

(39) Regularisation of excess of 96 spindles installed by M/S. Sri Hari Mills Ltd., Coimbatore (Madras).

As the excess spindleage involved is only 96 the Committee recommended the grant of a licence. (This is a case of regularisation).

(40) Application from M/S. Dhanalakshmi Mills Ltd., Tirupur (Madras), for a licence for shifting a part of their undertaking to the new site with 192 automatic looms and 7,680 spindles.

The proposal envisages the shifting and installation of 192 automatic looms sanctioned to the applicant firm under the Cloth Export Promotion Scheme, 7980 spindles and the necessary preparatory machinery from the existing premises to a new building. The Committee was informed that the shifting was not necessary as there was sufficient open space available for providing additional accommodation for housing the automatic looms and in any case the existing premises could be modified without much expense to conveniently accommodate the automatic looms. The Committee was also informed that the unit that would be formed if the shift was approved would consist of 192 automatic looms and 7680 spindles only and would, therefore, be an uneconomic proposition, and it might be necessary at a later stage to consider representations from the applicant firm to allot additional spindles and loans to make this unit economically viable. The Committee, therefore, recommended rejection of the application.

(41) Application from M/S. Bata Shoe Co. (Private) Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of 960,000 pairs of Plastic foot-wear including Plastic Soles and heels per annum.

At the meeting of the Licensing Committee held on 10-4-58, the Committee deferred consideration of this application on the suggestion made by the Director of Industries, West Bengal, that the possibility of export of plastic foot-wear was under examination by the applicant firm in consultation with the State Government.

The Committee noted that the scheme involved considerable expenditure on foreign exchange for the import of capital equipment and raw materials. The Committee felt that until PVC composition was available in sufficient quantities in the country, it would not be possible to accept vague estimates of foreign exchange earnings.

The Committee, therefore, recommended that if the firm were able to furnish details of foreign exchange earnings to pay for the equipment and raw materials, the case may be cleared subject to approval of the CG/HEP Committee.

(42) Application from M/S. Simpson & Co. Ltd., Madras, for a licence for effecting substantial expansion for the manufacture of 7,000 Perkins diesel engines:

M/S. Simpson & Co. Ltd., Madras have a licensed capacity for the manufacture of 3,000 Perkins P6V engines per annum. They had at first wanted to expand their annual capacity to 12,000 engines of the following types:-

Perkins "P6V"	8,000 Nos.
" "63TA"	3,000 Nos.
" "P41"	500 Nos.
" "P61"	250 Nos.
" "P6TA"	250 Nos.

Under a revised scheme recently submitted, the firm proposed to manufacture the following types of Perkins diesel engines:-

Perkins "P6V"	6,000 Nos. (on double shift)
" "P41")	1,000 Nos.
" "P3TA")	

The Committee noted that the revised scheme, which involved import of capital equipment of the value of Rs.43 lakhs only (as against Rs.81 lakhs earlier contemplated) aimed at consolidation of the existing programme, besides taking up 2 smaller sizes of Perkins engines with the same basic equipment. The CG/HEP Committee had already earmarked a sum of Rs.32.1 lakhs under the U.S. Export Import loan scheme to cover the import of capital goods required by the firm/had agreed to approach the I.C.I.C. / the remaining amount of foreign exchange, in regard to the equipment to come from U.K and Germany.

The Committee accordingly recommended the grant of a licence under the Industries Act to the firm for the types and capacities indicated in its revised scheme, subject to its producing evidence of having finalised its negotiations with the ICICI or submitting other proposals acceptable to the CG/HEP Committee.

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/to implement its expansion programme and it was stated that the firm

/ for

(43) Application from M/S. Lakshmirattan Engineering Works Ltd., Faridabad (Punjab), for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Freedom Range Lister vertical stationary and vertical Marine engines from 600 H.P. to 3,256 H.P. per mensem in collaboration with M/S. R.A. Lister and Co. Ltd., U.K.

The Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the C.G./HEP Committee.

(44) Note on the Licensing of industrial undertakings for the manufacture of Tractors (Agricultural) from:-

(i) M/S. Goodearth Co., New Delhi for the establishment of a new undertaking (M/S. Eicher Tractor Corporation of India (Private) Ltd.) at Faridabad (Punjab), for the manufacture of 'Eicher' diesel air cooled 15.5 DBHP tractor in collaboration with M/S. Gebr. Eicher, Traktorenfabrik, W. Germany. (Capacity: 720 in the first year, 1,000 in the second year and 1,500 in the third year.)

(ii) M/S. Goodearth Co., New Delhi, for the establishment of a new undertaking (M/S. "Eicher" Tractor Corporation of India (Private) Ltd.) at Faridabad (Punjab), for the manufacture of Eicher diesel air cooled 21.5 DBHP tractors in collaboration with M/S. Gebr. Eicher, Traktorenfabrik, West Germany (Capacity: 750 Nos. in first year, 1,000 in the second year and 1,500 Nos. in the third year.)

(iii) M/S. Beeger Corporation Private Ltd., Patiala (Punjab), for the establishment of a new undertaking at Patiala/Rajpura (Punjab), for the manufacture of 2,000 Eicher Tractors and 6,000 sets of Tractor drawn implements per annum in collaboration with M/S. Gebr Eicher of Germany.

(iv) M/S. Voltas Ltd., Bombay, and M/S. Godrej and Boyance, Bombay, for effecting a substantial expansion viz., International Harvester Tractor ("McCormick International Farmall" Model D-430 30 BHP (27 DBHP) Diesel in collaboration with M/S. International Harvester Co. M.B.H. Neuss/Rhein, Germany. (Capacity: 1,000 Nos. in the beginning per annum to be increased to 1,500/2,000 Nos. as per demand.)

(v) M/S. Pashuphai Patel and Co. (Private) Ltd., Bombay, for the manufacture of new article viz., 500 Nos. of 20-30 H.P. and 500 Nos. of 30-45 H.P. Agricultural tractors per annum.

(vi) M/S. Mahindra and Mahindra Ltd., Bombay, for the establishment of a new undertaking (Indian David Brown Private Ltd.) at Pimpri, Poona (Bombay), for the manufacture of 125 Nos. of DB-2 Diesel 14 H.P. (125 B.H.P) four wheeled Tractor per mensem in collaboration with M/S. David Brown Corporation (Sales) Ltd., England.

(vii) Shri Dhira Das, Bombay, for the establishment of a new undertaking (M/S. Das India Tractor and Engine Co.) at Surat or Thana (Bombay), for the manufacture of 6,000 Nos. of 12 HP Porsche Diesel tractors and diesel Engine (Production of

22, 33, 44 H.P. tractors is also envisaged later on) per annum in collaboration with M/S. Porsche Diesel Motorenban GMBH, West Germany.

(viii) M/S. Jayems Bacchay and Co. (Private) Ltd., Bombay, for effecting a substantial expansion for the manufacture of new article viz., 1,200 Nos. of 2 cylinder 'Steyr' 36 BHP or 30 BHP Agricultural Tractors per annum in collaboration with M/S. Steyr Daimler Puch, Austria and for changing the location of their undertaking from Bhandup (Bombay) to Ulhasnagar, Thana (Bombay).

(ix) M/S. J.N. Marshall and Co., Nayapura, Kota and M/S. Bhagwandas and Co., Delhi, for the establishment of a new undertaking (M/S. Rajasthan Agricultural Machinery Co.) at Kota (Rajasthan) for the manufacture of 1,200 Nos. of "Zetor" type diesel tractors per annum in collaboration with M/S. Technd-export, Czechoslovakia. (Size has not been indicated in the application but the covering letter refers to the Zetor 25 (26 H.P. diesel tractors.)

(x) M/S. Agrind Fabrications Ltd., Calcutta, for effecting a substantial expansion for the manufacture of new article viz. 730 Nos. of Field Marshall series 3, 40BHP wheeled diesel tractors and 120 Nos. of Fowler Marshall V.R. 40 BHP Track lying diesel tractors per annum, in collaboration with M/S. Marshall Sons and Co. Ltd., U.K. and M/S. John Fowler and Co. (Leeds) Ltd., U.K. and for changing the location of their undertaking from Tangra (West Bengal) to Kidderpore (West Bengal.)

(xi) M/S. United Provinces Commercial Corporation (Private) Ltd., Calcutta, for the establishment of a new undertaking at Beliaghata, (West Bengal) for the manufacture of 1,000 Nos. of Fordson Major diesel tractor 35-45 DBHP per annum.

/new (xii) Shri P.N. Aggarwal, New Delhi, for the establishment of a/undertaking (M/S. Ghaziabad Engineering Co. (Private) Ltd.,) at Ghaziabad (U.S.P.), for the manufacture of 3,000 Nos. of Agricultural tractors and Implements (Range and make have not been indicated) per annum in collaboration with Soviet Firm. (The Soviet Trade Representative in India is reported to have approved the firm's proposal).

The Committee noted that the Study Group had estimated the demand for agricultural tractors to be 8000 as against 5000 proposed earlier by the Tractor Panel. The Planning Commission, however, felt that the lower estimate was more realistic. This view was endorsed by the representative of the Ministry of Food and Agriculture. The Committee, therefore, proceeded to consider the applications within the target of 5000.

2. As regards the break-up of this total between the three ranges of horse power viz., 12/18, 20/30 and 35/45, the view was expressed that the demand for the lowest group might be somewhat higher than 1500. But the Committee felt that, on the whole, it would be advisable to work on the distribution proposed by the Tractor Panel.

3. Turning to the applications for the 12/18 range, the Committee noted that the Ministry of Food and Agriculture agreed with the view of Col. Menon (in his minute of dissent to the Report of the Study Group) that the David Brown 2-D tractor, which was just below 12 horse power, should really be considered as belonging to the 12/18 range. The Committee agreed to consider the three schemes recommended by the Development Wing, viz., David Brown 2-D, Eicher 15 and International Harvester in this range. The Ministry of Food and Agriculture suggested that a further study of the David Brown tractor from a technical angle should be undertaken by the Study Group. The Committee felt that since this project had been before Government for a very long time, it should not be remitted back to the Study Group. Such tests and studies as were considered necessary should be undertaken between the Ministries of Food and Agriculture and the Development Wing departmentally and completed within a week or so. Subject to the report being satisfactory, the David Brown proposals were acceptable in other respects, namely the manufacturing programme and method for financing the import of capital goods.

4. In regard to the Eicher tractor, it was pointed out that while tests had been conducted with its own engine, the present proposal was to supply it with the Hatz diesel engine. Technical performance would, therefore, need to be re-assessed with the alternative engine. The Committee also doubted whether it was at all realistic to accept a manufacturing programme for tractors with imported capital equipment amounting to Rs. 1.6 lakhs, which leaves out necessarily a number of important parts.

5. The proposal to make International Harvester tractors was more realistic in that it provided for an import of Rs. 28 lakhs of capital goods. There were, however, no proposals to indicate how the foreign

exchange would be provided. Unless the overseas firm was prepared to invest in the capital of the Indian company the requisite amount of funds, the scheme, though otherwise attractive, might be difficult to sanction.

6. The Committee accordingly recommended that a small Committee with Col. Menon as convener and with representatives of the Ministry of Food and Agriculture on it, should examine each of these three projects from the following points of view:-

- a) David Brown from the point of view of suitability.
- b) Fisher from the point of suitability with an alternative engine and the adequacy of the investment programme and the manner in which it was to be financed.
- c) International Harvester from the point of view of availability of foreign exchange from abroad.

7. After such scrutiny, if there were more than one firm, who seemed prima facie eligible, the case should be brought before the Licensing Committee at the next meeting.

8. Proceeding to the 20/30 H.P. range, the Committee noted that Messrs. Standard Motor Products of India already had a licence for 2400 units of Ferguson tractors. The balance of 600 units could not justify the setting up of a new unit. The representative of the Ministry of Food & Agriculture observed that this firm had made no progress in spite of the time which it had at its disposal. It was explained that the firm had since been given an allocation from the Export Import Bank Loan and it was agreed that its progress should be watched for another six months, to see if within that period it had placed orders for machinery and equipment. If it did not, the entire question would need to be reviewed. Meanwhile, since Messrs. Volts had expressed a desire for flexibility in regard to the International Harvester tractor they would like to manufacture, the Committee felt that if the International Harvester was finally selected for the 12/18 H.P. range, it might be considered also for the balance of 600 units in the 20/30 range.

9. As regards 35/45 H.P. range, the Committee endorsed the view of the Development Wing that none of the schemes received so far was attractive. Doubt was also expressed as to whether it would be economic to license an independent unit for this range. In the circumstances, the Committee recommended the rejection of the pending applications. This would not preclude fresh consideration of any new or better proposals that might be received.

(45) Recommendations of the Licensing Committee on the applications which were referred to the Members in circulation on the 10th June, 1958.

These were noted.

(46) Application from Shri D. Gopala Rao, M.L.A., Mehar Bhawan, Kakinada Distt. East Godavari (Andhra Pradesh), for a licence for the establishment of a new undertaking at Peddapuram, Distt. East Godavari (Andhra Pradesh), for the manufacture of sugar with a capacity of 800 tons cane crushing per day on cooperative basis.

The Committee recommended rejection of the application for the following reasons:-

- (i) 6 co-operative sugar factories have already been licensed in Andhra Pradesh as against a provision of 4 sugar factories for that State in the Second Five Year Plan.
- (ii) In view of the present difficulty regarding foreign exchange, it has not been possible to grant import licenses for plant and machinery even for about a dozen sugar cooperatives already

(47) Application from M/S. Tata Chemicals Ltd., Bombay. for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of hydrochloric acid from 220 tons to 495 tons per mensem.

The Committee recommended the grant of a licence, subject to the scheme being cleared from foreign exchange angle. (The scheme would involve import of plant and machinery worth Rs.40,000.)

<u>Product.</u>	<u>Capacity</u>
	<u>per annum.</u>
Textile	
Auxiliaries	
as under:-	
1. Irgamine AL	50
2. Reserve salt	30
	C.
3. inofix DW	10
4. Belloid TD	8.5
5. Tinegal CV	12
	100%

(48) Application from M/S. Suhrid Geigy Private Ltd., Wadi (Bombay), for a licence for effecting a substantial expansion for the manufacture of the following new articles under existing collaboration with M/S. J.R. Geigy of Switzerland:-

At the instance of the Industrial Adviser (TP), the Committee deferred the consideration of this application. The Committee desired that the application might be examined in detail by him and brought up for consideration at the next meeting.

(49) Application from M/S. Asian Oil and Paint Co. (India) Private Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of stiff paints, ready mixed paints, varnish paints, oil bound distemper, industrial finishes and synthetic enamels, powder distemper, plastic emulsion paints and other related surface coating product from 4,000 Cwts. to 8,000 Cwts. and Varnishes and Bituminous blacks from 15,000 gallons to 30,000 gallons and Synthetic Resins from 375 Cwts. to 3,000 Cwts. per mensem.

The proposal envisages (i) the change of location of the industrial undertaking from Matunga (Bombay), to Bandhup (Bombay) and (ii) substantial expansion of the existing industrial undertaking for the manufacture of paints, varnishes and synthetic resins.

The Committee had no objection to the proposed change in the location of the existing industrial undertaking from Matunga (Bombay) to Bandhup (Bombay).

With regard to the manufacture of synthetic resins, the Committee was informed that there was likely to be considerable demand for this commodity as synthetic resins were essential for the manufacture of high class finishes the demand for which was likely to increase. The Committee, therefore, recommended the grant of a licence for the manufacture of synthetic resins.

With regard to paints and varnishes, it was pointed out that the existing capacity in the country was adequate to meet the requirements and that the present scheme involved the import of some capital goods. In these circumstances, the Committee recommended rejection of this part of the application.

- (50) Application from M/S. Vibhuti Glass Works (Private) Ltd., P.O. Ramnagar, Varanasi for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of empty glass bottles of various types and sizes from 200 tons to 900 tons per mensem.

The Committee recommended the grant of a licence. (This is a case of regularisation).

- (51) Application from The Jagga Button Industries Ltd., Coimbatore (Madras), for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Plastic Buttons from 324,000 gross to 364,000 gross per annum.

The Committee recommended the grant of a licence - subject to the condition that no import of raw materials would be permitted unless the foreign exchange expenditure required for these imports could be met out of the foreign exchange earned by export of the manufactured products.

The Committee suggested that the applicant firm should obtain the machinery through the State Trading Corporation from the stock already held by them.

- (52) Application from Shri Hit Saran Gupta, Kanpur, for a licence for the establishment of a new undertaking (M/S. India Bifurcated Rivets Manufacturing Co.) at Kanpur (U.P.) for the manufacture of bifurcated rivets. (Capacity: 1250 cases (1 lakh per case) per mensem on three shift basis). Foreign collaboration envisaged.)

- (53) Application from M/S. Kishori Lal Chander Bhan, Bahadurgarh (Punjab) for a licence for the establishment of a new undertaking (M/S. Victor Rivets) at Bahadurgarh, Rohtak (Punjab) for the manufacture of 240 tons of bifurcated rivets per annum.

The Committee was informed that the item applied for had been reserved for manufacture in the Small Scale Sector. The Committee desired that the implications of this reservation in favour of the Small Scale Sector might be examined jointly by the Development Wing, and the S.S.I. organisation particularly with reference to the capacity available in the Small Scale Sector and the imports of bifurcated rivets.

The Committee, therefore, deferred consideration of these two cases.

e 3 -

(54) Revised list of Agricultural Implements considered suitable for manufacture by Small Scale Units.

At the meeting held on the 11th March, 1955, the Licensing Committee desired that a list of agricultural implements together with recommendations as to which of these items should be reserved for manufacture in the small scale sector and which others should be reserved for manufacture in the large scale sector, should be prepared. Two lists prepared on these basis were, therefore, placed before the Licensing Committee at the meeting held on the 22nd April, 1955. The Committee endorsed these lists.

At a meeting of the Planning Commission held on the 12th May, 1955, it was decided to approve of the list of agricultural implements proposed to be reserved for manufacture in the small scale sector subject to a review being made after a period of 2 years. At this meeting a new item i.e. 'rope making machines' was added to the list under the heading 'Miscellaneous Agricultural Implements'. The revised list was then placed before the Licensing Committee at the meeting held on 26th August, 1955. The Committee endorsed this revised list. (Annexure I).

This list of items has since been reviewed in the light of the report of the Small Scale Industries Analysis and Planning Report No. 14(N) and it has been suggested that the following items which had not been included in the list of agricultural implements reserved for manufacture in the small scale sector might be included in this category:-

1. Draught fans (Not power driven type).
2. Persian Wheels (Peg driven type).
3. Peg Gear Driving attachments (hand or cattle driven).
4. Graders.
5. Weeder extinguishers.

The Committee while according approval to this list (Annexure II) observed that the items listed might be said to represent a field for development in the small scale sector but units which are technically in the large scale sector because they employ more than fifty workers should not be precluded from undertaking such manufacture if they otherwise fulfil the broad purposes and objectives of development in the Small Scale Sector.

ANNEXURE I.

LIST OF AGRICULTURAL IMPLEMENTS RESERVED FOR SMALL-SCALE UNITS.

- (A) Agricultural hand tools with cutting edge.
1. Axes, felling
 2. Axes, Pick
 3. Hees
 4. Garden shears

- 5. Pruning knives
- 6. Kodalis
- 7. Spades or Powrahs or Memooties
- 8. Shovels.
- 9. Scythes and Sickles
- 10. Hatchet or Daw
- 11. Bill Hooks
- 12. Other edged hand tools used in agriculture.

(B) Agricultural Field Implements.

- 1. Grain riddles.
- 2. Harrows and parts thereof
- 3. Ploughs complete.
- 4. Rakes
- 5. Ridger or hiller (hand or cattle driven)
- 6. Seeders
- 7. Seed drills (Manually operated type)
- 8. Seed dressers
- 9. Thrashers (hand, paddle or animal driven)
- 10. Weeders
- 11. Cultivators.

(C) Agricultural Produce Processing Implements.

- 1. Cane crushers (Animal or manual operated)
- 2. Juice boiling pans
- 3. Gur percolators
- 4. Pedal Thrashers
- 5. Rice Hulters
- 6. Corn shellers (hand operated)
- 7. Winnowers

(D) Irrigation and Water Supply Equipment.

- 1. Hand operated pumps for domestic water supply.
- 2. Persian wheels gear well type
- 3. Channels water, sheet metal
- 4. Cans ordinary and watering
- 5. Water buckets for irrigation purposes
- 6. Water lifting equipment other than Persian wheels hand or cattle driven.

(E) Miscellaneous Agricultural Implements.

- 1. Chaff cutters
- 2. Blades, chaff cutters
- 3. Chains for cattle
- 4. Dusting machines (hand driven)
- 5. Rat traps
- 6. Wheel barrows
- 7. Carts and their wheels (MS)
- 8. Manure Trampers (Manual or animal operated)
- 9. Land Puddlers.
- 10. Bund formers.
- 11. Earth scrapers
- 12. Rope making machines.

ANNEXURE II.

LIST OF AGRICULTURAL IMPLEMENTS RESERVED FOR
SMALL SCALE UNITS.

1. Axes, felling
2. Axes, pick.
3. Blades, chaff cutters.
4. Cans, ordinary and watering.
5. Channels, Watering (sheet metal)
6. Cultivators.
7. Chains for cattle (mild steel)
8. Dusting machines (hand-driven)
9. Draught fans.
10. Earth Scrapers.
11. Grain riders.
12. Graders.
13. Hoes.
14. Harrows and parts thereof
15. Hedge shears.
16. Kodalis
17. Persian wheels (peg driven type)
18. Persian wheel except cast iron parts (gear wheel type)
19. Persian wheel parts excluding cast iron parts and including buckets and link chains.
20. Pruning knives
21. Pans, open hoiling.
22. Plough complete, including blades, ordinary and improved type.
23. Peg gear driving attachments (hand or cattle driven)
24. Rakes.
25. Ridgers (hand or cattle driven)
26. Rat traps.
27. Spades.
28. Seeders.
29. Seed drillers.
30. Seed dressers.
31. Shovels.
32. Scythes.
33. Sickles.
34. Threshers (hand, paddle or animal driven)
35. Winnowers.
36. Weeders
37. Weeder extinguishers.
38. Water Buckets.
39. Water lifting equipment, other than persian wheels (Hand or cattle driven)
40. Wheel barrow.
41. Wheel, mild steel for carts.
42. All edged hand tools used in Agriculture.

(55) Application from M/S. Krishnalal Thirani & Co. Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of waterproof coated abrasives from 3,500 reams to 6,000 reams per mensem. (Foreign collaboration envisaged).

The Committee recommended grant of a licence.

- (56) Application from M/S. Kushiram Dwarakanath Weaving Mills, Amritsar (Punjab), for a licence for the manufacture of artificial silk yarn on 12 power looms, woolen yarn on 12 power looms and cotton yarn on 4 power looms.

The Committee recommended the grant of a licence. (This is a case of regularisation).

- (57) Application from The A.P.V. Engineering Co. Private Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of Aerogen Portable Gas Generators, in collaboration with M/S. Gillanders Arbuthnot and Co. Private Ltd., Calcutta and M/S. Aerogen Co. Ltd., of U.K. (Capacity: 120 Nos. initially per annum rising to 240 Nos. in subsequent years.

Taking into account the capacity already in existence in the country, the Committee recommended the grant of a licence for the manufacture of 100 Nos. of portable Gas Generators per annum, subject to the terms of foreign collaboration being settled to the satisfaction of the Government.

- (58) Application from The Godavari Sugar Mills Ltd., Bombay, for a licence for the establishment of a new undertaking at Bombay for the manufacture of 20 tons of Formaline 37% purity (Formaldehyde) per day on three shift basis.

The Committee recommended rejection of the application for the following reasons:-

- (1) the production of formaldehyde based on imported Methyl Alcohol (Rs. 21 lakhs per annum) is not economical.
- (2) the location proposed for the industrial undertaking is not suitable from the point of view of the supply of raw materials.

These considerations would not justify the expenditure of foreign exchange and the import of plant and machinery involved in the scheme. (Value Rs. 10 lakhs.)

- (59) Application from Shri Hari Chand, Jullundur City (Punjab), for a licence for the establishment of a new undertaking (M/S. Rama Roller Flour Mills) at Saharanpur (U.P.), for the manufacture of 100 tons of wheat products (atta, maida, sooji and bran) per day on three shift basis.

The Committee was informed that there was idle capacity already in existence in Uttar Pradesh and that there were a number of flour mills in the area adjoining the locality where the applicant firm proposes to set up this industrial undertaking. The Committee, therefore, recommended rejection of the application.

- (60) Application from Shri Harish Chandra Jain, Ferozabad, for a licence for the establishment of a new undertaking (M/S. Chhatariwala Glass Industries) at Ferozabad for the manufacture of 13,500 dozens of glass tumblers, 19,500 dozens of Globes, 2,000 dozens of jars and 2,600 doz. of press articles per mensem (2 shifts.)

In view of idle capacity already in existence in the Uttar Pradesh, the Committee recommended rejection of the application.

(61) Application from M/S. Asiatic Oxygen & Acetylene Co. Ltd., Calcutta, for a licence for the manufacture of 36 million feet of coated and uncoated electrodes for welding of steel and non-ferrous alloys per annum in collaboration with M/S. L'Air Liquide, Paris, France.

This application was first considered by the Licensing Committee at the meeting held on the 25th March, 1957. On this occasion the Committee desired that the application should be examined further with reference to the following points:-

- (1) whether import licences for plant and machinery had been granted for the schemes already licensed.
- (2) whether the applicants could arrange for the import of plant and machinery on deferred payment terms.

The Committee was informed that licences for the import of plant and machinery had been granted for all the schemes already licensed except one i.e. M/S. Modi Vanaspati Industry, Modi Nagar, who had not yet been able to arrange for deferred payment terms. The Committee was also informed that the other applicants had utilised the import licences granted to them and had gone into production.

The Committee was also informed that the applicant firm had secured certain deferred payment terms from its foreign suppliers.

The Committee recommended the grant of licence subject to the foreign exchange requirements being screened by the CG/HEP Committee.

(62) Application from M/S. Dumraon Industries Ltd., Dumraon (Bihar), for a licence for effecting a substantial expansion for the manufacture of new articles viz., 10,00,000 Nos. of bifurcated rivets, 8,000 Nos. of suitcase locks and fittings, 1,25,000 Nos. of typewriter spools and 10,000 Nos. of spectacle cases per mensem.

-- The scheme envisages the manufacture of the following items:-

- | | |
|----------------------------------|-----------------------|
| 1. Typewriter spools: | 1,25,000 Nos./month. |
| 2. Bifurcated rivets: | 10,00,000 Nos./month. |
| 3. Suit case locks and fittings: | 8,000 Nos./month. |
| 4. Spectacle cases: | 10,000 Nos./month. |

(1) As the manufacture of typewriter spools does not involve the import of capital equipment, the Committee recommended the grant of a licence.

(2) The Committee was informed that the item applied for had been reserved for manufacture in the Small Scale Sector. The Committee desired that

the technical implications of this reservation in favour of the small scale sector might be examined in detail by the Development Wing, particularly with reference to the capacity available in the small scale sector and the imports of bifurcated rivets.

The Committee, therefore, deferred consideration of this stage.

[The manufacture of suit case locks and fittings and spectacle cases is not covered by the Industries (Development & Regulation) Act.

(63) Application from M/S. Swastik Metal Industries, Bombay, for a licence for the establishment of a new undertaking at Bombay, for the manufacture of 1,32,00,000 Nos. of bifurcated rivets, 23,00,000 Nos. of springs washers and 3,00,00,000 Nos. of shoe eyelets per mensem on double shift basis.

The scheme envisages the manufacture of following items:-

- i) Bifurcated Rivets 1,32,00,000 Nos. per month.
- ii) Spring Washers: 23,00,000 Nos. per month.
- iii) Shoe Eyelets. 3,00,00,000 Nos. per month.

Bifurcated Rivets.

The Committee was informed that the item applied for had been reserved for manufacture in the Small Scale Sector.

The Committee, desired that the technical implications of this reservation in favour of the small scale sector might be examined in detail by the Development Wing particularly with reference to the capacity available in the small scale sector and the imports of bifurcated units.

The Committee therefore deferred consideration of this case.

Spring Washers.

The Committee noted that the manufacture of spring washers was integrated with the manufacture of bifurcated rivets in the scheme. The Committee, therefore, deferred consideration of this part of the application pending detailed examination of the bifurcated rivets industry referred to above.

(The manufacture of shoe eyelets is not covered by the Industries (Development & Regulation) Act, 1951.)

(64) Application from The Industrial and Engineering Foundry Co., Coimbatore, for a licence for the establishment of a new undertaking at Coimbatore (Madras), for the manufacture of 5 Nos. of lathes and 10 Nos. of drilling machines per mensem.

The Committee recommended the grant of a licence subject to the foreign exchange requirements being screened by the CG/HEP Committee.

- (65) Application from M/S. Binani Metal Works (Private) Ltd., Calcutta, for a licence for the manufacture of new articles viz., 4 Nos. of crucible type tilting and pit furnaces and 1 No. of rotary furnaces per mensem.

The Committee was informed that the applicant firm had been manufacturing these items for their own use for some time past and that the firm now proposes to manufacture these items on a commercial scale for supply to their customers. The Committee recommended the grant of a licence.

- (66) Application from M/S. Madras Rubber Factory, Madras, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Thread Rubber (Retreading Compound) from 1080,000 lbs. to 1500,000 lbs. per annum.

The application was first considered by the Licensing Committee on the 10th April, 1958. On this occasion the Committee observed that as the scheme did not involve the installation of additional plant and machinery and as the expansion was to be achieved only by increasing the number of shifts, a licence under the Industries (Development & Regulation), Act was not necessary. When this decision was communicated to the applicant firm, the firm represented that the increase in production would be achieved not by increasing the number of shifts but by installing additional machinery which would be procured from indigenous sources. The Committee took note of this representation and recommended the grant of a licence.

- (67) Application from M/S. Plastic Products Ltd., Kanpur, for a licence for effecting a substantial expansion for the manufacture of new articles viz., 24 lakhs pcs. of miniature bulbs upto 7.5 watts and 12 lakhs pcs. of Auto Head-light and other lamps upto 16 watts per annum.

As the capacity licensed for the manufacture of miniature lamps is already in excess of the target for 1960-61, the Committee recommended rejection of the application.

- (68) Application from M/S. Modi Sugar Mills Ltd., Modinagar, for a licence for effecting a substantial expansion for the manufacture of new article viz., 50,000 H.P. of electric motors of range from 1 to 25 H.P. both squirrel cage and slipring per annum.

The Committee was inclined to consider the scheme favourably only if the applicant firm could arrange to obtain foreign exchange required for the implementation of the scheme on terms acceptable to the Government.

- (69) Application from M/S. Shah Industries, Bombay, for a licence for the manufacture of new article viz., 45,000 gross of bicycle steel balls 1/8" to 1/4" sizes per mensem.

The Committee recommended the grant of a licence.

(70) Application from M/S. Shree Khedut Sahakari Khand Udyog Mandli, Bardoli, Distt. Surat, for a licence for the manufacture of new article viz; 600 tons of food yeast per annum in technical know-how with French firm.

The production of molasses by the firm is estimated to be of the order of 3,500 tons per year and it is not feasible to manufacture both industrial alcohol and food yeast with the limited output of molasses. The firm have explained that their present proposal is mainly to recover yeast as bye-product during the manufacture of industrial alcohol and the Development Wing are of the view that the firm may be able to obtain about a ton of food yeast a day during the season of (100/150) days) and not 600 tons i.e. 2 tons per day.

The Committee noted that the scheme for the manufacture of industrial alcohol was separately under examination. It suggested that the question of manufacturing food yeast by the firm purely as a bye-product with imported equipment of nominal value could be considered along with the industrial alcohol scheme.

The Committee recommended the rejection of the present application.

(71) Application from M/S. Sheth Bhagubhai Chandulal & Navnitlal Bhagubhai Patel, Ahmedabad, for a licence for the establishment of a new undertaking for the manufacture of 125 tons of sodium carboxy methyl cellulose per mensem. on three shift basis. (Foreign collaboration envisaged.)

This application was first considered by the Licensing Committee on the 12th March, 1958. On that occasion, the Committee deferred consideration of this case and desired that the scheme might be examined further with reference to the following points:-

- (i) The terms of foreign collaboration.
- (ii) Whether the foreign collaborators would be willing to make an investment in the share capital to cover the cost of plant and machinery to be imported.
- (iii) Whether the bulk of the plant and machinery could be imported from U.S.A.

The Committee also suggested that a comparative study might be made of the cost of indigenous production and the cost of importing Corboxy Methyl Cellulose from abroad.

The Committee was informed that no foreign exchange expenditure was proposed to be incurred on account of technical fees for 'know how' or for the import of plant and equipment.

The Committee was also informed that the price of imported Corboxy Methyl Cellulose would be more than the cost of the product manufactured indigenously. The Committee, therefore, recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of the Government.

(72) Application from M/S. Sarabhai Merck Private Ltd., Ahmedabad, for a licence for the establishment of a new undertaking at Ahmedabad, for the manufacture of Vitamin C (Capacity: given below:) in collaboration with M/S. E. Merck A.G. of West Germany.

A. Vitamin C.

Phase (A) Vitamin C from sorbose in 1958-59) 5 tons
Phase (B) Sorbose from Sorbitol in 1959-60) of

Vitamin
'C' per
month.

Sorbitol from Glucose in 1959-60 50 tons per month.

B. Vitamin B₆ from Methoxy- Pyridoxine 40Kg. per
in 1958-59. month.

The Committee recommended the grant of a licence subject to the condition that no special facilities would be allowed with regard to the supply of raw materials, and the production of Vitamin C would be restricted to 2 tons per month. The question of increased production would be considered only if demand increased to ensure an offtake of a larger quantity than that produced by each of the two plants at present being licensed to produce at 2 tons per month.

(73) Application from M/S. Sarabhai Chemicals, Baroda, for effecting a substantial expansion for the manufacture of new articles viz., Afoillin, Vionete, Vet Nutri, 4 m., Crysticilline, Dicrysticine, Steolin, Mystecilin, Terronyl, Piperex Veterinary, Canaseg, Pendistrine and Follutein in collaboration with M/S. E.R. Squibb and Sons, Division of Olin Mathieson Chemical Corporation. The foregoing products are to be manufactured in the following forms and quantities:-

	Annual Capacity.
1. Tablets.	5400000 (5.4 million Nos.)
2. Injectables	36000 Vials/ Ampoules.
3. Antibiotics.	2040000 Vials(2.04 million)
4. Capsules.	1200000 (1.2 million Nos.)
5. Liquids and Powders.	168000 (1.68 lakh kgs.)
6. Ointments.	600 Kgs.

The Committee recommended the grant of a licence.

(74) Application from M/S. Kumar and Co.,
Beawar, for a licence for changing the loca-
tion of their undertaking for the manufacture
of cotton waste yarn with an installed capa-
city of 1,200 spindles from Ajmer to Kotah.

This was noted.

(75) Application from The Punjab Cloth
Mills Ltd., Bhiwani, Distt. Hissar, for a
licence for effecting a substantial expansion
by 25 automatic looms for the manufacture
of cotton cloth.

The Committee was informed that the applicant firm had already an installed capacity of 275 looms for the manufacture of cotton cloth and that the firm had been recently granted a licence for the installation of 30 cotton canvas looms, thus making the unit economical. The Committee, therefore, recommended rejection of the application.

(76) Application from M/s. Polychem
Limited, Bombay, for a licence for effecting
a substantial expansion for the manufacture of
100,000 - 120,000 lbs. of Polystyrene sheet,
tubes, rods and other Extruded shapes per
ensem.

The Committee recommended the grant of a licence.

(77) Application from M/s. Bright
Brothers Private Ltd., Bombay, for a licence
for effecting substantial expansion for
increasing their capacity for the manufacture
of plastic moulded goods from 75 ozs.
(Injection Moulded) to 93 ozs. per mensem.

The Committee recommended the grant of a licence.

(78) Application from M/s. Dighapatiya
Junior Raj Nudkurkeo Collieries, for a
licence for carrying on the business of their
undertaking for the production of 83,000 tons
of coal and for effecting a substantial expansion
for increasing their capacity for the production
of coal from 83,000 tons to 1,20,000 tons of
coal per annum.

This application was first considered by the Licensing Committee on the 21st March, 1957. On that occasion, the Committee recommended

the grant of a licence for affecting substantial expansion to the firm's existing undertaking, the expansion capacity being 15,000 tons per annum. The Committee recommended the grant of a licence for this capacity on the condition that the applicant firm should secure a regular mining lease from the State Government.

The applicant firm was subsequently granted a licence for carrying on the existing business of the undertaking in addition to the licence for substantial expansion thus increasing the installed capacity to 39,000 tons per annum. This fact was reported to the Licensing Committee on the 12th June, 1957.

When the conditions of the draft licence were communicated to the applicant firm, the firm raised certain objections both with regard to the capacity licensed and the condition requiring the firm to secure a regular mining lease from the State Government.

The Committee was informed that the question of securing a regular mining lease had been disputed by the applicant firm and that the remarks of the State Government on this point were awaited.

The Committee was informed that after an examination of the point made by the applicant firm with regard to installed capacity in the Ministry of Steel, Mines and Fuel, it was proposed that the installed capacity might be of the order of 83,000 tons and that the licence for substantial expansion might be for 37,000 tons of additional capacity licensed would be 1,20,000 tons. The Committee recommended the grant of a licence for this capacity subject to the following conditions:-

- (i) The applicant firm should obtain the prior permission of the Coal Board/Coal Controller before opening new seams.
- (ii) The proposed expansion will be limited only to production from the existing unit.
- (iii) The substantial expansion should be achieved within a period of three years.

(79) Application from M/S. Woodcrafts (Assam) Ltd., Mariani (Assam), for a licence for effecting a substantial expansion of a capacity of 1,75,000 sq. ft. of teacheest plywood per mensem.

This was noted.

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the ultimate
installed

(80) Application from M/S. New Digvijay-sinhju Tin Factory, Jamnager, for a licence for carrying on the business of their undertaking under section 13 of the Industries Act, for the manufacture of 828 tons of tin containers and 60 tons of steel drums per annum.

This was noted.

(81) Application from M/S. Orient Paper Mills Ltd., Calcutta, for a licence for the establishment of a new undertaking near about Bilaspur (Madhya Pradesh) for the manufacture of 18,000 tons of paper and boards per annum.

The Committee was informed that the applicant firm had not yet finalised either the preliminary arrangements relating to the location of the undertaking or the import of plant and machinery on suitable deferred payment terms for the establishment of a pulp mill at Bilaspur which had been agreed to earlier by the Licensing Committee. The Committee was of the view that as the arrangements for the establishment of the pulp mill itself had not yet been finalised, it would be premature to consider the case for the establishment of a paper mill at the same site where there might also be some difficulty with regard to the supply of raw materials. The Committee, therefore, recommended rejection of the application.

The Committee, however, suggested that the applicant firm might come up again with fresh proposals after about 6 months if it so desired.

(82) Application from M/S. Bhagwandas Babu Ram, New Delhi, for a licence for effecting a substantial expansion for the manufacture of a new article viz. 720 tons of P.V.C. Composition per annum, on double shift basis.

The Committee noted that the scheme would involve the import of capital equipment of the value of Rs. 1.75 lakhs and also recurring annual expenditure of more than Rs. 10 lakhs on the import of raw materials. The Committee was informed that a plant with this capacity would also be uneconomical in operation. The Committee, therefore, recommended rejection of this application.

(83) Application from M/S. Reliable Electric and Cable Co., Delhi, for a licence for effecting a substantial expansion for the manufacture of a new article viz. 648 tons of P.V.C. Composition per annum.

The Committee noted that the applicant firm was already in possession of the plant and machinery required for the implementation of this scheme, and would be utilising the P.V.C. Composition produced for the manufacture of P.V.C. insulated cables/wires. The Committee, therefore, recommended the grant of a licence.

(84) Application from M/s. Tata Oil Mills Company Ltd., Bombay, for a licence for effecting a substantial expansion of increasing their capacity for the manufacture of vegetable oils including solvent extraction of oil cakes from 520 tons to 1,820 tons per mensem, on three shift basis.

The applicant firm was granted a licence for the installation of a solvent extraction plant of 50 tons capacity in terms of oil cakes at Tatapuram (Kerala State). On account of certain difficulties in obtaining raw material in Kerala State, the firm now proposes to locate the plant at Bombay.

The applicant firm had surrendered the licence granted for the installation of the plant at Tatapuram.

In these circumstances, the Committee recommended the grant of a licence.

(85) Application from M/s. Askay & Co. (Private) Ltd., Bombay, for a licence for the establishment of a new undertaking (M/s. Brito Paints) in Greater Bombay, for the manufacture 50 - 65 tons of paints and varnishes per mensem in collaboration with M/s. Pieter Schoon & Zoon Ltd., Holland.

The scheme aims at the establishment of a factory for the production of 50 - 65 tons of paints and varnishes per annum on single shift basis. It involves foreign participation in capital to the extent of 49% of the total capital (Rs. 10 lakhs). In view of the fact that such an arrangement, if allowed, would involve import of plant and machinery of the value of Rs. 2 lakhs and an out-flow of foreign exchange in the form of dividends to the foreign participants when there is already sufficient capacity existing in the country, the Committee recommended rejection of the application.

(86) Application from M/S. Hindustan Lever Ltd., Bombay, for a licence for the manufacture of a new article viz. 100 tons of Potmosol Medicated Soap per annum. (This soap will be manufactured within the existing installed capacity of the undertaking for M/s. I.C.I. (India) Ltd.,.)

The Committee recommended the grant of a licence subject to the condition that no special facilities would be allowed with regard to the supply of raw materials.

(87) Application from M/s. K.G. Khosla & Co. (Private) Ltd., New Delhi, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Petrol Pumps from 144 Nos. during the 1st year and 288 Nos. from 2nd year onwards to 1,200 Nos. per annum in collaboration with M/S. M.A.W. VORHAIS Strager & Co., Vienna.

The applicant firm was granted a licence under the Industries (Development and Regulation) Act in August, 1956 for the manufacture of Air Compressors above 100 cfm with an installed capacity of 96 Nos. per annum. In September, 1957, the applicant firm was granted a further licence for effecting substantial expansion to the existing industrial undertaking for the manufacture of following items:-

- a) Kerb side Petrol pumps 288 Nos. per annum.
- b) Air Compressors of sizes 3.5 cfm to 24 cfm.

1st year.	144	"	"	"
2nd year	288	"	"	"
3rd year	500	"	"	"

The present proposal relates to increasing the capacity for the manufacture of kerb side petrol pumps from 288 Nos. per annum (144 Nos. per annum for the first year) to 1200 Nos. per annum. The committee was informed that the existing capacity in the country and the projected capacity would be sufficient to meet the demand for the kerb side petrol pumps. The Committee, therefore, recommended rejection of this application.

(88) Application from M/S. voltas Ltd., Bombay, for a licence for the manufacture of new articles viz. "VARCO" Air Conditioners and "VARCO" Water Coolers (Capacity: The Air Conditioners and Water Coolers are to be manufactured within the capacity already registered licensed.)

The Committee was informed that the present proposal would assist the applicant firm in utilising the existing manufacturing capacity to better advantage. The Committee, therefore, recommended the grant of a licence, subject to Government being satisfied that the foreign exchange cost per unit of the new items would not be higher than that for the existing items.

(89) Application from M/S. Hindustan Industries and Machine Manufacturing Co. Ltd., Banaras, for a licence for effecting a substantial expansion for the manufacture of a new article viz. 1,20,000 Nos. of cycle dynamo sets per annum, in collaboration with M/S. Joseph Lucas (Industries) Ltd., London.

The application from this firm for the manufacture of the following items was considered by the Licensing committee at the meeting held on the 10th July, 1957:-

- * 1. Cycle tyre pumps.
- * 2. Stirrup pumps and sprayers.
- 3. Dusters.
- 4. Chaff cutters.
- 5. Brass Garden Syringes.
- 6. Pliers.
- 7. Spanners.
- 8. Twist drills.
- 9. Hack Saw Blades.
- 10. Cycle Dynamo sets.

(* Not covered by the Industries (Development and Regulation) Act.)

On that occasion the committee recommended the grant of a licence in respect of certain items and rejection of some others.

With regard to item 10, the Committee had recommended rejection because the scheme involved the import of raw materials and components to the extent of Rs. 8 lakhs over the next 3 to 4 years and as the details of the foreign collaboration had also not been furnished by the applicant firm.

The firm had now represented against the decision relating to item 10 only, and had revised its original scheme for the manufacture of cycle dynamo sets with the result the scheme now envisaged a foreign exchange outlay of Rs. 5.75 lakhs only.

The Committee felt that as the demand for cycle dynamo lamps was very limited and not of a particularly high priority even the reduced foreign exchange expenditure involved in the scheme could not be justified. Accordingly the Committee once again recommended rejection of this part of the original application i.e. the portion relating to the manufacture of cycle dynamo sets.

(90) Application from M/S. Rathi steel Rolling Mills, Delhi, for a licence for changing the location of their undertaking for the manufacture of 42 tons of bars, rods, flats, gate channels, balling hoops and hexagonal rods per mensem from Delhi - Shahdara to Faridabad (Punjab).

The Committee recommended the grant of a licence.

(91) Application from M/S. Metal Rolling Works Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 600 tons of Hard drawn Bare Copper Conductors solid from 3/0 to 12 swg. and Bare annealed High conductivity Copper Conductors from 3/0 to 12 swg, 180 tons of Bare annealed High Conductivity Copper Wire from 7/0 to 30 swg. and 300 tons of Hard Drawn Bare Copper Stranded Conductors per annum.

The Committee noted that in view of the capacity already licensed/approved there was not much scope for the creation of any additional capacity for the manufacture of such copper conductors. The Committee, therefore, recommended rejection of the application.

(92) Application from M/S. Photophone Equipments Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 1,000 Nos. of Tape recorders per annum in the initial stage (1st year) and 2,000 Nos. of Tape Recorders per annum from 5th year onwards in existing collaboration with M/S. Photophone Equipment Ltd., Bombay and M/S. R.C.A. of America.

The Committee observed that the demand for Tape Recorders would be mainly from All India Radio and the Civil Aviation Department and that as these organisations would be getting actual users licences for the import of components, it might be possible for the applicant firm to manufacture these Tape Recorders against orders placed on the firm by All India Radio, without depending on sales to outside customers. The Committee, therefore suggested that it might be ascertained from the applicant firm whether it would be willing to go ahead with the scheme for the manufacture of Tape Recorders only by utilising the import licences granted to All India Radio, the Civil Aviation Department etc. The Committee, therefore, deferred consideration of this case.

(93) Application from M/S. Kaycee Industries Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 50,000 Nos. of Selenium Rectifier Plates per annum, in the first instance in collaboration with M/S. Westinghouse Brake and Signal Co. Ltd., London.

The Committee recommended the grant of a licence subject to the following conditions:-

- (1) the foreign exchange requirements should be screened by CG/PEP Committee,
- (2) the terms of foreign collaboration should be settled to the satisfaction of the Government.

(94) Application from M/S. Gan and Pandit Private Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of a new article viz. 3,000,000 Nos. on single shift or 6,000,000 Nos. on double shift of Cycle Valves per annum, in collaboration with M/S. Alligator Ventilfabrik, Geisingen/Br. (Wurtt).

The Committee recommended the grant of a licence, subject to the terms of foreign collaboration being settled to the satisfaction of Government.

(95) Application from M/S. Avery Cycle Industries, Chandigarh, for a licence for the establishment of a new undertaking for the manufacture of 500,000 Nos. of cycle free-wheels per annum.

The committee deferred consideration of this case to the next meeting, when a fuller and self-contained summary should be put up for its consideration.

(96) Application from M/S. Valia Lalji Ramji, Bhavnagar, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of cycle chains from 3 lakhs to 4½ lakhs chains per annum.

This was noted.

(97) Application from M/S. Simplex Board and Paper Products, Nandurbar, for a licence for the establishment of a new undertaking at Nandurbar, Distt. West Khandesh (Bombay), for the manufacture of 2,250 tons of Straw Board per annum.

(98) Application from M/S. Star trading Private Ltd., Rajkot, for a licence for the establishment of a new undertaking near Rajkot, for the manufacture of 4,500 tons of Straw Board and Mill Boards per annum.

(99) Application from The Director of Industries and Commerce, Andhra Pradesh, Hyderabad (DN.), for a licence for the establishment of a new undertaking (M/S. Sri Venkateswara Paper and Straw Boards Mills) at Tirupotni, Distt. Chittoor (Andhra Pradesh), for the manufacture of 3,000 tons of straw Board per annum, on three shift basis.

The Committee did not see any objection to the grant of a licence in all these three cases, if the schemes could be implemented without importing any plant and machinery.

(100) Application from M/S. International Franchises Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 4,375 lbs. of Max Factor talcum powders, 875 lbs of Max Factor creams and 2,065 lbs. of Max factor face powders per mensem, in collaboration with M/S. Orient Private Ltd., Bombay who represent Max-Factor, Hollywood.

The Committee observed that in view of the difficult foreign exchange position the recurring expenditure on account of imported raw materials for the implementation of a scheme of this type was not justified. The committee, therefore, recommended rejection of the application.

(101) Application from the Tata Oil Mills Co. Ltd., Bombay, for a licence for the manufacture of a new article viz. 25 tons of 'LAKHO' Toilet Soap per annum. (This capacity will be within the existing capacity of the undertaking.)

The Committee recommended the grant of a licence subject to the condition that no additional import of raw material would be allowed to be imported.

(102) Notes on the review of solvent extraction of oil cakes.

The Committee noted the present position and suggested that the matter need not be pursued.

(103) Application from M/s. Sri Krishna Spinning and Weaving Co. (Private) Ltd., Bangalore, for a licence for carrying on the business of their undertaking for the manufacture of 1,20,000 yds. of silk or art silk or staple fibre cloth per annum.

The Committee recommended the grant of a licence.

(This is a case of regularisation.)

(104) Application from the Aditya Textile Industries, Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz. art silk fabrics on 10 looms.

The proposal envisages the transfer of powerlooms from one undertaking to another without any corresponding increase in the over all loomage in the country. The Committee, therefore, recommended the grant of a licence, it being understood that the capacity of the unit from which the powerlooms would be taken over, would be correspondingly reduced.

(105) Application from Shri Krishan Kumar Agarwal, New Delhi, for a licence for the establishment of a new undertaking (The Sham Steel Re-rolling Mills) at New Delhi, for the manufacture of 2,400 tons of steel forgings per annum.

As the applicant firm has already installed some machinery for the manufacture of steel forgings, the Committee recommended the grant of a licence subject to the capacity being assessed and fixed by the Development wing.

(106) Application from M/s. Walchand & Co. (Private) Ltd., Bombay, for a licence for the establishment of a new undertaking (M/s. Indian Hume Pipe Co. Ltd.) at Rihand, Distt. Mirzapur, Uttar Pradesh, for the manufacture of 1,200 tons of welded steel penstocks per annum.

The Committee recommended the grant of a licence.

(107) Application from M/S. Marshall Industries of India, New Delhi, for a licence for the establishment of a new undertaking at Delhi for the manufacture of 24,000 gross each of spokes, nipples and washers per mensem.

The Committee recommended rejection of the application for the following reasons:—

- 1) There is already a sufficient capacity to meet the demand for these items.
- 2) The foreign exchange required for the import of capital equipment and raw material is not justified in view of (1) above.

(108) Application from M/S. Pearl cycle Industries Private Ltd., New Delhi, for a licence for effecting a substantial expansion for the manufacture of new articles viz. 360,000 pcs. of bicycle chains and 120,000 gross of spokes, nipples and washers per annum.

The scheme envisages the manufacture of the following items:—

- (1) bicycle chains.
- (2) spokes, nipples and washers.

With regard to the manufacture of spokes, nipples and washers the Committee was informed that the existing and projected capacity in the country for the manufacture of these items would be sufficient to meet the present and anticipated demands. The committee, therefore, recommended rejection of this part of the application.

With regard to the manufacture of bicycle chains, the Committee was informed that the applicant firm was already engaged in the manufacture of complete bicycles. The Committee noted that the Tariff Commission had recommended that the manufacture of items like chains should be taken up by ancillary units instead of by units already engaged in the manufacture of bicycles. The Committee desired that it might be ascertained from the applicant firm whether the firm was prepared to put up a separate unit for the manufacture of bicycle chains and also whether the firm would be able to secure acceptable deferred payment terms for the import of capital equipment for the implementation of this scheme.

(109) Application from M/S. Madras Millers and Traders Private Ltd., Madras, for a licence for the establishment of a new undertaking at Korukkupet, Madras, for the manufacture of 75 tons of oil cakes per day by solvent extraction process.

The Committee recommended the grant of a licence. (The scheme does not involve any expenditure of foreign exchange.)

(110) Application from M/S. Retan Oil & Fertilizer Company, Bombay, for a licence for the establishment of a new undertaking at Chembur, District Thana (Bombay), for the manufacture of 100 tons of oil cakes per day, on three shift basis.

The Committee was inclined to consider the proposal favourably. However, on a representation made by the representative of the State Government, the Committee desired that the location of the proposed industrial undertaking should be settled in consultation with the State Government and if an agreement could be reached with the State Government on this issue a licence under the Industries (Development and Regulation) Act might be issued for a capacity of 50 tons of oil cake per day as suggested by the Development wing.

(111) Application from M/S. Prage Industries (private) Ltd., Coimbatore, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of plastic buttons from 84,000 gross to 1,20,000 gross per mensem, on three shift basis.

The Committee recommended the grant of a licence subject to the condition that no import of raw materials would be permitted unless the foreign exchange expenditure required for these imports could be met out of the foreign exchange earned by export of the manufactured products.

(112) Application from M/S. John Fowler (India) Ltd., Bombay, for a licence for changing the location of their undertaking for the manufacture of 10,000 Nos. of filters for internal combustion engines and 1,00,000 Nos. of spare elements per annum, from Bombay to Calcutta.

On a representation made by the State Representative, the Committee deferred consideration of this case.

(113) Recommendations of the Licensing Committee on the application which was referred to the Members in circulation on the 19th June, 1958.

this was noted.

(114) Application from M/S. Surat textile Mills Ltd., Surat, for a licence for the installation of additional 400 spindles.

this was noted.

(115) Application from M/S. Kala Silk Factory, Bombay, for a licence for effecting a substantial expansion for the manufacture of valveteen and courduroy on 4 velvet looms.

The application was first considered by the Licensing Committee at the meeting held on the 6th February, 1958. On a representation made by the Industrial Adviser (Textile Production), the Committee deferred consideration of this case. The matter was, therefore, re-examined by the Textile Commissioner and was placed before the Committee again. On this occasion the Committee sought certain clarification as to whether the applicant firm's proposals would not contravene the provisions of the Cotton Textile Control Order, 1948. The committee deferred consideration of this case pending an examination of this issue.

The Committee was now informed that the applicant firm's proposals would not amount to a violation of the provisions of the Cotton Textile Control Order, 1948. The committee, therefore, recommended the grant of a licence.

(116) Application from the Phoenix Mills Ltd., Bombay, for a licence for the manufacture of new article viz. staple fibre yarn on 50 looms.

The Industrial Adviser (TP) stated that he would submit a note to the Licensing Committee regarding the diversion of cotton spindles for the manufacture of staple fibre yarn. The committee, therefore, deferred consideration of this case.

(117) Application from M/S. Indian Oxygen Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of the following articles:-

<u>FACTORY</u>	<u>OXYGEN</u>	<u>DISSOLVED ACETYLENE</u>
	<u>Expansion applied.</u>	<u>Expansion applied</u>
	<u>(M. cft.) per month</u>	<u>(M. cft.) per month.</u>
Burnpur,	18.00	00.72
Jamshedpur.	9.00	00.54
Calcutta	9.00	00.80
Delhi	--	00.54

Madras.	1.80	00.54.
Kanpur.	--	00.18.

On a representation made by the firm on the recommendations made by the Committee at a previous meeting, the Development wing had recommended expansion of capacity at certain units. The Committee approved of these. As regards the rest it agreed with the Chairman's suggestion, that a discussion might be held with representatives of the applicant firm with regard to the current and future requirements, the need for building up capacity in these areas and also the price policy, before a final decision is taken.

(118) Application from M/S. Berar Oil Industries, Akola, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of cotton seed oil from 900 tons to 1,100 tons per mensem.

As the scheme does not involve the import of capital equipment, the committee recommended the grant of a licence subject to the following conditions:-

- i) No oil seed except cotton seed should be treated.
- ii) Cotton seed should be delinted before extraction of oil.

(119) Application from The U.P. co-operative Cane Unions Federation Ltd., Lucknow, for a licence for the establishment of a new undertaking (The Cooperative Solvent Extraction Factory) at Lucknow (U.P.) for the manufacture of vegetable oil from 50 tons of oilcakes per day on three shift basis.

On a representation made by the U.P.

Government's representation the Committee deferred consideration of this case.

(120) Application from M/S. Atul Products Ltd.,
Bulsar, for a licence for effecting a substantial
expansion for the manufacture of the following
"new article" sulpho drugs in collaboration with
M/S. American Cyanamid Co. :-

(a) Sulpha drugs.

(1)	Sulfadiazine	224,000 lbs.
(2)	Sulfamerazine	50,000 "
(3)	Sulfamethazine (Sulphadimidine)	224,000 "
(4)	Sulfaguanidine	112,000 "
(5)	Sulfathiazole	448,000 "

(b) Intermediates and chemicals
required for the manufacture
of the above:

(1) For Sulfadiazine

- (a) Acetyl sulfanilychloride.
- (b) Isocytosine
- (c) 2-aminopyrimidine
- (d) Acetyl Sulfadiazine

(2) For Sulfamerazine

- (a) 2-amino-4-methylpyrimidine
- (b) Acetyl Sulfamerazine

(3) For sulfamethazine

- (a) 2-amino-4:6-dimethylpyrimidine
- (b) Acetyl sulfadimethylpyrimidine.

(4) For sulfaguanidine

- (a) Acetyl sulfaguanidine

(5) For sulfathiazole

- (a) 2-aminothiazole
- (b) Acetyl sulfathiazole.

The firm have stated that at this stage they cannot state the quantities of intermediates and chemicals required in the manufacture of sulpha drugs, but they will produce sufficient quantities to manufacture the sulpha drugs.

It was brought to the notice of the committee that a team of Russian experts would shortly be visiting the country and discuss the scope of a project for the manufacture of synthetic drugs, antibiotics and intermediates in the Public Sector. The Committee was therefore of the view that the application might be considered in detail after the report of the team of experts had been examined by the Government. The Committee, therefore, deferred consideration of this case.

(121) Application from M/S. Voltas Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new articles viz., 400 units of "Carrier" Refrigeration and Air Conditioning Units - type 50R6 (5HP) and 50K8 (7½ HP) and accessories (200 units of each type) per annum in collaboration with M/S. Carrier Corporation of U.S.A.

The Committee was informed that the items applied for were not at present being produced in the country. As the scheme does not involve the import of capital equipment, the Committee recommended the grant of a licence subject to the condition that import of components would be permitted only against such orders of Actual Users, as may be approved in accordance with the import policy in force from time to time.

(122) Application from M/S. Central India Machinery Manufacturing Co. Gwalior, for a licence for effecting a substantial expansion for the manufacture of new articles viz., 60 Nos. of universal cylindrical grinder external and 60 Nos. of universal internal grinder per annum. Foreign collaboration is envisaged.

The Committee recommended the grant of a licence subject to the firm's manufacturing programme and the terms of foreign collaboration being settled to the satisfaction of the Government.

(123) Application from M/S. Simac Group (India) Private Ltd., New Delhi, for a licence for the establishment of a new undertaking at Delhi, for the manufacture of 325 Nos. of Hand Knitting Machines per mensem in collaboration with M/S. Fuji High Speed Knitting Machine Manufacturing Co., Japan.

An application from this firm for the manufacture of 1,000 Hand Knitting machines per month was considered by the Licensing Committee at its meeting held on the 19th/20th December, 1957. The Committee recommended the rejection of the application as the annual recurring expenditure on the import of raw materials and on the import of components during the first two years would be heavy. This decision was communicated to the applicant firm.

The firm then submitted a revised scheme for the manufacture of 325 machines instead of 1,000 machines per month thus reducing the foreign exchange requirements. The Committee noted that even the revised manufacturing programme involved the import of components to the extent of Rs. 3 lakhs (approximately) in the first year and Rs. 2.26 lakhs in the second year. Doubts were expressed about the suitability of this type of machine and having regard to the present foreign exchange position, the Committee recommended rejection of this application.

(124) Application from M/S. New Standard Engineering Co. (Private) Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 1,200 tons of standard steel window and door frames, per annum.

At the meeting held on the 30th August, 1957, the Licensing Committee considered the application of this firm for substantial expansion. On the basis of the facts brought to the notice of the Committee, the Committee felt that substantial expansion was not involved as the firm did not need any additional equipment.

Subsequently the Committee was informed that the full details of the case had not been placed before the Committee. The Committee was informed that the applicant firm had purchased plant and machinery which the firm proposed to instal in its existing undertaking where steel structurals were already being manufactured under a licence. The Committee was informed that the expansion envisaged had no relation to the scheme already licensed (Licence No. I/4/105/56 dt. 3-8-56) in favour of the firm for the establishment of a new industrial undertaking at Borivili (Bombay).

The Committee therefore recommended the grant of a licence for the expansion proposed to be effected to the applicant firm's existing industrial undertaking at Santa Cruz (Bombay).

/1,800 Railway
wagons and

(125) Application from Sarvashri N. Mahalingam and V.K. Palaniswamy Gounder, Coimbatore, for a licence for the establishment of a new undertaking (M/S. Sakthi Engineering Ltd.,) at Podanur or Pollachi, Distt. Coimbatore (Madras), for the manufacture of 1,800 tons of structural work both for Railway and general purposes per annum.

Railway Wagons:

The Committee was informed that the applicant firm was not one of those selected by the Railway Board for the manufacture of wagons. The Committee was also informed that the Ministry of Railways had already made arrangements for installation of the capacity necessary for the manufacture of the required number of wagons. The Committee, therefore, recommended rejection of this portion of the application.

Structural Work:

The Committee noted that the estimated requirements of capital equipment was on the low side. The Committee, therefore, desired that the Development Wing might discuss this aspect with the firm and ask the firm to put up a revised scheme. The Committee, therefore, deferred consideration of this part of the application.

(126) Application from M/S. Ulhas Oil and Chemicals Industries Private Ltd., Kalyan, for a licence for the manufacture of new article viz. 1,500 tons of Dicalcium Phosphate per mensem.

The Committee recommended the grant of a licence subject to the conditions that indigenous machinery is used and the Firm adopts a process not involving the use of Sulphur.

(127) Note on the applications for the installation of plants for the manufacture of Pig Iron.

Applications from:-

(i) M/S. Thakur Prasad Sao, Chaibasa, Bihar, (M/S. Sao Iron and Steel Industries Private Ltd.,) Location: Ghatkuri (Bihar) - Capacity: 15,000 tons of pig iron per annum by low shaft furnace process.

(ii) Shri Harischandra Prasad, M.L.A., Tanuku, Location: Kovvur (Andhra Pradesh) - Capacity: 15,000 tons of pig iron per annum to be cast into spun pipe class 'B' 1,200 tons of malleable iron castings by low shaft furnace process.

(iii) M/S. Nandram Hunstram, Calcutta, (M/S. Tomka Iron and Steel Industries Private Ltd.) Location: Tomka (Orissa) -- Capacity: 15,000 tons of pig Iron per annum by small dimension blast furnace (Low Shaft Furnace).

(iv) M/S. Hind Traders, Bombay, for a licence for the establishment of a new industrial undertaking at Chanda, Bombay, for the manufacture of 15,000 tons of Pig Iron per annum (by low shaft furnace process.)

(v) Shri D.T. Punjabi, Proprietor, New India Export Import Co., Bombay, for a licence, for the establishment of a new undertaking "New India Export Import Co." at Chanda, Bombay, for the manufacture of 15,000 tons of pig iron per annum (Process not stated).

(vi) M/S. Saraf and Sons, Bombay, for a licence for the establishment of a new undertaking at Barwaha, Nimar District (Madhya Pradesh) for the manufacture of 15,000 tons of pig iron/castings per annum (By low shaft furnace process).

(vii) Shri Nandlal Todi, Calcutta, for a licence for the establishment of a new industrial undertaking "M/S. Todi Steel Corporation Ltd." around Calcutta, for the manufacture of 54,000 tons of pig iron /M/S. Billets per annu, from scrap.

(viii) M/S. Sepulchre Brothers (India) Bombay, for a licence for the establishment of a new industrial undertaking "Metallurgical Industries of Sepulchre Bros." at Bombay, for the manufacture of the following articles, from scrap:-

<u>Name of the article</u>	<u>capacity per annum (Tons.)</u>
Synthetic Pig Iron	12,000
Cast Iron sleeper Plates and other Iron Castings.	30,000
Special Malleable Iron castings.	6,000

(ix) Shri Mulraj Kersandas, Bombay (M/S. Rajasthan Iron and Steel Works) Location: Jaipur (Rajasthan), Capacity: 15,000 tons.

(x) M/S. Ramakrishna Industries Private Ltd., Location: In the District of Salem Madras State, Capacity: 18,000 tons.

Applications from the following firms were considered by the Licensing Committee at the meeting held on 19th/20th December, 1957:-

(i) Shri Mulraj Kersandas, Bombay (M/S. Rajasthan Iron and Steel Works) - Location: Jaipur (Rajasthan) - Capacity: 15,000 tons.

(ii) M/S. Thakur Prasad Sao, Chaibasa (Bihar) (M/S. Sao Iron and Steel Industries Private Ltd.,) Location: Ghatkuri (Bihar) - Capacity: 15,000 tons.

(iii) M/S. Nandram Hunatram, Calcutta (M/S. Tomka Iron and Steel Industries Private Ltd.,) Location: Tomka (Orissa) - Capacity: 15,000 tons.

(iv) M/S. Ramakrishna Industrials Private Ltd., - Location: In the District of Salem Madras State, Capacity: 18,000 tons.

(v) Shri Harischandra Prasad, Tanuku - Location: Kovvur (Andhra Pradesh) - Capacity: 15,000 tons.

The Committee desired that it might be ascertained from the applicant firms whether any foreign investment would be forthcoming and

whether their foreign collaborators would furnish details of the economics of production in similar plants set up elsewhere. The Committee deferred consideration of these applications.

These applicant firms were, therefore, requested to furnish the information required by the Licensing committee. Only M/S. Nandram Hunatram, Calcutta, has furnished some information, while M/S. Ramakrishna Industrial Private Ltd., Madras, and M/S. Mulraj Kersandas, Bombay, have stated that they are not interested in pursuing the schemes originally sponsored by them. M/S. Thakur Prasad Sao, Bihar, and Shri M. Harischandra Prasad, Andhra Pradesh have not sent any information so far.

At the meeting held on 10th March, 1958 an application from Shri M. Kuppaswamy Naicker, Bangalore, was considered. The Committee desired that the applicant firm should be asked to finalise the terms of foreign collaboration within 2 months. The firm was addressed on the 14th April, 1958, and a reply from the firm is still awaited.

Five more applications for setting up of units for the manufacture of pig iron have since been received. These are from:-

- (i) Shri Nandlal Todi, Calcutta (Todi Steel Corporation Ltd., Calcutta.)
- (ii) M/S. Hind Traders, Bombay.
- (iii) M/S. New Indian Export Import Co., Bombay.
- (iv) M/S. Sepulchre Brothers, Bombay.
- (v) M/S. Saraf and Sons, Bombay.

All these schemes were considered by the Licensing committee.

The committee was informed that the schemes sponsored by M/S. Todi Steel Corporation Ltd., Calcutta and M/S. Sepulchre Brothers, Bombay, envisages the conversion of scrap which is now exported, into pig iron. The committee, therefore, recommended the grant of a licence to these two firms subject to the foreign exchange requirements being considered by the CG/HEP Committee.

With regard to the other applicants, the Committee recommended rejection of their applications for the following reasons:-

- i) There is likely to be surplus production of pig iron in the country by the time the schemes are put up, if accepted, would materialise.

- (131) Application from M/S. Shree Jagdish Oil Industries, Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of cottonseeds from 750 tons to 3,250 tons per mensem.
- (132) Application from M/S. Sundatta Foods and Fibres Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of vegetable oil from 30 tons cottonseed to 130 tons per day and 100 tons of groundnutseed per day.
- (134) Application from M/S. Bombay Oil Industries Private Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the processing of oilseeds from 1,000 tons to 2,250 tons per mensem.

As a large number of schemes of this type already been licensed have been held up for want of foreign exchange for the import of capital equipment, the Committee was not in favour of licensing additional capacity in this field. The Committee, however, had no objection to the grant of a licence to the applicant firms provided they were able to arrange for the import of the capital equipment required for the expansion schemes from out of the foreign exchange earned by their exports.

- (133) Application from M/S. Ishverlal Shamaldas Patel, Bombay, for a licence for the establishment of a new undertaking (M/S. Laxmi Oil Extraction Company) at Ahmedabad, for the manufacture of vegetable oils including solvent extraction of oilcakes. (Capacity: 1,175 tons of groundnut, nowrah, cottonseed and castor oil cakes, per mensem.)

As large number of schemes which had already been licensed have been held up for want of foreign exchange for the import of capital equipment, the Committee was not in favour of licensing additional capacity in this field. The Committee, therefore, recommended rejection of the application.

- (135) Application from Shri Kishan Chand, New Delhi, for a licence for the establishment of a new undertaking (M/S. Delhi Glass Factory) at Delhi, for the manufacture of 900 tons of bottles (including beer, milk, soda and pharmaceutical bottles), 50 tons of vials and neutral glass bottles, 150 tons of pressed ware and tumblers and 100 tons of hollow ware per mensem, on three shift basis.

The Committee observed that the scheme envisaged considerable foreign exchange expenditure on account of the import of capital equipment (Rs. 17 lakhs). The Committee, therefore, recommended rejection of the application.

- (136) Application from M/S. The Bombay Oil Industries Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of new article viz., 125 tons of distilled fatty acids per mensem.

The scheme envisages the manufacture of fatty acids by utilising soap stock obtained as a by-product in the firm's cottonseed oil factory. As commercial exploitation of soap stock obtained in refining cottonseed oil would help to develop the cottonseed oil industry on modern lines and would result in the utilisation of a product which would otherwise be wasted, the Committee recommended the

grant of a licence subject to the foreign exchange requirements being screened by the C.G./HEP Committee.

- (137) Application from The East Coast Food products Ltd., Guntur, for a licence for the manufacture of new article viz., vegetable oilcakes (solvent extraction process). (Capacity: 1,250 tons per mensem.)

The Committee recommended the grant of a licence, on the understanding that only indigenous machinery would be used.

- (138) Application from M/S. Ginner and Pressers private Ltd., Bombay, for a licence for the establishment of a new undertaking at Abohar (punjab), for the manufacture of 250 tons of cottonseed oil or 2085 tons in terms of cottonseed, 10 tons of acid oils and 25 tons of soap per mensem.

The scheme envisages the manufacture of:-

- (1) Cottonseed oil
- (2) Acid Oils
- (3) Soap

With regard to the manufacture of cottonseed oil, the Committee was informed that there was no modern cottonseed crushing unit in the punjab. The committee, therefore, recommended the grant of a licence for the manufacture of cottonseed oil subject to the condition that the applicant firm would not import any capital equipment for this purpose.

with regard to the manufacture of Acid oils, the Committee recommended the grant of a licence subject to the condition that the applicant firm would not import any capital equipment for this purpose.

As regards Soap, as there was already sufficient capacity in the country for the manufacture of soap, the Committee recommended rejection of this part of the application.

- (139) Application from Shri R.L. Maheshwari, Gauhati, for a licence for the establishment of a new undertaking (M/S. Maheshwari Flour Mills) for the manufacture of 1,100 tons of Flour, Suji, Atta and Bran per mensem, on three shift basis.

In view of the fact that there is already sufficient overall capacity in the country for flour milling, the Committee was not inclined to view the present proposal favourably. Moreover, the proposals involved foreign exchange expenditure on account of the import of capital equipment. The committee, therefore, recommended rejection of the application.

- (140) Application from M/S. New Central jute Mills Co.Ltd., Calcutta for a licence for effecting substantial expansion for increasing their capacity for the manufacture of Soda Ash from 40,000 tons to 80,000 tons and Ammonium Chloride from 40,000 tons to 80,000 tons per annum. (Foreign collaboration with main machinery suppliers in U.S.A., Japan and Continent may be arranged.)

The Committee was informed that adequate capacity

had already been licensed for soda ash to achieve the capacity targetted for the Second Five year Plan period. The Committee felt that the scheme depended upon ammonium chloride being popularly accepted as a fertiliser. The Committee desired that the Ministry of Food and Agriculture might be asked to give their considered views and attitudes towards ammonium chloride. The case should be brought up to the Licensing Committee again after obtaining the views of the Ministry of Food and Agriculture.

- (141) Application from M/S. Gahu Jain Ltd., Calcutta, for a licence for the establishment of a new undertaking at Balagnat (Madhya Pradesh), for the manufacture of 1,500 tons of paper per mensem, on three shift basis.
- (142) Application from Shri Kantilal K. Sheth, Bombay, for a licence for the establishment of a new undertaking (M/S. India Paper Manufacturing Co. Ltd.) at Tehsil Khopoli or Karjat District Thana or Bhiwandi (Bombay), for the manufacture of 1,800 tons of printing, writing, wrapping M.G. and M.F. papers and Boards per annum.
- (143) Application from M/S. Gobardhan Lal Ram Lakhan Lal, Patna, for a licence for the establishment of a new undertaking at Champaran (Bihar), for the manufacture of 1,560 tons of cheap wrapping papers and thin boards per annum.

As a large number of schemes which had already been licensed have been held up for want of foreign exchange for the import of capital equipment, the Committee was not in favour of licensing additional capacity in this field. The committee, therefore, recommended rejection of these applications.

- (144) (a) Application from M/S. Dunlop Rubber Co. (India) Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of cycle tubes from 700,300 Nos. to 937,500 Nos. per mensem.
- (b) Application from M/S. Gore and Co., Bombay, for a licence for the establishment of a new undertaking (M/S. National Rubber Works or Hind Rubber Works), for the manufacture of 75,000 Nos. of bicycle tyres and 75,000 Nos. of bicycle tubes per mensem.
- (c) Application from M/S. The Cosmas India Rubber Works (Private) Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 1,000 each of cycle tyres and tubes per mensem.

The applications of Messrs. Dunlop Rubber Co. and Messrs. Gore & Co., Bombay, for the manufacture of bicycle tyres and tubes, were considered by the Licensing Committee at the meeting held on 23rd May, 1958. On that occasion the Committee desired that the Development Wing should prepare a comprehensive note regarding the present position of the bicycle tyres and tubes industry with reference to the present and projected capacity for the manufacture

of cycles, cycle tyres and tubes and indicate the gap, if any, that should be made good in the cycle tyres and tubes industry. The Committee desired that the case should be brought up again for consideration.

The Committee now observed that there was scope for licensing additional capacity for the manufacture of bicycle tyres and tubes, and recommended the grant of a licence in these two cases subject to the condition that the foreign exchange requirements should be screened by the CG/HEP Committee.

The Committee also recommended the grant of a licence to M/S. Cosmos Rubber Works, Bombay, for the manufacture of cycle tyres and tubes on the same terms.

(145) Application from M/S. Golden Tobacco Co. Private Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of 3.5 crores of cigarettes per mensem.

The Committee was inclined to consider the scheme favourably only if the applicant firm was able to meet the foreign exchange requirements for the import of capital equipment and raw materials from out of its export earnings. The committee recommended the grant of a licence on these terms.

(146) Application from M/S. Associated Rubber Industries Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of synthetic rubber cots from 18,750 rft. to 29,750 rft. and Synthetic Rubber Aprons from 1,900 rft. to 29,500 rft. per mensem, in collaboration with M/S. Armstrong Cork Co. Ltd., London.

The Committee recommended the grant of a licence subject to the terms of foreign collaboration being settled to the satisfaction of the government. The Committee also approved of the applicant firm's proposal to shift the factory premises from Bhavnagar to Bombay.

(147) Application from M/S. W.T. Hon-loy's Telegraph Works Co. Ltd., Calcutta, for a licence for the establishment of a new undertaking in Bombay area for the manufacture of 2,000 core miles i.e. 42 million core yards of rubber and plastic cables per annum on double shift basis in collaboration with M/S. Honley's Telegraph Co. Ltd.

The Committee recommended the grant of a licence, subject to the terms of foreign collaboration being settled to the satisfaction of the Government.

(148) Application from M/s. Shashi Brothers Ltd., Bombay, for a licence for the establishment of a new undertaking (M/S. Bombay Insulated Cables and Rubber Products) at Bombay, for the manufacture of 12 million yards of C.T.S. wires, 6 million yards of V.I.R. Cables and 6 lakh feet of rubber hose pipes and 150,000 lbs. of moulded goods per annum. Foreign collaboration envisaged.

(i) CTS Wires & VIR Cables:-

The Committee recommended the grant of a licence, subject to an assessment of capacity being made by Development Wing.

(ii) Rubber Hose pipes and moulded Goods:

The Committee was informed that there was already adequate capacity for the manufacture of these products in the country. The Committee recommended rejection of this part of the application.

(149) Review of the Policy regarding expansion of woollen worsted yarn industry.

After consideration of the note reviewing the position of the woollen worsted yarn industry, the Committee was of the view that the capacity already installed and projected would be sufficient to meet both the indigenous demand for yarn as well as any requirements for exports. The Committee observed that there was, therefore, no scope for expansion in this field at present. The Committee, therefore, recommended that all pending applications as well as those received during the next three years for the installation of spindles for the manufacture of woollen worsted yarn might be rejected without further reference to the Licensing Committee.

(150) Application from M/S. Veraval Oilcake Co. Veraval (Saurashtra), for a licence for the establishment of a new undertaking based on Vertical Shaft Kiln Process for the manufacture of 49,500 tons of Portland Cement per annum or 150 tons per day on three shift basis.

The scheme envisages the manufacture of cement by the Vertical Shaft Kiln Process. The Committee was informed that this scheme was the first of its kind in the country and was more in the nature of an experiment. The Committee observed that the scheme of this nature deserved special consideration. The Committee therefore, recommended the grant of a licence.

(151) Application from M/S. Best and Co., Madras, for a licence for effecting substantial expansion for the manufacture of New Article (viz. Dynamos, Starter motors, Control units and ancillary electrical equipment for automobiles).

M/S. Best and Co., are already licensed for the manufacture of electric motor driven pumps and electric lifts. They now propose to expand their activities for the manufacture of the following electrical equipment for automobiles in technical collaboration with M/S. Simms Motor units, Ltd., London:-

<u>Items.</u>	<u>Year</u>	<u>Capacity per annum.</u>
Dynamos, Starter	1st	6,000 sets
Motors, Control	2nd	13,000 sets.
Units and ancillary	3rd	27,000 sets.
equipment for	4th &	48,000 sets.
automobiles.	onwards.	

The Committee noted that there was only one firm in the country which had been licensed for manufacturing dynamos for Hindustan cars only. As the electrical equipment proposed to be manufactured by the applicant firm would be utilised as original equipment for vehicles under development in the country as well as for replacement purposes, it recommended grant of the licence applied for, subject to the terms of foreign collaboration being settled to the satisfaction of Government and the import of capital equipment being cleared by the CC Committee.

(152) Recommendations of the Licensing Committee on the application which was referred to the Members in circulation on the 10th July, 1958.

This was noted.

(153) Summary of outstanding applications for licence under the Industries (Development and Regulation) Act, 1951 - As on the 10th July, 1958.

This was noted.

(154) Application from M/S. Sen-Keleigh Industries of India Ltd., Calcutta, for a licence for the manufacture of a new article viz. bicycle saddles. (Capacity: no additional capacity has been applied for. The firm intend the manufacture saddles to two new brands upto 40% of their sanctioned capacity of 540,000 saddles, per annum). Foreign collaboration with M/S. J.B. Brooks and Co. of England is envisaged.

The applicant firm has already been licensed for the manufacture of Wittkop brand bicycle saddles in collaboration with M/S. Wittkop Company, Germany. The present scheme envisages the manufacture of two other brands of bicycle saddles - Brooks and Lycette in collaboration with M/S. J.B. Brooks and Co., England. The applicant firm proposes to manufacture these two new brands of bicycle saddles within the overall capacity already licensed to the firm. The Committee desired that enquiries might be made of the applicant firm as to why exactly the firm desired to make a change in the brand of bicycle saddles manufactured by them. The Committee also desired that enquiries might be made as to the production achieved by the applicant firm as against the capacity licensed to it. The Committee, therefore, deferred consideration of this case.

(155)

(a) Application from M/S. Birla Brother (Private) Ltd., Bombay, for a licence for the establishment of a new undertaking at Bombay, for the manufacture of 2 million Nos. of Electronic Valves for Radios per annum, in collaboration with M/S. Radio Corporation of America.

(b) Application from M/S. Philips India Ltd., Calcutta, for a licence for effecting a substantial expansion for the manufacture of new articles viz. 1.8 million Nos. of Radio receiving valves, 0.4 million Nos. of semi-conductors - Diodes - and 1.5 million Nos. of Transistors per annum (in the final stage). Foreign collaboration envisaged.

Representatives of the Defence Ministry stated that while the Defence Minister had agreed to proposals from the private sector being entertained for the manufacture of valves, there was every danger that the grant of such permission might jeopardise the plans which Bharat Electronics (Private) Ltd., had for making such valves.

The Committee felt that if Bharat Electronics were indeed able to proceed with this project, there would be hardly any case for entertaining any of the proposals from the private sector. At the same time, it was felt that if for reasons of foreign exchange or any other similar considerations Bharat Electronics was not able to proceed in the matter immediately, then capacity in the private sector should be encouraged so that the continuous foreign exchange drain on account of import of valves is eliminated as soon as possible.

The Committee, therefore, decided to defer consideration of the two pending applications until the next meeting by which time it hoped it will be possible for Bharat Electronics (Private) Ltd., also to put in an application if they found themselves in a position to proceed with the manufacture of valves.

(156) Applications for licence for the manufacture of Earth Moving Equipment from:-

(i) M/S. Howrah Trading Co. Private Ltd., Calcutta, for effecting a substantial expansion to their existing industrial undertaking for the manufacture of the following New Articles in collaboration with M/S. Hovers Construcctie, N.V. Holland:-

<u>Name of product.</u>	<u>Annual capacity in Nos.</u>
Excavators (on tracks & Pheumatic tyres) and necessary attachments to equip them such as dragline, shovel, trench hoe, skimmer, hoistcrane, clamshell crane & piledriver.	a) Type "1000" (Capacity 1 cu.metre) ... 15
	b) Type "750" (Capacity 1 cu.yd. ie., 0.76 cu.metres) ... 15
	c) Type "600" (Capacity $\frac{3}{4}$ cu.yd. ie., 0.57 cu.metres). ... 10
Total	40

(ii) M/S. Agrind Fabrications Ltd., C. Cutta, for a licence for the manufacture of the following New Articles in collaboration with M/S. John Fowler & Co. of U.K.

<u>Name of products.</u>	<u>Annual Capacity in Nos.</u>
(a) Fowler Challenger III Crawler tractor 104.5 B.H.P.	96
(b) Fowler Challenger IV Crawler tractor 150 B.H.P.	Not indicated, To be produced later.
(c) Blaw Knox type 'F' Cable Control Unit.	48
(d) Blaw Knox Cable Angledozer.	24
(e) Blaw Knox 'Challenger Ninety' Scraper 8/11 cu.yd.	48

(iii) M/S. Voltas Ltd., Bombay, for a licence for the manufacture of a New Article namely P & H Model 955-A Excavators (2 $\frac{1}{2}$ cu. yds. capacity) (Capacity: 30 Nos. per annum) in collaboration with M/S. Harnischfeger Corporation, U.S.A.

(iv) M/S. Textile Machinery Corporation Ltd., Belghuriah, West Bengal, for a licence for the manufacture of the following New Articles in collaboration with M/S. Letourneau Westinghouse Co., U.S.A. and also with M/S. Thew Shovel Co., U.S.A. :-

<u>Item</u>	<u>Annual Capacity in Nos. (Single Shift.)</u>
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Earth Moving equipment such as:

- | | | |
|-----------------------|---------------------------|------------|
| a) Motorised scrapers | 12 to 18 cu. yds. | } 150 Nos. |
| b) Towed Scrapers | heaped capacity. | |
| c) Motorised Dumpers | (22 tons capacity | |
| d) Excavators. | upto 2½ cu. yds capacity) | |

(vi) M/S. Hindustan Motors Ltd., Calcutta, for a licence for the manufacture of the following new articles in collaboration with M/S. Caterpillar Tractor Co. Peoria and also with M/S. Marion power shovel Co. Marion, U.S.A. :-

<u>Item</u>	<u>CAPACITY</u>
a) Caterpillar crawler Bulldozer D-7	1 Nos per day per shift
b) " " " " D-8	1½ Nos. " "
c) " " " " D-21&470	2 Nos. per week "
d) Tractor towed Scraper	2 Nos. " "
e) Caterpillar Athay rear dumper with tractor 15.6 cu.yds.	1 No. " "
f) Euclid Rear Dumper	1 No. per day "
g) Marion Shovels	1 No. per month "

(vii) M/S. Voltas Ltd., Bombay, for a licence for the manufacture of the new articles namely International Harvester 'HTP' - 18 of 105.88 DBHP (Belt HP: 128.31) crawler tractors. (Capacity: 200 Nos. per annum) in collaboration with M/S. International Harvester Company of Great Britain Limited, London.

(viii) M/s. Dashabhai Patel & Co. Private Ltd., Bombay, for a licence for the manufacture of the following new articles in collaboration with M/S. Vendor of Milan, Italy and also with M/S. Woolridge Terracobra of M/S. Continental Copper and Steel Ind. of America.

<u>Item.</u>	<u>Capacity</u>
<u>'Vendor' crawler tractors.</u>	
a) 325 BHP tractor with power control unit and scraper.	} Not indicated in respect of any item.
b) 135 BHP tractor with power control unit and scraper.	
c) 60 BHP tractor with power control unit and bull-dozer.	
d) Motorised scrapers & Dumpers.	

(ix) M/S. K.M. Khanna & B.K. Khanna, New Delhi, for a licence for the establishment of a new undertaking at Madras for the manufacture of the following items in collaboration with M/S. Allis Chalmers International, Milwaukee, Wisconsin, U.S.A. :-

<u>Item</u>	<u>Capacity per annum (on single shift.)</u>
1) Tractors & Bulldozers:	250 Nos.
2) Scrapers Motorised:	100 Nos.
3) Scrapers Towed:	40 Nos.
4) Wagons (Dumpers) Motorised:	100 Nos.
5) Control Units for above:	100 Nos.

At the outset, the Committee was informed that the Ministry of Defence had decided to take up the production of Class I, II and IV tractors plus bull graders in ordnance factories in collaboration with M/S. International Harvester. Though the programme was primarily intended for meeting defence needs, the Defence Ministry had indicated its willingness to produce for the civil market 100 tractors each of classes I and II and 50 tractors of class IV, provided the requisite amount of foreign exchange needed to cater for the civil market was made available.

2. It was further explained by the representative of the Defence Ministry that discussions were in progress for making Rolls-Royce engines to be fitted to class II tractors and if this arrangement did not materialise, an attempt might be made to use Leyland engines made by the Madras factory. The Defence Ministry had no plans for making motorised dumpers, scrapers, shovels, excavators, etc. but if there was a request for them the ordnance factories might consider making these items.

3. The Committee felt that as the estimates of demand taken into account by the panel of experts and by the Development Wing did not include defence requirements, the case for sanctioning additional capacity for meeting civilian requirements was not basically affected by the Defence programme. On the other hand, if the Ordnance Factories were able to meet civilian requirements, there might not be a case for spending large amounts of foreign exchange on new plant and machinery for making such tractors. The view was expressed that there was some risk in relying on ordnance factories to meet civilian requirements because in an emergency the capacity might not be available for this purpose.

4. It was also observed that among the various applicants M/S. Hindustan Motors' proposals also were based on the utilisation of existing plant and machinery and that of M/S. B.K.Khanna on utilising the plant and machinery which they would be installing for the manufacture of cranes, structurals and other items for which they had already been approved by the Licensing Committee.

5. The Committee felt that as the production programme of ordnance factories did not come within its purview, the question of the extent to which the civil demand should be catered for by the ordnance factories should be decided by Government after considering the details of the programme in ordnance factories. However, so far as the applicants from the private sector were concerned, the Committee felt that consideration need be given only to M/S. Hindustan Motors and M/S. Khannas for the reason set out in para 4 above. The proposal of Voltas to make International Harvester tractors was ruled out of consideration for the reason that M/S. International Harvester by virtue of their agreement with the Defence Ministry were precluded from making similar equipment elsewhere in India.

6. The Committee next turned to the various items of allied equipment. In doing so, it was decided to confine attention to only those makes, which were on the approved list of the Ministry of Irrigation and Power and had been referred to by the panel of experts in its report. The Committee felt as follows:-

(a) In regard to shovels and excavators, the Committee took note of the fact that M/S. Bimal & Kamal Khanna had already been approved for the manufacture of Baldwin-Lima excavators. The scheme submitted by

M/S. Voltas for the manufacture of P & H excavators did not appear satisfactory inasmuch as the programme seemed protracted. In the circumstances, the Committee recommended rejection of the scheme of M/S. Voltas. In regard to the manufacture of Marion shovels, which M/S. Hindustan Motors had proposed, the Committee agreed with the view of the Development Wing that the programme was not complete and that full details of the collaboration had not been indicated.

(b) In regard to motorised scrapers, there were three schemes under consideration (i) one from M/S. Bimal and Kamal Khanna, (2) from M/S. Texmaco and (3) from M/S. Hindustan Motors. It was noted that M/S. Texmaco had not submitted a full programme of manufacture for Letourneau-Westinghouse scrapers or the terms of collaboration. As regards Caterpillar scrapers proposed to be made by Hindustan Motors, the Committee took note of the observation of the Development Wing that the firm had not proposed to manufacture motorised scrapers but towed scrapers and 'athay' rear dumpers attached to tractors. These vehicles were dependent upon the manufacture of tractors, whereas motorised dumpers and scrapers were of a special class by themselves. In the circumstances, the Committee felt that the manufacture of Allis Chalmers scrapers by M/S. Bimal & Kamal Khanna seemed more attractive.

(c) Coming to motorised dumpers, it was noted that apart from M/S. Texmaco, who stood rejected as per the previous discussions, there were two firms interested in their manufacture viz. M/S. Hindustan Motors and M/S. Bimal & Kamal Khanna. It was stated that the programmes of manufacture submitted by both the parties were fairly competitive. It was further noted that the make of equipment offered by Hindustan Motors was the more popular.

7. Having thus reviewed the position, the Committee felt that both in regard to tractors and in regard to allied equipment, the applications of M/S. Hindustan Motors and M/S. Khanna seemed to merit consideration. Each had some favourable points in its favour. While it was possible to give some line of equipment to one firm and another to the other one, it would on the whole be advantageous not to split up the production of allied items in this manner. Essentially, however, the decision should rest upon the consideration whether the manufacturing programme as set down on paper by each of the two firms was realistic. It was essential for Government to be satisfied on this score. For this the Committee suggested that the Senior Industrial Adviser (Engineering) (Dr. Kalelkar) might call the representatives of the firms and discuss points of technical detail with them, particularly in regard to the plant and machinery which they would have and their ability to fulfil their manufacturing programme as given in their applications. Thereafter the matter might be further discussed with representatives of Ministries of Defence and Irrigation and Power in order to reach a final decision.

(157) Application from M/S. Narendra and Co., Dehra Dun, for a licence for the establishment of a new undertaking for the manufacture of 100,000 coils of safety fuse and 1,200 maunds of blasting powder per annum.

The scheme envisages the manufacture of (a) safety fuses, (b) blasting powder.

With regard to (a) the Committee was informed that there was no justification for the creation of any additional capacity for the manufacture of this item and that the unit proposed to be installed was likely to be uneconomical. The Committee therefore, rejected this part of the application.

With regard to the manufacture of (b) the committee was informed that there was no justification for the creation of any additional capacity for the manufacture of this item. The Committee, therefore rejected this part of the application. The Committee, however, felt that it might be worthwhile examining the possibilities of undertaking the manufacture of quality sporting powder by a suitable party if the applicant or any other party desired to go into

(158) Application from Mr. J.T.L. Homewood Calcutta on behalf of The Nestle Alimentaria Company, for a licence for the establishment of a new undertaking (M/s. Ashok-Nestle (Private) Ltd.) at Patiala (Punjab), for the manufacture of the following:-

<u>Name of the product.</u>	<u>Capacity proposed.</u>
Sweetened Full Cream Condensed Milk.	4,000 tons per annum based on continuous two shift operation. (It is expected that 500 tons will be produced in the first year rising to 1,500 tons in the third year in accordance with milk supply and market requirements.)

Followed by:-

Powdered Full Cream Milk	Production to start as and when milk of adequate quality and quantity is available.
Baby Foods.	Breakfast foods and soluble
Breakfast foods.	foods.
Nestle special infant CoffCC foods.	CoffCC may be manufactured to provide economic loading on the special plant required for the manufacture of Baby Foods.
Soluble CoffCC.	
Ghee and Butter Casein.	

(Foreign collaboration with Central Fundamental Research Institution of the Nestle Group.)

The Committee recommended the grant of a licence subject to the terms of the foreign collaboration being settled to the satisfaction of the Government.

(159) Application from M/s. A. Wander Limited, London, for a licence for the establishment of a new undertaking (M/s. A. Wander of India (Private) Ltd.), in Bombay State for the manufacture of 2,50,000 lbs. of Ovaltine per mensem or 1,320 tons of Ovaltine per annum in collaboration with M/s. A. Wander Ltd., London.

As the scheme involved substantial imports of coco powder and other raw materials the Committee was not favourably inclined towards this proposal. (The Committee was informed that M/s. Cadbury-Fry (India) Ltd., were manufacturing Bornvita a similar product at a comparatively lower cost from out of imported raw materials.) The Committee, therefore, recommended rejection of the application.

(160) Application from Shri Nanubhai Jhaveri, Bombay, for a licence for the establishment of a new undertaking (Nanubhai Industries (Private) Ltd.) at Bombay, for the manufacture of 30,000 K.G. of Monofilament and multifilament Nylon Yarn, per mensem. (Collaboration envisaged.)

The Committee recommended the grant of a licence subject to the condition that the applicant firm should undertake the manufacture within the country of its requirements of intermediate salts from indigenous raw materials within five years from the date of issue of the licence.

(161) Applications from:-

(i) Shri B.B. Bhowmick, (M/s. Radon House, Calcutta) for a licence for effecting a substantial expansion for the manufacture of X-Ray equipments in collaboration with M/s. Compagnie Generale De Radiologic, Paris.

	<u>Existing.</u>	<u>Capacity per annum.</u>
		<u>After Expansion.</u>
1. 200 M.A.	1	24
2. 100 M.A.	1	72
3. 50 M.A.	2	Nil.
4. 30 M.A.	1	48
5. 15 M.A.	3	120
6. Diffraction.	1	60

- (ii) M/s. Escorts (Agents) Private Ltd., Delhi, for a licence for the establishment of a new undertaking at Patiala or Faridabad, for the manufacture of X-Ray equipments in collaboration with M/s. Westinghouse, U.S.A.

Year.	Capacity.				
	15	30	50	100	200
	M.A.	M.A.	M.A.	M.A.	M.A.
1st	10	60	40	50	10
2nd	10	110	60	100	20
3rd	20	140	80	130	30
4th	20	190	120	150	30

- (iii) M/s. Siemens Engineering and Manufacturing Co. of India Private Ltd., Bombay, for a licence for the establishment of a new undertaking at Worli, Bombay for the manufacture of X-Ray equipments in collaboration with M/s. Siemens, Rainiger Works, West Germany.

Year.	Capacity.		
	25/50	100/150	150/300
	M.A.	M.A.	M.A.
1st	70	--	--
2nd	105	20	--
3rd	150	35	5
4th	200	45	20
5th	200	50	25

- (iv) M/s. General Electric Co. of India Private Ltd., Calcutta, for a licence for the establishment of a new undertaking at Calcutta, for the manufacture of X-Ray equipments in collaboration with M/s. Watson and Sons Electromedicals Ltd., U.K.

Year.	Capacity.	
	100 M.A.	15 M.A.
1st	7	12
2nd	9	14
3rd	11	20
4th	22	45
5th	35	66

(Extra Beaver tables and MX 2 fluoroscopic stands will also be manufactured.)

- (v) Managing Director, M/s. Bharat Electronics Private Ltd., Bangalore, for a licence for the establishment of a new undertaking at Jalahalli, Bangalore, for the manufacture of X-Ray equipments. (Foreign collaboration envisaged.) (Capacity: X-Ray equipment worth Rs. 250/- lakhs. in the next five years.)

The Committee desired that a comparative study of the foreign exchange requirements and the terms of foreign collaboration involved in all these cases might be made and the applications brought up for consideration at its next meeting. The Committee, therefore, deferred consideration of these applications.

- (162) Review of the present position of roller flour milling industry in India.

The Committee deferred consideration of this item to the next meeting.

- (163) Application from M/s. Hoechst - Fedco Pharma (P) Ltd., Bombay-1, for a licence for effecting a substantial expansion for the manufacture of the new articles detailed below in the existing collaboration with M/s. Farbwerke Hoechst A.G., Germany.

NAME OF PRODUCTS AND CAPACITY PROPOSED:

<u>Trade Mark.</u>	<u>Produce</u> <u>Antibiotics.</u>	<u>Monthly capacity</u>
1. HCS	Tacycline Tetracyclin Hydrochloride.	50 mg. → 2,000 capsules. 250 mg. → 100,000 " 100 mg. iv → 5,000 vials. 250 mg. iv → 20,000 "
2. Stellamycin	Dihydrostreptomycin 0.5 gm. + ~ Streptomycin (0.5 gm.)	200,000 vials.
3. Hostamycin.	Proc. Penicillin + Penicillin G Sodium + Dihydrostreptomycin.	200,000 vials.
4. Dihydrostreptomycin	1 mg.	100,000 vials.

Enzymes.

1. Festal	Digestive Enzyme Preparations contg. pancreatic lipase, amylase, protease, etc. & bile constituents.	500,000 Dragees.
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Antibistaminics.

1. Avil.	P-aminisalicylate of 1- 1-phenyl - 1 - pyridyl (2') - (3) - dimethyl - amino-propane.	1,500,000 tabs. 30,000 amp. 1,000 tube ointment 15,000 tab. avilettes.
2. Aspasan.	Di-phenylpiperidino- propane hydrochloride and others.	50,000 tabs. N 50,000 tabs. T 5,000 amps. 150 bottles inhalation.
3. Cosavil.	Avil + phenazone salicylate + caffeine.	45,000 dragees.

Vitamins.

1. Cantan.	Ascorbic acid.	50 meg. → 250,000 tabs. 100 " → 50,000 " 2 c.c. → 50,000 amps. 5 c.c. → 50,000 "
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Analgesics and Antipyretics.

1. Novalgin	Sodium phenyl-dimethyl pyrazolone methylamino- methane sulphate.	1,500,000 tabs. 2 c.c. → 75,000 amp. 5 c.c. → 25,000 " 50 c.c. → 1,500 bottles.
2. Novalgin quinine.	-	30,000 drages.

HORMONES.

1. Orasthin.	Oxytocin.	3 units → 10,000 amps.
2. Depovirin.	Testosterone cyclopentyl propionate.	1 c.c. 50 mg. → 1000 amps. 1 c.c. 100 mg. → 1000 amps. 1 c.c. 250 mg. → 500 amps.
3. Depofemin.	17-Beostradiol-cyclopentyl propionate.	1 c.c. 2.5 mg. → 500 amps. 1 c.c. 5 mg. → 500 amps.
4. Lutrogen.	Progesterone and oestradiabenzoate.	1 c.c. mg. → 1000 amps. 5 c.c. → 500 amps.

NAME OF PRODUCTS AND CAPACITY PROPOSED:

<u>Trade Mark.</u>	<u>Produce</u> <u>Antibiotics.</u>	<u>Monthly capacity.</u>
	<u>Circulatory stimulants.</u>	
1. Carnigen	Rac-p-hydroxy phenyl methyl-aninipropanol hydrochloride - and nucleosides + adenosine.	drops 150,000 c.c. 2 c.c. - 1,000 amps.
2.	Lacarnol Nucleoside preparation.	drops. 25,000 c.c. 1cc - 1,000 amps.

OTHER ITEMS.

1. Ticarda (Antitussive) 300,000 tabs.
150,000 c.c. drops
2. Efosin (specific spasmolytic in obstetrics) 15,000 amps.
3. Salyrgan Marsalyl. 1 c.c. - 15,000 amps.
2 c.c. - 40,000 "
4. Invensol, Carbutamide. 40,000 tabs.

In view of the present foreign exchange difficulty, the Committee felt that the foreign expenditure necessary for the import of capital equipment and raw materials involved in this scheme was not justified. The Committee, therefore, recommended rejection of the application.

(164) Application from Shri Gopaldas P. Parikh, Bombay, for a licence for the establishment of a new industrial undertaking "Indequip Engineering Ltd." at Naroda Road, Dist. Ahmedabad, (Bombay State), for the manufacture of the following articles (capacity not stated) in collaboration with M/S. H.W. Butterworth & Son Co. U.S.A.:-

- (1) Continuous Bleaching Range.
- (2) Cotton Bowls.
- (3) Humidification plant.
- * (4) Industrial machinery.
- * (5) Fuel Injection pumps.
- * (6) Machine Tool items.
- (7) Essential spare parts of various "Butterworth" machinery.

(Items 4-6 already withdrawn by the firm.)

The Committee observed that the applicant firm had not furnished any detailed break-up of the foreign exchange requirements for the import of capital equipment needed for the implementation of the scheme or the terms of foreign collaboration. The Committee desired that this information might be obtained from the applicant firm and examined by the Industrial Adviser (Textile Production) Bombay. The Committee, therefore, deferred consideration of this application.

(165) Application from M/S. Indian Iron and Steel Co. Ltd., Calcutta, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of 3,750 tons per month of Spun Iron Pipes to B.S.S.1211. (including the expansion of 2,000 tons licensed in 1954).

The Committee noted that the applicant firm had installed plant and machinery to the extent of almost double the capacity licensed and had commenced production without obtaining the licence necessary under the Industries (Development and Regulation) Act. The Committee expressed disapproval of the action of the company which amounted to an infringement of the provisions of the Industries (Development and Regulation) Act. The Committee felt that as there/a reasonable case for sanctioning the expansion applied for, the application may be approved but the firm's attention should be drawn to the irregularity.

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(166) Application from M/S. North Western Engineers, Bombay, for a licence for the establishment of a new industrial undertaking in the Industrial Area of Bombay Suburbs, for the manufacture of Six complete Flour Mills (with about 20 to 25 tons per day Mills capacity each) in collaboration with M/S. OCRM of Italy.

In view of the fact that the Committee had deferred consideration of Item No. 162, i.e. a review of the present position of the roller flour milling industry in the country, the Committee desired to examine this case along with this review of the roller flour milling industry.

The Committee, therefore, deferred consideration of this case.

(167) Application from M/S. Gwalior Rayon Silk Manufacturing (Weaving) Co. Ltd., Nagda, for a licence for effecting a substantial expansion of their existing undertaking for the manufacture of staple fibre to secure a capacity of 60 tons per day (48 mill. lb. per annum).


The Committee observed that the manner in which the applicant firm had come up with the present application was not healthy, as the firm had secured a licence for the import of the plant and machinery required on the ground that this equipment would be used only as a stand-by plant and not be operated for regular production of Staple Fibre, and the firm should be told so.

After some discussion, the Committee recommended the grant of a licence subject to the following conditions:-

1) The import of rayon pulp for the extra capacity would depend on the availability of foreign exchange, though as a rule preference would be given to the import of pulp as against the import of art silk yarn.

2) As another firm with a smaller capacity is coming up, in case at any time the production of staple fibre has to be curtailed for reasons of foreign exchange a bigger cut may have to be imposed on this firm than on the smaller unit.

III. The next meeting of the Licensing Committee will be held at 10-30 a.m. on Friday the 5th September, 1958.


(K.C. Madappa)
Deputy Secretary to the Government of India.

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MOST IMMEDIATE.

No. 40(31)/G/58-IA(III)
GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY.

New Delhi, the 18th Sep. 1958.

OFFICE MEMORANDUM.

Subject: Minutes of the 56th meeting of
the Licensing Committee held on
the 5th September, 1958.

The undersigned is directed to forward
herewith a copy of the Minutes of the 56th meeting
of the Licensing Committee held on the 5th September,
1958.

S.V.R. Charit

(S.V.R. Charit)
Under Secretary to the Govt. of India.

To

All Members of the Licensing Committee,
and Representatives of State Governments
concerned and other invitees.

Kapuria

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY

MINUTES OF THE 56TH MEETING OF THE LICENSING
COMMITTEE HELD AT NEW DELHI ON THE 5TH SEPT.,
1958.

PRESENT

1. Shri S.Ranganathan, I.C.S.,
Secretary,
Ministry of Commerce and Industry CHAIRMAN
2. Shri E.P.Moon, I.C.S.,
Adviser,
Planning Commission,
NEW DELHI.
3. Shri K.G.S.Iyer,
Joint Director (Transportation),
Ministry of Railways (Railway Board).

REPRESENTATIVES OF STATE GOVERNMENTS.

4. Shri Anil De, I.A.S.,
Director of Industries,
Andhra Pradesh.
5. Shri K.V.Srinivasan,
Director of Industries,
Shillong,
Assam.
6. Shri S.D.Frasad,
Additional Director of Industries,
Bihar.
7. Dr. M.R.Mandlekar,
Director of Industries,
Bombay.
8. Shri R.N.Suri,
Superintendent of Industries,
Delhi.
9. Shri S.K.Sahgal, I.A.S.,
Deputy Secretary to the Government of U.P.,
Department of Industries,
Lucknow.
10. Shri P.K.Dave, I.A.S.,
Director of Industries,
Madhya Pradesh.
11. Shri S.R.Kaiwar, I.C.S.,
Secretary to the Government of Madras,
Department of Industries, Labour & Co-operation,
Madras.
12. Shri M.Malleshaaya,
Additional Director of Industries & Commerce,
Mysore.
13. Shri A.G.Menon, I.A.S.,
Secretary to the Government of Orissa,
Industries Department,
Bhubaneswar, Orissa.

14. Shri J.N.Thadani, I.A.S.,
Director of Industries,
Punjab.
15. Shri B.C.Mallik,
Director of Industries,
West Bengal.

REPRESENTATIVES FROM OTHER MINISTRIES.

16. Shri Y.N. Lakshman,
S.S.O., Office of the Director General
of Research and Development,
Ministry of Defence.
17. Dr. B.N. Mitra,
Assistant Director General,
Council of Scientific and Industrial Research,
Ministry of Education and Scientific Research.
18. Shri K. Srinivasan,
Under Secretary,
Department of Economic Affairs,
Ministry of Finance.
19. Shri Gyan Chandra,
Director (Sugar),
Ministry of Food & Agriculture.
20. Shri G. Ramanathan, I.A.S.,
Deputy Secretary,
Ministry of Steel, Mines and Fuel,
Department of Iron and Steel.
21. Shri A.S. Bhatnagar,
Deputy Secretary,
Ministry of Transport and Communication,
Department of Transport.
22. Shri S.T. Thadani,
Deputy Director General,
Office of the Director General of Supplies
and Disposal,
Ministry of Works, Housing and Supply.

REPRESENTATIVES OF MINISTRY OF COMMERCE AND INDUSTRY.

23. Dr. A. Nagaraja Rao,
Joint Secretary,
Ministry of Commerce and Industry.
24. Shri C.S. Ramachandran, I.C.S.,
Joint Secretary,
Ministry of Commerce and Industry.
25. Shri B.B. Saksena,
Joint Secretary,
Ministry of Commerce and Industry.
26. Shri N. Subrahmanyam, I.C.S.,
Joint Secretary,
Ministry of Commerce and Industry.
27. Shri T.A.S. Balakrishnan, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.

28. Shri K.C. Madappa, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.
29. Shri G.L. Mehta, I.A.S.,
Deputy Secretary,
Ministry of Commerce and Industry.
30. Shri M.M. Saklani,
Deputy Secretary,
Ministry of Commerce and Industry.
31. Shri K.N. Shenoy,
Deputy Secretary,
Ministry of Commerce and Industry.
32. Shri S.R. Banerjee,
Under Secretary,
Ministry of Commerce and Industry.
33. Shri R.J. Bhojwani,
Under Secretary,
Ministry of Commerce and Industry.
34. Shri A.K. Chakravarty,
Under Secretary,
Ministry of Commerce and Industry.
35. Shri S.V.R. Chari,
Under Secretary,
Ministry of Commerce and Industry.
36. Shri R. Kalyanasundram,
Under Secretary,
Ministry of Commerce and Industry.
37. Shri D.N. Krishnamurthy,
Under Secretary,
Ministry of Commerce and Industry.
38. Shri M.C. Misra,
Under Secretary,
Ministry of Commerce and Industry.
39. Shri V.V. Nene,
Under Secretary,
Ministry of Commerce and Industry.
40. Shri N. Radhakrishnan,
Under Secretary,
Ministry of Commerce and Industry.
41. Shri K. Raja Ram,
Under Secretary,
Ministry of Commerce and Industry.
42. Shri M.S. Sadasivam, I.A.S.,
Under Secretary,
Ministry of Commerce and Industry.
43. Shri K.V. Seshadri, I.A.S.,
Under Secretary,
Ministry of Commerce and Industry.

44. Dr. B.D.Kalelkar,
Senior Industrial Adviser,
Ministry of Commerce & Industry.
45. Dr. G.P.Kane,
Senior Industrial Adviser,
Ministry of Commerce & Industry.
46. Shri N.Srinivasan,
Industrial Adviser,
Ministry of Commerce and Industry.
47. Shri P.Dayal,
Development Officer,
Development wing.
48. Shri R.K.Gejji,
Development Officer,
Development wing.
49. Dr. A.N.Kapur,
Development Officer,
Development wing.
50. Dr. A.Seetharamiah,
Development Officer,
Development wing.
51. Shri C.J.Shah,
Development Officer,
Development Wing.
52. Shri S.K.Sinha,
Development Officer,
Development wing.
53. Shri S.P.Verma,
Development Officer,
Development Wing.
54. Shri S.C.Banerjee,
Deputy Development Officer,
Development wing.
55. Shri P.S.Bhatnagar,
Deputy Development Officer,
Development wing.
56. Shri A.K.Bose,
Deputy Development Officer,
Development Wing.
57. Shri P.N.deobhakta,
Deputy Development Officer,
Development wing.
58. Shri N.T.Gopala Iyengar,
Deputy Development Officer,
Development Wing.
59. Dr. P.R.Gupta,
Deputy Development Officer,
Development Wing.

60. Shri Joginder Singh,
Deputy Development Officer,
Development wing.
61. Shri V.Krishnamoorthy,
Deputy Development Officer,
Development wing.
62. Shri P.R.Latey,
Deputy Development Officer,
Development wing.
63. Shri C.V.K.Moorthy Rao,
Deputy Development Officer,
Development wing.
64. Shri A.N.Mukerjee,
Deputy Development Officer,
Development wing.
65. Shri M.Rama Rao,
Deputy Development Officer,
Development wing.
66. Shri K.N.Ramaswamy,
Deputy Development Officer,
Development wing.
67. Shri S.S.Tomar,
Deputy Development Officer,
Development wing.
68. Shri S.C.Venkateswaran,
Deputy Development Officer,
Development wing.
69. Shri A.Venkatesiah,
Deputy Development Officer,
Development wing.
70. Shri S.L.Mehra,
Assistant Development Officer,
Development wing.
71. Shri P.S.V.Raghavan,
Deputy Chief Controller of
Imports & Exports.
72. Shri S.E.C.Vas,
Joint Divisional Manager,
State Trading Corporation.
73. Shri R.V.Ramiah,
Development Officer,
Small Scale Industries.
74. Shri I.B.Dutt,
Director,
Office of the Textile Commissioner,
Bombay.

I. Before the items on the agenda were taken up for consideration the chairman invited the attention of the members of the committee to the condensed statement circulated at the meeting regarding outstanding cases with reference to the minutes of the previous meetings of the Committee. The chairman then invited members to make any comments or suggestions. Mr. Moon of the Planning Commission pointed out that the pendency was heavy particularly in the case of applications with which the Ministry of steel, Mines and Fuel were concerned. The Committee was informed that efforts were being made to reduce the number of pending cases. It was also explained that as a result of new procedure evolved to meet this situation cases were being brought to the Committee. Without even waiting for the comments of the state governments, the views of the state governments being ascertained from their representatives at the time of the actual meeting. The committee was informed that these measures would help to reduce the number of outstanding cases.

II. The committee then took up for consideration the items on the agenda.

(1). Application from M/s. Shri Subhra Choudhry, Durgapur, for a licence for the establishment of a new undertaking for the manufacture of cotton cloth with 101 powerlooms.

The scheme envisages the establishment of a new industrial undertaking with 101 powerlooms.

In view of the government's general policy not to allow the installation of powerlooms, the Committee recommended the rejection of the application.

(2) Note on Art Silk Weaving Industry regarding regularisation of Non-cotton powerlooms acquired and installed by units outside the purview of the Industries (Development and Regulation) Act.

At the meeting held on the 6th February, 1958, the Licensing committee considered the question of regularisation of non-cotton powerlooms acquired and installed by units outside the purview of the Industries (Development and Regulation) Act. The Committee on that occasion desired that the Textile Commissioner should make an assessment of the total number of powerlooms, for which permits would have to be issued by way of regularisation and the matter should be brought up to the Committee again on receipt of the Textile Commissioner's report. The Textile Commissioner has since reported that 12,513 looms have still to be registered. The committee was informed that several concerns which

had acquired and installed powerlooms prior to 19.12.56 had not submitted applications for registration. The committee was also informed that these 12,513 cases had been referred to the State textile control authority for investigation and report as to whether the looms could be considered as existing looms for purposes of grant of Registration certificate. After some discussion, the committee recommended that the Textile Commissioner might be authorised to grant permission in all cases where the looms are proved to have been acquired prior to 19.12.56 after satisfying himself about the bonafides of the applications.

(3) Application from M/s. Khanna Silk Mills (Private) Ltd., Bombay, for a licence for changing the location of their factory from Punjab State to Bombay State for the manufacture of velvet on 20 powerlooms.

The Committee was informed that the applicant firm had been licensed for the installation of 37 powerlooms in the Punjab, out of which 17 powerlooms had already been installed there. The present proposal envisages the installation of the remaining 20 powerlooms at Bombay instead of in the Punjab as originally licensed. The Committee was informed that looms in question had not been installed in the Punjab and it would, therefore, be appropriate to treat the proposal as an application for the establishment of a new industrial undertaking at Bombay. The Committee noted that the Government of Bombay had no objection to the proposal. The committee, therefore, recommended the grant of a licence for the installation of 20 powerlooms in Bombay.

The Committee suggested that the licence already granted to the applicant firm should be suitably amended.

(4) Application from M/s. Bipin Silk Mills Co. (Private) Ltd., Bombay, for a licence to divert 200 out of their existing 300 non-cotton looms for the manufacture of cotton fabrics.

The committee was informed that the applicant firm had been producing cotton fabrics under a Texmark from 1941 to 1950, but had discontinued the manufacture of cotton fabrics from 1951. The applicant firm had obtained the necessary registration under the Industries (Development and Regulation) Act for the manufacture of silk and art silk fabrics on the 300 powerlooms now in its possession.

It was felt that there would be some adverse repercussion on the handloom industry as well as on the cotton textile industry in general, if non-cotton mills were allowed to operate on cotton yarn. The Committee, therefore, recommended the rejection of the application.

The Committee, however, noted that the question of permitting non-cotton looms to work on cotton yarn was under separate examination, and suggested that, if the applicant firm so desired, it might renew its request after 6 months.

(5) Application from M/s. Radio Supply Stores Private Ltd., Calcutta, for a licence for the establishment of a new undertaking at Calcutta for the manufacture of 10,800 Transistor radio sets per annum.

The Committee was informed that Transistor radio receivers were not being produced in the country at present, and that there was need for the production of receivers of this type in the country. The Committee was informed that a Panel consisting of representatives of the Ministries of Commerce and Industry and Information and Broadcasting had been appointed to examine the question of production of cheap radio sets in the country. The Committee desired that the matter might be examined further in consultation with the Ministry of Information and Broadcasting, as that Ministry would be interested in the manufacture of these sets particularly for community listening in the rural areas.

The Committee, therefore, deferred consideration of this application.

The Committee was informed that M/s. Electronics Ltd., New Delhi, had also evinced some interest in the manufacture of these items, but that no formal application as such had been received from that firm. The Committee suggested that the application of M/s. Electronics Ltd., when received, should be examined in the same manner.

(6) Application from M/s. Moti Electric Industries, New Delhi, for a licence for erecting a substantial expansion for the manufacture of 35 million core yards of Rubber Insulated Cables per annum and the manufacture of a new article viz., Plastic Insulated Cables. (Capacity: 13.8 million core yards.

The scheme envisages (1) substantial expansion for the manufacture of Rubber Insulated Cables and (2) the manufacture of Plastic Insulated Cables, a new article. The Committee was informed that considering the value of the plant and machinery required, the expansion proposed was on the high side. The Committee also noted that the scheme as at present envisaged was not technically sound. The Committee, therefore, recommended rejection of the application.

(7) Application from M/S. Goodearth Wares and Pipes Private Ltd., Kottayam, for a licence for the establishment of a new undertaking at Alwaye (Kerala) for the manufacture of the following articles:-

<u>Name of the article:</u>	<u>Capacity.</u>
1. Stoneware Pipes.	4320 Nos. per day.
2. Wirecut Bricks .	3000 Nos. per day.
3. Elec. Porcelain.	10 tons per month.

At the meeting of the Licensing committee held on the 19.12.57, the Committee recommended the grant of a licence to the applicant firm for the manufacture of 4320 pieces of stoneware Pipes and specials per day.

The applicant firm subsequently made representations to the effect that the unit to be put up for the manufacture of stoneware pipe was capable of producing wirecut bricks also and this fact had been inadvertently omitted from the firm's original application.

The present proposal envisages the manufacture of the following items in addition to the manufacture of stoneware pipe and specials already licensed:-

- 1. Wirecut Bricks. 3000 Nos. per day
- 2. Electrical Porcelain 10 tons per month.

The Committee observed that as the present proposal did not involve any additional expenditure of foreign exchange, a licence for the capacities applied for might be granted.

(8) Note on the applications under the Industries (Development and Regulation) Act, 1951, for the manufacture of caustic soda and soda ash.

At the meeting held on the 10.5.1957, the committee reviewed the position of the soda caustic industry and recommended that all the applicants who had applied for licences might be informed that licences under the Industries (development and regulation) act would be granted to them if they were able to produce evidence within 3 months that the plant and machinery required by them could be imported from abroad on deferred payment terms acceptable to the Government. The applicant firms were informed as advised by the Licensing committee.

At the same meeting the Licensing committee desired that units already licensed under the Industries (development and Regulation) act who had not implemented the schemes licensed should be

informed that if they were not able to arrange for the import of plant and machinery on deferred payment terms acceptable to the Government within 3 months, the licences granted to them would be revoked.

The Committee was informed of the present position. The Committee observed that some of the cases which had already been licensed under the Industries (Development and Regulation) Act, but which had not been implemented so far and where the applicants were not also able to arrange for the import of plant and machinery on deferred payment terms acceptable to the Government within 3 months might be treated as closed. The Committee observed that cases where applicants had been able to negotiate deferred payment terms, which were acceptable to the Government, should be put up to the Capital Goods/Heavy Electrical Plant Committee for consideration and the results reported to the Licensing Committee in due course.

On a representation made by the Director of Industries, Madras, the Committee desired that licence granted to M/S. Heavy Chemicals, Tirunelveli, Madras, should not be revoked for the present.

(9) Application from M/S. Alembic Chemical Works Ltd., Baroda, for a licence for the manufacture of a new article viz., veripen tablets. (Capacity: 20,000 tablets per day.)

At the meeting held on 29th and 30th October, 1957, the Licensing Committee considered an application from an applicant firm for the manufacture of "veripen" tablets. On that occasion the Committee observed that the proposal involved mere processing of a drug and did not involve any basic manufacture as such. The Committee also observed that the saving in foreign exchange expenditure would not also be significant and recommended rejection of the application. The Committee, however, suggested that the applicant firm might be advised to draw up a scheme for the manufacture of this drug which could be taken up along with the firm's scheme for the manufacture of penicillin.

This decision of Licensing Committee was communicated to the applicant firm. The firm has now represented that the entire quantity of raw material i.e., Penicillin V, required for its manufacturing programme would be procured from Hindustan Antibiotics Private Ltd., instead of being imported as indicated in the firm's original application. The Committee noted that the present proposal did not involve any expenditure of foreign exchange either on the import of capital equipment or of raw material. The Committee also noted that Hindustan Antibiotics Private Ltd., had agreed to supply the raw material required by the applicant firm. The Committee, therefore, recommended the grant of a licence.

(10) Application from Shri A.R. Choudhury, Calcutta, for a licence for the establishment of a new undertaking (M/S. Electro-Metallurgical Corporation of Orissa Ltd., Orissa) at Dhenkanol district, Orissa state. For a licence for the manufacture of 300 tons of Electrolytic Manganese Metal (99% purity per mensem. (Foreign collaboration is under negotiation).

The Committee was informed that the applicant firm had since submitted a revised scheme which was under examination. In these circumstances the present application was treated as withdrawn.

(11) Application from M/S. Premier Automobiles Ltd., Bombay, for a licence for effecting a substantial expansion for increasing their capacity for the manufacture of Fiat "1100" from 3500 units to 4500 units per annum in collaboration with M/S. Fiat Company of Italy.

The Committee observed that the present proposal to increase the number of "Fiat" cars manufactured from 3500 units to 4500 units a year did not envisage the installation of any additional plant and machinery and so did not constitute a 'substantial expansion' to the existing industrial undertaking. The committee observed that this was not therefore a case on which any action was called for by the Licensing Committee and it is left to the Ministry of Commerce and Industry to give a suitable answer.

(12) Application from M/S. Gwalior Oil Mills, Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz., Alkyd Resins. (Capacity: 720 tons per annum.)

The Committee recommended rejection of the application for the following reasons:•

- (1) There is no scope for licensing additional capacity in this line of manufacture.
- (2) The recurring expenditure of foreign exchange on account of the import of raw materials (about 4.8 lakhs per annum) is not justified.

(13) Application from M/S. Mercury Paints and Varnishes (Private) Ltd., Bombay, for a licence for effecting a substantial expansion for the manufacture of a new article viz., Alkyd Resins (Capacity: 240 tons per annum in the beginning to be raised to 480 tons per annum later on.)

The Committee noted that the firm proposed to manufacture Alkyd resins for their own use. It

recommended the grant of licence subject to the condition that no import of plant and machinery or of raw materials would be permitted.

(14) Application from Shri Yrajlal Bhimji Shah, Calcutta, for a licence for the establishment of a new undertaking (M/s. Greentose Industries (India), West Bengal) at Belur, District Howrah (West Bengal), for the manufacture of the following articles:-

<u>Name of the product.</u>	<u>Annual capacity proposed.</u>	
* (1) Link V Belting	3,00,000	ft.
(2) Endless V Belts	36,000	Fcs.
(3) Flat Endless Belts	6,000	"
(4) Variable Speed V Belts	6,000	"
(5) Ball Bearings.	18,000	"
* (6) V-Drives for speed reduction.	1,200	"

on two shift basis.

* These items are not covered by the Industries Act.

The scheme envisages the manufacture of the items mentioned above. The committee recommended the grant of licence for the manufacture of items (2), (3) and (4). With regard to item (5) the Committee was informed that the capital proposed to be invested by the applicant firm (viz. Rs. 5.5 lakhs) would be too inadequate for/a plant for such a specialised item. The Committee, therefore, recommended rejection of this part of the application.

putting up

[Items 1 & 6 do not fall within the purview of the Industries (Development and Regulation) Act.]

(15) Application from M/s. Kasipur Plywood Co., Calcutta, for a licence for the manufacture of a new article viz. Chip Board. (Capacity: 1,200,000 sq. ft. per annum.)

The Committee was informed that the applicant firm had not furnished details of the arrangements proposed for foreign collaboration and for the import of capital equipment. In view of this fact, the Committee recommended rejection of the application.

(16) Application from M/s. Praga Industries (Private) Ltd., Coimbatore, for a licence for the manufacture of New article viz., corrugated roof sheeting. (Capacity: 2,400 sheets per annum.)

The Committee noted that the manufacture of the plastic goods envisaged in the

scheme was completely dependent on imported raw materials, and observed that in view of the present difficult foreign exchange position the expenditure of foreign exchange on a scheme of this nature would not be justified. The Committee, therefore, recommended rejection of the application.

(17) Application from Shri Chinubhai Nana-
lal Shah, Ahmedabad, for a licence for the
establishment of a new undertaking (M/S. Humkamal
Electric Motors Ltd., Ahmedabad) at Ahmedabad
for the manufacture of 2,400 numbers of 12,000
H.P. of Electric Motors per annum.

The committee noted that there was already sufficient capacity for the manufacture of electric motors and that a number of schemes already sanctioned had been held up for want of foreign exchange for the import of plant and machinery, etc. The committee was informed that the requirements of plant and machinery for the scheme had not also been properly estimated. The Committee, therefore, recommended rejection of the application.

(18) Application from M/S. Brady Engineering
Co. Ltd., Bombay, for a licence for the manufac-
ture of New Article viz., self priming centrifugal
(3" x 2" size for handling petrol and volatile
liquids) (Capacity: 60 s. per annum.)

The committee was informed that there was no indigenous production of the type of pumps which the applicant firm proposed to manufacture. As the scheme does not involve any expenditure of foreign exchange, the Committee recommended the grant of a licence.

(19) Application from M/S. Atlas copco,
Sweden, for a licence for the establishment of a
new undertaking at District Thana, (Bombay
State), for the manufacture of the following
article :- (Foreign collaboration envisaged.)

Name of the product:	Annual capacity.			
	1958	1959	1960	1961
Compressors.	72	84	108	132
Rock drills.	300	420	600	720
Pushers.	120	180	240	300

The application of this firm was considered by the Licensing committee at the meeting held on the 6th February, 1958. The Committee, while recommending the grant of a licence did not, however, recommend the entire capacity applied for by the firm. When the decision of the

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Committee was communicated to the applicant firm, it made representations to the effect that the large reduction in its capacity would render the scheme uneconomic.

The Committee was informed that the firm would secure some of the machine tools required without any foreign exchange expenditure. It was also pointed out that the applicant firm would be able to maintain the cost of production at approximately the present c.i.f. price level, only if the capacities applied for by the firm were granted. The Committee, therefore, recommended the grant of licence for the capacities applied for, subject to the condition that import of components etc., required for the implementation of the scheme would be permitted with reference to the actual requirements of the firm and the policy governing the import of these items from time to time.

(20) Application from Shri R. N. Khanna, for a licence for the establishment of a new undertaking (M/S. M/S. Arthur Import Export Co., Bombay) at Faridabad, Punjab for the manufacture of 100,800 dozens of steel files per annum.

The Committee recommended the grant of a licence subject to the following conditions:-

- (1) the release of raw materials for the manufacture of steel files will depend upon (a) the quality of the products manufactured by the firm,
- (b) the availability of foreign exchange from time to time for the import of raw materials.

(21) Application from M/S. Arthur Import Export Co. Bombay, for a licence for changing the location of their factory from Delhi to Bombay, for the manufacture of 1,20,000 lbs. of Shoddy woollen Yarn per mensem on two shift basis.

The Committee recommended the grant of a licence.

(22) Application from M/S. Nanikram Sobhraj Mills Private Ltd., Ahmedabad, for a licence for the establishment of a new undertaking for the dyeing and finishing of silk and art silk fabrics, and for the installation of high speed warp knitting machines.

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The Committee recommended the rejection of the application for the following reasons:-

- (i) The present policy of the Government does not permit any further installation of High Speed Warp Knitting Machines.
- (ii) Sufficient capacity has already been established for processing of art silk.
- (iii) There are already a number of processing units in Bombay and the suburbs of Bombay where finishing operations for grey fabrics can be got done.
- (iv) The proposals involve expenditure of foreign exchange to the extent of Rs. 1.60 lakhs for the import of plant and machinery, and such expenditure is not justified in the present difficult foreign exchange situation.

(23) Applications for licences under the Industries (Development and Regulation) Act, 1951 for setting up of re-rolling mills in Bihar State. (75 applications).

At the meeting held on 23rd May, 1958, the Licensing Committee considered applications for the setting up of re-rolling mills in the various States. On that occasion, the Committee suggested that in the case of Bihar, the State Government should examine the pending applications and send up proposals indicating an order of priority with particular regard to the present foreign exchange position. The decision of the Committee was communicated to the State Government. The State Government has now submitted its recommendations which contain a list of 12 applications arranged in order of priority. The Committee observed that the State Government had accorded the first preference to M/S. South Bihar Sugar Mills for the location of a steel re-rolling mill at Berauni. The Committee, therefore, recommended the grant of a licence to M/S. South Bihar Sugar Mills.

The Committee observed that out of remaining 74 applications, one from Indian Steel Wire Products Ltd., for setting up a Rod Mill had been considered and approved by the Licensing Committee at a previous meeting and another application from M/S. Bihar Iron and Steel Rolling Mills for regularisation was still under consideration. The Committee observed that there was no scope for additional capacity in the steel re-rolling industry and, therefore, recommended rejection of all the other 72 applications for establishment of steel re-rolling capacity.

Application from
(24) /M/S. Sadhu Singh and Sons, Goraya, for a licence for the establishment of a re-rolling mill in Punjab for the manufacture of 75 tons of Bars, angles, flats, rounds and squares per month.

The Committee observed that Government had already decided not to entertain applications for the establishment of steel re-rolling capacity in States other than Assam, Andhra, Kerala and Bihar (north of the Ganges). The Committee, therefore, recommended rejection of the application.

(25) Note regarding the application of M/S. Mittal and Sons, Calcutta, for setting up a re-rolling mill in the Andhra Pradesh for the manufacture of 2,400 tons of Bars, per annum.

The application was considered at the meeting of the Licensing Committee held on 23.5.1958. The Committee recommended the grant of a licence for a capacity of 2,400 tons per annum. This decision was communicated to the firm. The applicant firm has now represented that according to the Saksona Committee Report of a minimum capacity of 4,800 tons per annum is necessary for a unit to work on an economic basis and that on this ground the firm might be permitted a capacity of 4,800 tons per annum of 1/4" dia. bars or 7200 tons per annum of 3/8" dia. bars. The Committee was of the view that there was some force in the firm's representation and recommended the grant of a licence for a capacity of 4800 tons per annum which is the minimum economic capacity for a 10" mill according to the Saksona Committee Report.

The Committee also desired that in future representations of a similar nature might be considered on the merits of each case taking into consideration the size of the mill and the products proposed to be manufactured.

The Committee suggested that if in a particular line of manufacture economic working was not possible for one reason or another the question of permitting installation of additional plant and machinery to enable such units to attain economic levels of production should be considered.

(26) Note regarding the applications under the Industries (Development & Regulation) Act, 1951 for the manufacture of Ferro-manganese from:-

- (i) M/S. Nandram Hunattran, Calcutta, for the establishment of a new undertaking (M/S. Orissa Ferro-Alloys Private Limited, Chauliaganj) at north-west of Rayagada Railway Station (Orissa), for the manufacture of 15,000 tons of Standard Ferro-manganese per annum.
- (ii) M/S. Khemka & Co. (Agencies) Private Ltd., Bombay, for the establishment of a new undertaking (M/S. Ferro-manganese and Allied Products Private Limited), at Tohsal Supa, North Canara, Mysore, for the manufacture of 10,000 tons of Ferro-manganese per annum.
- (iii) M/S. Shri Ram Mining Co., & Shri P.R. Nayak, for the establishment of a new undertaking (M/S. The Mysore Electro Ferro Manganese Company, Belgaum) at Dandoli (Southern Railway) in North Kanara Distt. (Mysore), for the manufacture of 18,000 tons of Ferro-manganese per annum. (Foreign collaboration envisaged.)
- (iv) M/S. Electro Metallurgical Works (P) Ltd., Bombay, for effecting substantial expansion for increasing their capacity for the manufacture of Ferro-manganese from 8400 tons to 56,000 tons per annum in collaboration with a Dutch firm.

- (v) M/S. Baldota Brothers, Bombay, for the establishment of a new undertaking at Balaghat, Madhya Pradesh, for the manufacture of 25,000 tons of Standard Ferro-manganese per annum.
- (vi) H.H. Maharaja Shri P.K. Deo, Kalahandi, for the establishment of a new undertaking at Kalahandi, Orissa, for the manufacture of 17,000 tons of Standard Ferro-manganese per annum.

At the meeting of the Licensing Committee held on the 19/20th December, 1957, the Committee deferred consideration of the following applications:

- (1) M/S. Wandram Hunatram, Calcutta.
- (2) M/S. Khemka & Co. (Agencies) Private Ltd., Bombay.
- (3) M/S. Mysore Electro Ferro-Manganese Co., Belgaum.

The decision of the Licensing Committee and the grounds on which consideration of these applications was deferred were communicated to the applicant firms.

In the meantime applications were received from the following firms:

- (1) M/S. Electro Metallurgical Works Private Limited, Bombay.
- (2) H.H. Maharaja Shri P.K. Deo, Orissa.
- (3) M/S. Baldota Brothers, Bombay.

The Licensing Committee was informed that complete particulars relating to the applications had not been furnished by the firms concerned.

The Committee observed that the schemes submitted by M/S. Wandram Hunatram, Calcutta, M/S. Khemka & Co. (Agencies) Private Ltd., Bombay, and M/S. Mysore Electro Ferro-Manganese Co., Belgaum, were not complete in all material particulars particularly with regard to the import of plant and machinery on deferred payment terms. The Committee, therefore, recommended rejection of these applications.

With regard to the applications of H.H. Maharaja Shri P.K. Deo, Orissa and M/S. Baldota Brothers, Bombay, the Committee was informed that the applications were under examination. The Committee, therefore, deferred consideration of these applications.

With regard to M/S. Electro Metallurgical Works Private Limited, Bombay, the Committee was inclined to consider the scheme favourably. The Committee, however, desired that before a licence was granted formal clearance might be obtained from the Government of Mysore regarding the supply of power and from the Railway Ministry regarding the provision of transport facilities required for the implementation of the scheme.

Application from
 (27) M/S. Andhra Scientific Co. Ltd., Masulipatam, for
a licence for effecting substantial expansion to their
undertaking for the manufacture of the following items:-

Name of the Product.	Present monthly installed capacity.	Expansion envisaged.	Monthly installed capacity after expansion.	
			1st year.	2nd year.
Theodolites	6	6	12	18
Microscopes	24	36	60	100
Spectrometers	12	6	18	24
Levels, Dumpy etc.	12	12	24	48
Dissecting Microscopes	24	24	48	72
Polarimeters	1	2	3	6
Sugar refractometers	6	12	18	24
Analytical Balances	12	6	18	24
Standard Balances	24	12	36	48
Analytical Weight Boxes	12	12	24	48
Distilled water Stills	3	3	6	12
Autoclaves	3	3	6	12

The scheme envisages the substantial expansion of the applicant firm's existing capacity for the manufacture of scientific and surveying instruments. The Committee was informed that though the demand for the various types of instruments manufactured by the applicant firm was increasing, it was not desirable to permit the firm to expand its capacity to the full extent applied for until the firm's performance was watched for some time. The Committee, therefore, recommended the grant of a licence as detailed below:-

Group	Capacity per annum after expansion (in lakhs of rupees)
1. Surveying instruments such as dumpy, levels	4.00
2. Optical instruments such as microscopes.	3.75
3. Balances & Weights.	2.00
4. Engineering apparatus & General Laboratory Apparatus.	6.00
5. Physical and Chemical Apparatus	2.25

The Committee suggested that the applicant firm's performance might be reviewed after these levels of production had been reached.

Application from
 (28) M/S. Alembic Chemical Works, Co., Ltd., Baroda, for
a licence for effecting a substantial expansion for the
manufacture of the following items:-

(a) <u>Solid formulations.</u>	
B.H.C. formulations	10 tons per year.
Chlordane formulations	7 tons per year.
Lindane "	2 tons per year.
Endran "	5 tons per year.
Parathion "	5 tons per year.
Copper fungicides "	10 tons per year.
Warfarin "	5 tons per year.
(All the above formulations would be in different strengths of 1%, 5%, 10% and 50%.)	
(b) <u>Liquid formulations.</u>	
B.H.C. formulations	10 tons per year.
Chlordane "	5 tons per year.
Lindane "	3 tons per year.
Endran "	5 tons per year.
Parathion "	7 tons per year.
(All the above formulations will be in different strengths of 10%, 20% and 50%.)	

The scheme envisages substantial expansion to the applicant firm's existing industrial undertaking for the manufacture of insecticidal and fungicidal formulations with BHC, Chlordane, Lindane, Parathion, Warferrin etc. as active ingredients. The Committee noted that similar formulations were already being produced in the country by eight firms with a total installed capacity of over 47,000 tons per annum.

The Committee was also informed that there was already reasonably sufficient capacity in the country for these formulations though the demand for insecticidal and fungicidal formulations was generally on the increase. The Committee observed that as the Ministry of Food and Agriculture (Plant Protection Directorate) was likely to be interested in a scheme of this kind the views of that Ministry should be obtained as to whether there was any need to license additional capacity in these lines of manufacture. The Committee, therefore, deferred consideration of this application.

(29) Application from M/S. Glaxo Laboratories (India) Private Ltd., Bombay, for a licence for effecting a substantial expansion to their undertaking for the manufacture of 50,000 vials of Muncmycin (A preparation containing Procaine Penicillin Fortified and Streptomycin sulphate) per annum.

The Committee recommended the grant of a licence subject to the condition that no special facilities would be granted in regard to raw materials.

(30) Application from M/S. Turner Hoare and Co. Private Ltd., Bombay, for a licence for carrying on the business of their undertaking (M/S. Leeds Meter Manufacturing Co. Private Ltd., Bombay) for the manufacture of 18,000 Nos. of $\frac{1}{2}$ " and $\frac{3}{4}$ " Watermeters, per annum on double shift basis in collaboration with M/S. Leeds Meter Co. of U.K.

The Committee recommended the grant of a licence.

(This is a case of regularisation)

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(31) Application from M/S. Guest, Keen, Williams Ltd., Bombay, for a licence for effecting substantial expansion for the manufacture of a new article viz., 21,000 gross of Self Tapping Screws per mensem.

The scheme envisages the substantial expansion of the applicant firm's existing undertaking for the manufacture of Self Tapping Screws. The Committee was informed that the applicant firm had asked for permission to import "Balancing Stock" to cover import of such of the sizes and types of self tapping screws not very much in demand in the country and not, therefore, economic for manufacture at the present moment. The Committee was informed that the applicant firm had asked for a ceiling of Rs.50,000/- a year to enable it to fill up gaps in its production range through imports. The Committee observed that while this part of the scheme was out of consonance with the policy of the Government, the manufacturing scheme itself was a sound proposition. The Committee, therefore, recommended the grant of a licence subject to the following conditions:-

1. the foreign exchange requirements should be screened by the C.G./H.E.P Committee;
2. the firm should meet its requirements of "Balancing stock" from out of its own import quota and no special concession will be made for the import of any items described as "Balancing Stock".

(32) Note regarding the Present position of roller flour Milling Industry in India.

At the meeting held on 12.3.1958, the Licensing Committee desired that the Development Wing should re-examine the policy regarding licensing of flour milling capacity. The Development Wing has reviewed the present position and has made the following recommendations:-

- i) The present policy of discouraging the setting up of new flour mills may continue until the present foreign exchange position improves.
- ii) Requests for the shifting of existing capacity either wholly or in part to other regions where there is a demand for additional capacity may be considered on merits.

The Committee noted the position and generally accepted the recommendations made by the Development Wing.

(33) Application from Shri R.B. Amin, Baroda, for a licence for effecting substantial expansion to their existing undertaking (M/S. The Alembic Glass Industries Ltd., Baroda) for increasing their capacity for the manufacture of Glass Bottles from 1200 tons to 1800 tons per mensem.

As the scheme involves considerable import of capital equipment, viz., Rs.13 lakhs, the Committee recommended rejection of the application.

- (34) Application from M/S. Tata Chemicals Ltd., Bombay, for a licence for effecting substantial expansion to their existing industrial undertaking for the manufacture of the following new articles:-

<u>Name of product.</u>	<u>Monthly Capacity.</u>
Benzyl Acetate	7 tons.
Benzyl Alcohol	2 tons.
Phenyl Acetic acid	5 tons.
Phenyl Acetamide	2 tons.

The Committee recommended the grant of a licence. It, however, suggested that the firm might be warned that the approval of the scheme should not be construed as a bar to this items in question being produced in a Central Organic Intermediate Factory that might be put up.

- (35) Application from M/S. Bombay Brass and Metal Works, Bombay, for a licence for carrying on the business of their existing industrial undertaking for the manufacture of the following utensils:-

	<u>Annual Capacity in tons.</u>
Brass.	210
Copper	60
German Silver	10
Stainless Steel	10
Aluminium	70

An application from this firm for carrying on the manufacture of Brass, copper, German silver, aluminium and stainless steel utensils was considered by the Licensing Committee at the meeting held on 10-4-1958. On that occasion, the Committee recommended the grant of a licence for carrying on the manufacture of brass, copper and German Silver utensils only. As regards aluminium utensils, the Committee recommended rejection of that part of the application, as the applicant firm had not so far manufactured aluminium utensils. With regard to stainless steel utensils the Committee recommended rejection of the application because of the restricted import of stainless steel and also because the past production of stainless steel utensils by the applicant firm had been negligible. The decision of the Committee was communicated to the applicant firm.

The firm has now represented that the past production of stainless steel utensils was not negligible.

The Committee observed that even units which had already been licensed were finding it difficult to maintain production of stainless steel utensils because of the acute shortage of stainless steel and the present foreign exchange position did not warrant the recognition of additional capacity in this line of manufacture. The Committee, therefore, recommended rejection of the applicant firm's request for the inclusion of capacity for stainless steel utensils in the licence to be issued to the firm.

- (36) Application from M/S. Arthur Import-Export Co., Bombay, for a licence for the establishment of a new undertaking at Greater Bombay, for the installation of a waste plant of 5,000 spindles, for the manufacture of mixed waste yarn.

The scheme envisages the installation of 5,000 spindles for the manufacture of mixed waste yarn. The Committee was informed that the present policy is to permit the installation of spindles upto a maximum of 1200 spindles in cases where cotton waste spindles are to be installed by way of expansion in existing Spinning or Composite mills producing their own cotton waste.

The Committee observed that the foreign exchange expenditure of Rs.10 lakhs for the establishment of a new industrial undertaking was not justified. The Committee, therefore, recommended rejection of the application.

- (37) (i) Application from M/S. Godavari Sugar Mills Ltd., Bombay, for a licence for the manufacture of new articles viz., butyl alcohol and butyl acetate. (Capacity: 250 tons per mensem.)

- (ii) Application from M/S. Hyderabad Construction Co., Hyderabad (Dn), for a licence for the manufacture of a new article viz., butanol (Butyl alcohol). (Capacity: 420 tons per mensem.)

An application from M/S. Godavari Sugar Mills Ltd., Bombay, was considered by the Licensing Committee at the meeting held on 10th May, 1957. On that occasion the Committee deferred consideration of the application for want of full particulars regarding the terms of foreign collaboration and the requirements of foreign exchange involved in the scheme. These particulars have since been furnished by the applicant firm. The Committee observed that there was still scope for the manufacture of Butyl alcohol and Butyl acetate. The Committee, therefore, recommended the grant of a licence subject to the following conditions:-

- (1) The foreign exchange requirements should be screened by the CG/HEP Committee;
- (2) The terms of foreign collaboration should be settled to the satisfaction of the Government.

The Committee also recommended the grant of a licence to M/S. Hyderabad Construction Company subject to the foreign exchange requirements being screened by the CG/HEP Committee.

The application of M/S. Hyderabad Chemical and Pharmaceutical Works Ltd., had been considered by the Licensing Committee at the meeting held on 6.2.1958. On that occasion the Committee desired that the location of the undertaking should be discussed with the firm with reference to the availability of raw materials and the case should be brought up to the Committee after the selection of the site for the proposed industrial undertaking had been finalised. This decision was communicated to the applicant firm.

The Committee was informed that the applicant firm had not discussed this matter with the Development Wing so far and it was apparent that the applicant firm was not keen on going ahead with the scheme. The Committee, therefore, recommended rejection of the application.

- (38) Application from M/S. Assam Sillimanite Ltd., Calcutta, for a licence for the establishment of a new undertaking (Assam Sillimanite Refractories Ltd.,) at Tehsil Ramgarh, Distt. Hazaribagh, Bihar, for the manufacture of the following items:-
(Foreign collaboration envisaged.)

<u>Name of the product.</u>	<u>Annual Capacity in tons.</u>
a) High Alumina Bricks & Shapes	6000
b) Fireclay bricks & Shapes.	14000
c) Sillimanite	5000
d) Silica	7500
e) Magnesite	1500
f) Magchrome	1500
g) Fireclay Mortars & Mixers	3000
h) Siliceous	720
i) Basic	500
j) Insulating bricks & shapes	5000
Total	44720 tons.

The Committee recommended the grant of a licence subject to the following conditions:-

- (a) The transport requirements should be cleared by the Ministry of Railways;
- (b) The terms of foreign collaboration should be settled to the satisfaction of the Government;
- (c) The foreign exchange requirements should be screened by the CC/HEP Committee.

- (39) Application from M/S. The Albion Plywood Ltd., Calcutta, for a licence for effecting substantial expansion for the manufacture of New Articles viz. Chip Boards. (Capacity: 2,400 tons per annum.)

The scheme involves the import of capital equipment worth about Rs. 7 lakhs. The Committee observed that in the context of the present difficult foreign exchange position the import of capital equipment required for the implementation of this scheme was not justified. The Committee, therefore, recommended rejection of the application.

- (40) Application from M/S. HasamBhoy Jetha, Bombay, for a licence for the establishment of a new undertaking at Pvculla Goods Depot, Parel Road, Bombay, for the manufacture of 50 Nos. of Harrison type lathes 4 $\frac{1}{2}$ " centre per mensem in collaboration with M/S. T.S. Harrison & Sons Ltd., of U.K.

The scheme envisages the manufacture of Harrison centre lathes. The Committee was informed that the applicant firm was a well known firm dealing in second hand tools and had experience in the reconditioning of second hand tools.

The Committee noted that the scheme for the manufacture of 50 lathes per month involved foreign exchange expenditure on capital equipment to the extent of Rs. 5 lakhs. The Committee observed that it should be possible for the applicant firm to establish manufacture of these lathes with a smaller capacity by making use of the existing equipment and importing only a few essential items. The Committee, therefore, recommended the grant of a licence for the manufacture of 20 lathes per month, subject to clearance by the Capital Goods Committee.

(41) Application from M/S. Glaxo Laboratories (India) Private Ltd., Bombay, for a licence for effecting substantial expansion for the manufacture of a preparation containing Polydin and Procaine penicillin fortified glaxo. (Capacity: 6 lakhs of one dose vials per annum.)

The Committee recommended the grant of a licence.

(42) Application from M/S. Textool Company Ltd., Coimbatore, for a licence for the manufacture of New articles viz., various Machine Tools.

Name of the Product. Monthly Capacity.

I. GRINDING MACHINES.

(a) Cylindrical Grinding Machines.	2
(b) Centreless Grinding Machines.	2
(c) Universal Tool & Cutter Grinder	4
(d) Surface Grinder	4

II. PRODUCTION LATHES.

(a) Single spindle automatics	4
(b) Production lathes for special purposes	4

III. UNIT TYPE MACHINE TOOLS.

(a) Horizontal Boring, Drilling & Milling Machine.	2
(b) Gear Hobbing Machine	2
(c) Planer type milling machine	1

The scheme envisages the manufacture of various types of machine tools. It was pointed out that manufacture of horizontal spindle surface grinders had been included in the manufacturing programme of the Machine Prototype Tool Factory, Amernath. It was, therefore, considered desirable to consult the Ministry of Defence before the manufacture of this particular item could be agreed to. The Committee accordingly recommended the grant of a licence for the manufacture of all the machine-tools applied for by the firm except horizontal spindle surface grinders.

The Committee suggested that after the Defence Ministry had been consulted about the manufacture of horizontal spindle surface grinders by the applicant firm, this case should be brought up again before it.

(43) Application from The U.P. Government Cement Factory, Churk (Mirzapur), Uttar Pradesh, for a licence for the manufacture of New Articles viz., Fireclay refractories, Insulating refractories and Refractory mortars and cements. (Capacity: 1,200 tons in initial stages, and 2,400 tons after one year, per annum.)

The Committee recommended the grant of a licence.

(44) Application from M/S. Cawnpore Tannery Ltd., Kannur, for a licence for the manufacture of New Articles viz., V.I.R. wires and Cables, and Rubber Pipes and Hoses. (Capacity: 4.3 million yards of V.I.R. Wires and Cables per annum on double shift basis. Rubber Pipes and Hoses. Capacity not indicated.)

The scheme envisages the substantial expansion of the existing industrial undertaking for the manufacture of the following articles:-

- i) V.I.R. Wires & Cables,
- ii) Rubber Pipes & Hoses.

The Committee was informed that the present production of rubber insulated cables and wires was not sufficient to meet the demand in the country. Further, there was the possibility of some schemes which had already been licensed/approved not materialising because of the difficulty in securing plant and machinery from abroad. On these considerations and having regard to the fact that the present proposals did not involve the import of plant and machinery for the manufacture of V.I.R. wires and cables, the Committee recommended the grant of a licence in respect of these items subject to the condition that the capacity would be determined on the basis of the machinery installed and the actual performance after the plant had gone into operation.

As regards Rubber Hoses & Pipes, the Committee noted that there was already sufficient capacity in the country to meet the demand. It, therefore, recommended rejection of this part of the application.

(45) Application from M/S. Jayems Beechey and Co., Private Ltd., Bombay, for a licence for the manufacture of New Article viz., 12/14 H.P. vertical diesel engines. (Capacity: 1st year 360 engines, 2nd year 480 engines, 3rd year and after 600 engines per annum.)

The applicant firm has already been licensed for the manufacture of various types of diesel engines. One of the items licensed for manufacture was 12/14 H.P. horizontal diesel engines. The firm applied last year for a licence to manufacture 12/14 H.P. 'E' type Claeys vertical engines in place of the 12/14 H.P. Horizontal diesel engines

for which a licence had been already granted. This application was considered by the Licensing Committee at the meeting held on 19/20th December, 1957. On that occasion, the Committee recommended rejection of the firm's request because the applicant firm had not been able to complete the manufacturing programme already licensed. This decision of the Committee was communicated to the applicant firm. The firm has now represented against this and urged that:-

- (1) the horizontal diesel engines for which the firm had been granted a licence were not popular and there was, therefore, not much demand for these engines;
- (2) there is sufficient demand for vertical engines;
- (3) the new type of engines proposed to be manufactured i.e. 12/14 H.P. 'E' type Claeys engines, is a vertical type of engine and is simple and sturdy in construction, has a satisfactory performance and is easy to maintain;
- (4) the firm is prepared to give up manufacture of all sizes of horizontal diesel engines for which it has already been licensed in order to start the manufacture of this new type of vertical diesel engines, and
- (5) the foreign exchange required for the manufacture of the vertical type of diesel engines would be the same as the quantity required for the 12/14 H.P. horizontal engines.

The Committee was informed that the Managing Director of the applicant firm had discussed the present application with the Development Wing and had undertaken to give up the manufacture of all sizes of horizontal engines for which the firm had been licensed and take up the manufacture of the 12/14 H.P. claeys vertical engine instead. The Committee was also informed that the applicant firm had confirmed this and had stated that it would be importing only machined crank shafts, connecting rods, roller bearings and cylinder heads in the beginning but would progressively commence the manufacture of these items in the country and try to acquire self sufficiency as soon as possible.

The Committee noted that the present proposals did not involve any extra expenditure on the import of essential components etc. The Committee recommended the grant of a licence for the manufacture of the new type of 12/14 H.P. vertical diesel engine as detailed below:

1st year	360 engines per annum.
2nd year	480 " " "
3rd year and after	600 " " "

The scheme was approved by the Licensing Committee subject to clearance by the Capital Goods Committee.

(46) (i) Application from Shri Hamendra Shah, for a licence for the establishment of a new undertaking (M/S. Palia Bhira Co-operative Cane Society Ltd., Palia Kalan (U.P.)) for the manufacture of Sugar with 2000 tons of cane crushing capacity per day.

(ii) Application from M/S. Hindustan Sugar Mills Ltd., Golagokarnnath (U.P.), for a licence for the establishment of a new undertaking at Palia Kalan (U.P.), for the manufacture of Sugar with 1000 tons of cane crushing capacity per day.

The applications of these two firms were considered at the meeting of the Licensing Committee held on 23rd May, 1958. On that occasion, the Committee was not favourably inclined towards these proposals because (1) the possibility of obtaining the plant and machinery required for implementing these schemes was rather remote in view of the difficult foreign exchange position; and (2) there was no scope for the establishment of additional capacity for the manufacture of Sugar. On a representation made by representative of the State Government that the State Government desired to discuss this matter further with the applicants, the Committee desired that the decision to recommend rejection of these two applications might not be communicated to the applicants until the State Government had had discussions with the applicants. The State Government were, therefore, requested to offer their comments on these applications. The State Government's comments have since been received. The Committee noted that no grounds had been urged to warrant reconsideration of this matter. The Committee also observed that the foreign exchange expenditure involved in these two schemes inspite of the proposal to utilise idle machinery was still high i.e. Rs. 15 lakhs. The Committee, therefore, recommended the rejection of both these applications.

(47) Application from M/S. Ashok-Leyland Ltd., Madras, for a licence for effecting substantial expansion for the manufacture of the following articles in collaboration with M/S. Leyland Motors of U.K.:-

<u>Name of the Product.</u>	<u>Annual Capacity.</u>
a) Leyland UE 350 Engine (a modification for use for industrial purposes of the '350' engine fitted in the 'Comet' vehicle chassis)	} Initial: 360 Nos. } After Five Years: } 960 Nos.
b) Leyland UE 600/680 Engine (an industrial version of the '600' engine fitted to Tiger/Titan vehicle chassis)	
c) Leyland UE 680 Engine (an industrial version of the '680' engine fitted to Tiger/Titan vehicle chassis)	

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The applicant firm has already been licensed for the manufacture of Leyland "Comet", "Titan" and "Tiger" vehicles and the manufacturing programme approved includes the manufacture/prime movers i.e., diesel engines VE 350 VE 600 VE 680, as well. The present proposals envisage the manufacture of the industrial versions of these vehicular engines.

The Committee was informed that the proposals would not involve any practical difficulty from the point of view of the process of manufacture and that the additional foreign exchange expenditure on the import of certain components, etc, involved was reasonable. The Committee, therefore, recommended the grant of a licence.

(48) Application from Sri G.M. Khaiton, Calcutta, for a licence for the establishment of a new undertaking at Calcutta, for the manufacture of 156,000 drums of 40/45 gallon standard type oil per annum.

The Committee recommended the rejection of application for the following reasons:-

- i) There is already idle capacity in the country for the manufacture of drums and containers.
- ii) The units already licensed for manufacture of these articles are finding it difficult to get their requirements of steel sheets.

(49) Application from M/S. Agents and Distributors Private Ltd., Calcutta, for a licence, for the establishment of a new undertaking in 24, Parganas, West Bengal, for the manufacture of 6,000 tons of grey iron castings, per annum.

The Committee recommended the grant of a licence subject to the condition that only B.H. Hard Coke will be supplied to the firm and not B.P. Hard Coke. It was noted that all the equipment would be fabricated locally or obtained from indigenous sources.

(50) Application from M/S. Pig Iron Supplying Syndicate Private Ltd., Calcutta, for a licence for the establishment of a new undertaking at Baltikari, (West Bengal), for the manufacture of 12,000 tons of C.I. Sleepers, C.I. Brake Blocks and miscellaneous heavy castings per annum.

The scheme envisages the installation of an imported Metallurgical Blast Cupola which would use iron ore and scrap instead of pig iron. The Committee was informed that the applicant firm could manufacture the items applied for with pig iron as raw material on a conventional cupola which could be procured from indigenous sources. The Committee observed that the initial foreign exchange outlay involved in the scheme was of the order of Rs.6 Lakhs. In view of the present foreign exchange difficulty the Committee was not favourably inclined to the scheme as at present envisaged. The Committee, therefore, recommended the grant of a licence subject to the following conditions:-

- (1) A conventional indigenous cupola should be used instead of the imported Metallurgical Blast Cupola as proposed by the applicant firm.
- (2) Pig iron should be used as raw material.
- (3) The applicant firm should accept its requirements of Hard Coke in the B.H. variety only.

(51) Application from M/S. Rankola Sugar Mills Co. Ltd. Rankola (U.P.), for a licence for effecting a substantial expansion for the manufacture of the following items of sugar mill machinery.

- (i) juice heaters, vertical and horizontal type.
- (ii) Centre flow pans upto 35 tons capacity.
- (iii) quadruple effect Evaporators upto 25,000 sq. ft. H.S.
- (iv) Crystallizers upto 35 tons capacity.
- (v) Lime kiln, lime elevator, etc. and other miscellaneous items of pumps, hopper and shifters.

The applicant firm has already been registered under the Industries (Development and Regulation) Act for the manufacture of sugar. The present proposals envisage the manufacture of sugar mill machinery as well. The committee was informed that in addition to 6 undertakings which had been licensed to manufacture complete sugar mill plants in collaboration with foreign manufacturers, there were 8 undertakings which were already engaged in the manufacture of items like juice heaters, vacuum pans, evaporators, crystallizers. The Committee was also informed that the existing capacity for the manufacture of the items applied for by the firm were sufficient to meet the country's requirements.

The attention of the Committee was drawn to the fact that the amount of foreign exchange available for the import of components required for the implementation of such schemes was inadequate even for the capacity already licensed. Doubts were, however, expressed as to whether the proposals should not deserve consideration because no outlay of foreign exchange was required in respect of capital equipment. The Committee, therefore, suggested that the Development wing should examine the present proposals in some detail with special reference to existing idle capacity, if any, in the country. The consideration of the application was postponed.

(52) Application from M/S. structural Fabricators for the manufacture of new articles viz., cast iron castings. (Capacity: 900 tons per annum.)

The Committee noted that the scheme did not involve any expenditure of foreign exchange and, therefore, recommended the grant of a licence, subject to the condition that the firm should use only B.H. Hard coke.

(53) Application from M/s. Krishna Steel Industries (Private) Ltd., Bombay, for a licence for affecting substantial expansion to their existing industrial undertaking for the manufacture of Steel forgings - 1200 tons per annum etc.,.

The applicant firm had applied for a licence to undertake the manufacture of grinding media as well as steel forgings within the capacity applied for by the firm. With regard to steel forgings the Committee recommended the grant of a licence for the manufacture of 1200 tons of steel forgings per annum for sale to the public.

As regards Grinding Media, the Committee felt that there was hardly any scope for licensing additional capacity in this line - four earlier proposals of a similar nature had been turned down on the same ground. The Committee, therefore, recommended rejection of this part of the application.

(54) Application from Shri Navin H. Mapara, Bombay, for a licence for the establishment of new industrial undertaking (M/s. National Dynamos Manufacturing Co. Ltd., Bombay) for the manufacture of 240,000 units Bicycle Dynamo lighting set per annum in collaboration with a leading U.K. Manufacturer.

It was pointed out that the demand for cycle dynamo lamps was very limited and that the item could not justifiably be accorded any high priority for manufacture. The Committee observed that the foreign exchange expenditure involved in the scheme both for the import of capital equipment and raw materials was not justified, and, therefore, recommended rejection of the application.

(55) Application from M/s. Flexcord Corporation, Bombay, for a licence for the establishment of a new industrial undertaking at Bombay, for the manufacture of 1,800,000 Nos. of Electrical two pin plugs with wire cords and 6,000,000 Nos. on two shift basis of P.V.C. Grommets (for fans, radios and amplifiers, typewriters and allied articles) per annum.

The scheme envisages the import of raw materials to the extent of Rs. 2.7 lakhs per annum. The applicant firm has, however, stated that imports can be reduced as the P.V.C. compound required for implementing the scheme can be procured from indigenous sources. The Committee was informed that the prospects of there being sufficient indigenous production of P.V.C. in the near future were not bright and that it might take from 12 to 18 months to establish indigenous production. The Committee, therefore, recommended the rejection of the application.

The Committee, however, suggested that the applicant firm might renew its application after the production of P.V.C. had been well established in the country.

(56) Application from M/S. Pfizer Corporation, Apartado, Colon, Republic of Panama, for a licence for the establishment of a new industrial undertaking (M/S. Ravisons Pharmaceuticals (Private) Ltd., for the manufacture of terramycin, tetracycl, and other antibiotics with capacity as under:-

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<u>Name of the product:</u>	<u>Monthly capacity:</u>
Sterile and non-sterile powder forms:	20,000 Nos. expandable to 100,000 Nos.
Tablets, uncoated:	80,000 Nos.
Capsules:	120,000 Nos.
Ointments:	100,000/½ oz. tubes.

The scheme envisages processing operations in the initial stages with the possibility of taking up the preparation of basic manufactures at a later stage. The Committee was informed that this scheme was originally linked up with the supply of "know-how" for the manufacture of streptomycin at Hindustan Antibiotics (Private) Ltd., but as arrangements had already been concluded for this "know-how" with another firm, the present proposals did not merit any special consideration on that account.

The Committee was also informed that only processing activities were envisaged in the present proposals and that certain other undertakings had already been licensed for processing similar items or substitutes. The Committee observed that in these circumstances and in the context of the present difficult foreign exchange position, the outlay of foreign exchange on the import of capital goods and raw materials was not justified. The Committee, therefore, recommended rejection of the application.

(57) Application from M/S. Indian Oxygen Limited, Calcutta, for a licence for effecting substantial expansion to their existing industrial undertaking for the manufacture of Industrial gases for the capacity mentioned below:-

<u>Factory</u>	<u>Oxygen expansion applied (M.cft. per month.)</u>	<u>Dissolved Acetylene expansion applied (M.cft per month.)</u>
Jamshedpur.	9.00	00.54
Calcutta.	9.00	00.80
Delhi.	00.54

An application from this firm for the expansion of its units located in various parts of the country was considered at the meeting of the Licensing Committee held on 30.7.1958. On that occasion, the Committee recommended the expansion of certain units belonging to the firm and suggested that the case of the remaining units might be discussed with a representative of the applicant firm with reference to the present needs and future requirements of capacity in those areas and the price policy of the applicant firm.

The Committee was informed that the matter had been discussed with the firm and that, as a result of these discussions, it was decided to sanction the expansion of the remaining units as applied for by the firm.

The Committee was also informed that the necessary licences were under issue.

The Committee noted the position.

(58) Application from M/s. Beco chemicals (Private) Ltd., Calcutta, for a licence for affecting substantial expansion to their existing industrial undertaking for the manufacture of new articles viz., Yellow oxide of Iron and Ferrous Sulphate-10 tons and 500 tons per mensem respectively.)

The Committee recommended the grant of a licence for the manufacture of 500 tons of Ferrous sulphate a month.

[The manufacture of Yellow oxide of Iron is not covered by the Industries (Development and Regulation) Act.]

(59) Application from M/s. Kantilal keshavlal, Bombay, for a licence for the establishment of a new industrial undertaking (M/s. India Paper Manufacturing Co. Ltd.,) at Khopoli tehsil or Karjat, Dist. Thana or Bhiwandi (Bombay State) for the manufacture of Printing, writing, Wrapping M.G. and M.F. Papers and Boards - Capacity 150 tons per mensem (1,800 tons per annum.)

The application of this firm was considered at the Licensing Committee meeting held on the 30-th July, 1958. On that occasion the Committee recommended rejection of the application, as a large number of similar schemes already licensed had been held up for want of foreign exchange for the import of capital equipment. The Committee was informed that intimation had since been received from the firm that it would raise funds from overseas to the extent required to cover the outlay of foreign exchange required for the import of plant and machinery, i.e., Rs. 7.5 lakhs. The Committee, therefore, recommended the grant of a licence subject to the foreign exchange requirements being screened by the CG/HET Committee.

(60) Application from M/S. Andhra Sugars Ltd., Andhra Pradesh, for a licence for the establishment of a new industrial undertaking at Rajamundhary, East Godavary Dist., for the manufacture of the following articles:-

<u>Name of the articles:</u>	<u>Annual capacity</u>
Caustic soda.	3,800 tons
Chlorine.	2,410 tons
Hydrochloric acid.	1,000 tons

An application for the expansion of the Andhra Paper Mills was considered by the meeting of the Licensing Committee held in April, 1958. On that occasion, the committee deferred consideration of this scheme and desired that the State Government should re-explore the terms of payment and the sources of supply of the capital equipment required to be imported from abroad. The committee was informed that no further intimation regarding the progress of this matter had been furnished by the State Government.

With reference to the present proposals, it was pointed out that the scheme for the expansion of the Andhra Paper Mills had provision for a chlorine/caustic soda unit for meeting its own requirements. The committee was also informed that there was not sufficient scope for 2 units both manufacturing chlorine/caustic soda in the same area. The Director of Industries, Andhra Pradesh, had no objection to revise the scheme relating to the manufacture of chlorine/caustic soda by the Andhra Paper Mills if the scheme submitted by the applicant firm was approved. The Committee, therefore, recommended the grant of a licence subject to the following conditions:-

i) The foreign exchange requirements should be screened by the CG/HEF Committee;

ii) The scheme submitted by the Andhra Paper Mills for the manufacture of chlorine/caustic soda should be suitably revised so as to eliminate the Caustic Soda Section.

(61) Application from M/S. Addison and Co. (Private) Ltd., Madras for a licence for the establishment of a new industrial undertaking at Smith Road, Madras, for the manufacture of 50 Nos. of Jeep trailers per annum on single shift basis.

The Committee recommended the grant of a licence / This is a case of regularisation. 7

(62) Application from Shri Gajanan Khaitan, Calcutta, for a licence for the establishment of new industrial undertaking at Kankinarr ah, Calcutta, for the manufacture of 13.6 million core yards of Rubber Insulated Cables per annum on single shift basis.

The Committee recommended rejection of the application for the following reasons:-

- 1) There is no scope for licensing additional capacity in this line of manufacture.
- 2) The scheme involves the import of plant and machinery worth about Rs. 5.5 lakhs but no details have been given of the arrangements to be made for these imports.

(63) Application from M/s. Hindustan Meters (Private) Ltd., Amritsar, for a licence for the establishment of a new industrial undertaking at Chandigar (Punjab) for the manufacture of 60,000 Nos of Electric Motors (A.C. Single Phase) per annum on single shift basis. (In collaboration with M/s. Hitachi Ltd., Tokyo.)

At the meeting held on the 19th/20th December, 1957, the Committee considered an application from this firm for the manufacture of electric meters in collaboration with a Japanese firm. The Committee suggested that the Director of Industries, Punjab, might contact the applicant firm and ascertain (i) whether the firm could get Japanese investment to cover the cost of the capital equipment required and (ii) whether deferred payments could be started after April, 1961. The Committee desired that after this clarification had been obtained, the application should be brought up again before the Committee for consideration. The Committee was informed that the firm had not furnished the information required in spite of several communications addressed by the Government of the Punjab and a formal notice from the Ministry of Commerce and Industry. The Committee was informed that in these circumstances the Ministry of Commerce and Industry proposed to treat the case as closed.

The Committee noted the position.

(64) Application from M/s. Devidayal Cable Industries (Private) Ltd., Bombay, for a licence for effecting substantial expansion to their existing industrial undertaking for the manufacture of following articles:-

<u>Name of Products</u>	<u>Annual Capacity</u>
Enamelled Wires	360 tons.
Paper covered round wires.	120 tons.
Paper covered strips.	300 tons.

At the meeting held on 12.3.1958, the Committee recommended the grant of a licence to the applicant firm for carrying on the business of the existing industrial undertaking in respect of the following items:-

<u>Items</u>	<u>Capacity per Annum</u>
1) Enamelled Wires.	158 tons.
2) Cotton covered wires.	75 tons.

As regards paper covered strips and aerial wire the Committee had suggested that the capacities should be assessed and fixed by the Development Wing and a licence granted accordingly.

A licence was, therefore, issued to the applicant firm for the manufacture of Enamelled wires and cotton covered wires only.

The firm has now requested that it may be allowed to expand its capacity in the manner now proposed in order to make the unit economic. The Committee considered this request and recommended the grant of a licence for the manufacture of:

- i) Enamelled wires, and
- ii) Paper covered round wires as applied for, subject to the foreign exchange requirements for capital goods being screened by the CG/HEP Committee.

As regards Paper covered strips, the Committee was informed that the present output of the firm had not been upto the capacity claimed by the firm. The Committee, therefore, recommended that the position might be reviewed after about three months and the capacity for this item re-assessed.

(65) Application from M/s. Guest Keen, Williams Ltd., Calcutta, for a licence for effecting substantial expansion to their existing industrial undertaking for the manufacture of new article viz., bright steel bars - Capacity 6,000 tons per annum on single shift basis.

The Committee was informed that there had been heavy import of bright bars to meet the demand in the country. The Committee noted that the present proposal would fill the gap between supply and demand and thus reduce imports. The Committee, therefore, recommended the grant of a licence subject to the foreign exchange requirements for capital goods being screened by the CG/HEP Committee.

(66) Application from Shri Krishnaraj M.D. Thackersey, Bombay, for a licence for the establishment of a new undertaking (M/s. Luxmi Sprinklers) at Bhor (Bombay), for the manufacturing of the following items in collaboration with M/s. Globe Automatic Sprinkler Company Division, The FVRE-FYER COMPANY, OHIO, U.S.A.:-

Items.	C.I.F. Price.	Capacity per annum.
a) Automatic Sprinklers.	₹ 7.95	1,80,000 BNos.
b) Alarm valves & alarm gongs.	₹ 326 (per set)	144 sets.
c) Fusible Links:		2,500 to 25,000
Metallic type:	₹ .26	(can be produced at short notice)
Chemicals.	₹ 1	
d) Fire doors.	50 Nos. (To customer's design.)

The Committee observed that the proposals as envisaged, particularly the terms of foreign collaboration were not sufficiently attractive. Having regard to this and the fact that these items are now being allowed to be imported the Committee recommended the rejection of the application.

(67) Summary of outstanding applications for licence under the Industries (Development and Regulation) Act, 1951 - As on the 14th August, 1958.

The Committee while noting the position desired that action should be taken to reduce the number of pending applications.

(68) Note Regarding the manufacture of A.C.S.R. and all Aluminium conductors.

At the meeting held on the 10th April, 1958, the Licensing Committee reviewed the present position of the A.C.S.R. and All Aluminium Conductors industry. The Committee noted that after excluding the capacities of the three firms which had failed to implement the schemes licensed and whose licences it was proposed to revoke, the total existing capacity for the A.C.S.R. and All aluminium conductors could be estimated at 26,470 tons per annum against the Second Plan target of 30,000 tons per annum. The Committee desired that the Development Wing should make recommendations for the allocation of the remaining capacity of 3,530 tons and, in doing so should take into account the four new applications for additional capacity as well as the application of Messrs EMC Works, Kanpur, which had been rejected earlier. The Committee was informed that out of the three firms which had not implemented the schemes licensed to them, two firms, namely, Messrs Aluminium Corporation of India Ltd., Calcutta, (Capacity 2,400 tons per annum) and Messrs National Screw & Wire Products, Calcutta, (Capacity 1,200 tons per annum) had made some progress towards the implementation of the schemes licensed to in their favour. The Committee was informed that M/S. Aluminium Corporation of India Ltd., Calcutta, had been given time up to the 8th December, 1958 to implement its scheme.

The Committee, therefore, agreed that the licences of these two firms need not be revoked at present, but that the firms might be granted time till the end of December, 1958 to implement the schemes licensed in their favour. The Committee noted that after action had taken in the manner indicated, there would be no scope for the creation of any additional capacity whether by way expansion or through new schemes. The Committee, therefore, recommended that all pending applications should be rejected for the present.

The Committee suggested that the position might be reviewed in the beginning of 1959 in the light of the progress made by Messrs Aluminium Corporation of India, Calcutta, and Messrs National Screw & Wire Products, Calcutta, with the implementation of their schemes already licensed.

(69) Application from M/S. J.C. Dhariya, Bombay, for a licence for manufacture of New Articles viz., Gas and Electric welding equipment, Regulators, Torches, nozzles and other welding accessories. (Capacity: 60 sets per mensem).

At its meeting held on 30-7-1958, the Committee desired that applications in which no indication had been given of arrangements to be made for meeting expenditure of foreign exchange should be rejected without further reference to the Licensing Committee. The Committee was informed that the present proposal involved the import of capital equipment worth Rs. 1.5 lakhs and that no indication had been given of the arrangements proposed to be made for meeting the requirements of foreign exchange for the import of plant and machinery. The Committee was informed that in these circumstances the applicant firm had been informed that its application had been rejected.

The Committee noted the position.

(70) Application from M/S. Tata Fison (Private) Ltd., Bombay for a licence for affecting substantial expansion for the manufacture of New Articles viz., 50,000 gallons of Woodicides and 1,500 tons of Fumigents per annum and for increasing their capacity for the manufacture of the following items:-

CAPACITY

	<u>Existing</u>	<u>After expansion.</u>
(i) Organo Phosphoric formulations - Powder formulations.	30 tons p.a.	100 tons p.a.
Liquid formulations.	16,000 gallons p.a.	50,000 gallons p.a.
(ii) <u>Acaricides:</u>		
Powder formulations.	300 tons p.a.	500 tons p.a.
Liquid formulations.	15,000 gallons p.a.	15,750 gallons p.a.
(iii) Fungicides:	250 tons p.a.	1000 tons p.a.

The Committee noted that the present proposals envisaged import of raw materials to the extent of Rs.58 lakhs per annum as against the provision of Rs. 70 lakhs that is being made for this industry as a whole, every year at present. The Committee, however, observed that as the Ministry of Food and Agriculture (Plant Protection Directorate) was likely to be interested in a scheme of this kind, the views of that Ministry should be obtained as to whether there was any need to licence additional capacity in this line of manufacture. The Committee, therefore, deferred consideration of this application.

(71) Application from M/S. Alkali & Chemical Corporation of India Ltd., Calcutta for a licence for effecting substantial expansion for the manufacture of the following items:-

<u>Item of manufacture</u>	<u>Capacity proposed.</u> <u>(tons per year)</u>	<u>Remarks.</u>
(a) <u>Finished products.</u>)	
<u>Accelerators-</u>)	
A range of/)	
Mercaptobenzthiazole and its derivatives such as vulcafor MBT, MBTS, HBS etc.	660)	The plant will operate on three shifts with an average plant occupation of 335 days per year at full output.
Substituted guanidines, thiouras and thioamnes,)	
Salts and esters of alkyl dithiocarbamic acids, alkyl thiuram mon- and disulphides	490)	
such as Vulcafor DPG, TMT, TET etc.)	
<u>A range of Anti-oxidants.</u>		
N-aryl & N-Alkyl arylamines		The plant will operate on three shift with an average plant occupation of 335 days per year at full output.
Styrenated phenols, thiophenols and thionaphthols, aldehyde/amine condensates such as		
Nonox B, BL		
D, H	1500	
SP		
Diphenylamine derivatives such as Vulcatard A	120	2770
(b) <u>Semi-products required as intermediates for the above mentioned finished products.</u>		

- (i) Carbon disulphide 600) The plant will operate on three
- (ii) Diphenylamine 900) shifts working for 330 days per year.
- (iii) Cyanogen chloride. 20) The plant will operate on three
shift working for 50 days only per
year.

The scheme envisages substantial expansion of the applicant firm's existing industrial undertakings for the manufacture of miscellaneous organic chemicals required by the rubber goods manufacturing industry as detailed above.

The Committee was informed that the estimated demand for rubber chemicals at the end of the Second Five Year Plan period was not likely to exceed 1800 tons per annum, and that if this capacity were to be licensed the possibility of competition from other units would not be altogether ruled out even during the Third Five Year Plan period. The Committee, therefore, recommended the grant of a licence as detailed below:-

(a) <u>Finished products:</u>	<u>Capacity per annum</u>
Accelerators	775 tons
Anti oxidants	950 tons
Retarders	75 tons
Total	<u>1800 tons</u>
(b) <u>Semi-products required as intermediates for the above mentioned finished products:</u>	

The capacities for semi products required as intermediates should correspond to the capacities sanctioned in respect of the finished products. The committee desired that these capacities might be assessed and fixed by the Development Wing.

The Committee also desired that the manufacturing programme should include the following important chemicals which are in current use:-

Mercaptobenzethiozole	MBT	
Dibenzothiazylsulfide	MBTS	
Diphenyl-guanidine	DPG	
Tetramethyl-thiuram-disulphide		TMT
Tetraethyl-thiuramdisulphide		TET
Phenyl-beta-naphthylamine	BNH	
Phenyl-beta-naphthylamine plus Diphenyl-para- phenylene-diamine	HP	

(72) Applications from:-

(i) Shri B.B. Bhowmick, (M/s. Radon House, Calcutta) for a licence for effecting a substantial expansion for the manufacture of X-ray equipments in collaboration with M/s. Compagnie General De Radiologie, Paris.

	<u>Existing</u>	<u>Capacity per annum after expansion.</u>
1. 200 M.A.	1	24
2. 100 M.A.	1	72
3. 50 M.A.	2	Nil
4. 30 M.A.	1	48
5. 15 M.A.	3	120
6. Diffraction.	1	60

(ii) M/s. Escorts (Agents) Private Ltd., Delhi, for the establishment of a new undertaking at Patiala or Faridabad, for the manufacture of X-ray equipment in collaboration with M/s. Westinghouse, U.S.A.

Capacity

Year	15 M.A.	30 M.A.	50 M.A.	100 M.A.	200 M.A.
1st	10	160	40	50	10
2nd	10	110	60	100	20
3rd	20	140	80	130	30
4th	20	190	120	150	30

(iii) M/s. Siemens Engineering and Manufacturing Co. of India Private Ltd., Bombay, for the establishment of a new undertaking at Worli, Bombay for the manufacture of X-Ray equipments in collaboration with M/s. Siemens, Rainer Works, West Germany.

Capacity

Year	25/50 M.A.	100/150 M.A.	150/300 M.A.
1st	70	--	--
2nd	105	20	--
3rd	150	35	5
4th	200	45	20
5th	200	50	25

(iv) M/s. General Electric Co. of India Private Ltd., Calcutta, for the establishment of a new undertaking at Calcutta, for the manufacture of X-Ray equipments in collaboration with M/s. Watson and Sons Electromedicals Ltd., U.K.

Capacity

Year	100 M.A.	15 M.A.
1st	7	12
2nd	9	14
3rd	11	20
4th	22	45
5th	35	66

(Extra Beaver tables and MX 2 fluoroscopic stands will also be manufactured.)

(v) Managing Director, M/s. Bharat Electronics Private Ltd., Bangalore for the establishment of a new undertaking at Jalnahalli, Bangalore, for the manufacture of X-ray equipments. (Foreign collaboration envisaged). (Capacity: X-ray equipment worth Rs.250/- lakhs, in the next five years).

At the meeting of the Licensing Committee held on the 30th July 1958, the Committee desired that a comparative study of the foreign exchange requirements, the terms of foreign collaboration and capital structure etc., involved in these applications, should be made and the cases brought up before the Committee again. The information required by the Committee was placed before it. The decisions in respect of these applications are indicated below:-

(i) M/S. Radon House, Calcutta.

The Committee noted that the applicant firm had been carrying on the manufacture of this item on a small scale and had now sought the assistance of the State Government by way of participation in the capital structure of the firm. The Committee observed that the scheme would depend upon

the applicant firm's ability to raise the necessary capital for implementing the scheme. The Committee therefore, suggested that the applicant firm might be given 3 months time to put up firm proposals. The Committee recommended the grant of a licence for a capacity of Rs.30 lakh X-Ray equipment per annum subject to the terms of foreign collaboration and the manufacturing programme being settled to the satisfaction of Government.

ii) M/s. Escorts (Agents) Private Ltd., Delhi.

The Licensing Committee recommended the grant of a licence for a capacity of Rs.30 lakhs worth of X-ray equipment per annum, subject to the terms of foreign collaboration being settled to the satisfaction of the Government.

(iii) M/S. Siemens Engineering & Mfr. Co. of India Private Ltd., Bombay.

The Licensing Committee recommended the grant of a licence for a capacity of Rs.30 lakh worth of X-ray equipment per annum subject to the terms of foreign collaboration being settled to the satisfaction of the Government.

(iv) M/S. General Electric Co. of India Private Ltd., Calcutta.

The Committee noted that the applicant firm's programme for the elimination of imported components was not satisfactory. The Committee, therefore, recommended rejection of the application.

(v) M/S. Bharat Electronics Private Ltd., Bangalore.

The Committee was informed that the applicants had not furnished firm proposals regarding the terms of foreign collaboration, source of foreign collaboration etc. In the circumstances, the Committee recommended rejection of the application.

(73) Application from M/s. Ratanlal Jivrajmal, Calcutta, for a licence for the establishment of a new undertaking at Jaipur for the manufacture of 60 tons of Brass rods, sections, pipes, sheets etc., per mensem on double shift basis.

The Committee recommended rejection of the application for the following reasons:-

- (i) There is already sufficient capacity existing/licensed to meet the demand in the country;
- (ii) The foreign exchange expenditure involved in the scheme is not justified in the context of the present foreign exchange stringency.

74. Application from M/s. North Western Engineers, Bombay, for a licence for the establishment of a new industrial undertaking in the Industrial area of Bombay suburbs for the manufacture of six complete Flour mill machinery (industrial type) per annum in collaboration with M/s. OORIM, of Italy.

This application was considered by the Licensing Committee at the meeting held on 30th July, 1958. On that occasion, the Committee deferred consideration of the application in order to examine this case after the review of the present position of the roller flour milling industry had been completed.

The Committee was informed that the present proposals envisaged the manufacture of flour mill machinery in the country for the first time, and that no outlay of foreign exchange would be required for the import of capital equipment, as the plant and machinery required i.e. Rs. 10 lakhs would be supplied by the foreign collaborators. The Committee was also informed that substantial import of plant and machinery had been taking place even for replacement requirements of the existing roller flour mills in the country. The Committee noted that the firm would have to import a diagonal roller mill which was really a component part. On these considerations, the Committee recommended the grant of a licence, subject to the following conditions:-

- (1) The import licence for the import of the diagonal roller mill should be issued only after the firm had installed sufficient plant and machinery to undertake the manufacture of components other than the diagonal roller mill.
- (2) The foreign exchange requirements should be screened by CC/HEP Committee.

The Committee also recommended that the quantity of machinery to be imported on account of the diagonal roller mill should be limited to the quantity required for matching the rest of the components produced by the firm.

75. Application from M/s. Alambia Chemical Works Co. Ltd., Baroda, for a licence for effecting a substantial expansion to their existing industrial undertaking for the manufacture of following new articles, in collaboration with M/s. Organon Laboratories Ltd., England.

<u>Name of Product</u>	<u>Capacity</u>
<u>A- HORMONE PREPARATIONS:</u>	
i. Liquid	10,000 lbs. p.m.
ii. Ampoules	15,00,000 p.m.
iii. Tablets.	25,00,000 p.m.
iv. Ointment tubes based on tropic, corticosteroid and sex hormones and other drugs.	15,00,000 p.m.

B- BASIC MANUFACTURE

<u>Corticosteroids names</u>	<u>Annual capacity</u>
Cortisone & cortisone acetate.	75 Kg.
Prednisone	20 Kg.
Hydrocortisone & Hydrocortisone acetate	75 Kg.
Prednisolone	5 Kg.
	<u>175 Kg.</u>
<u>Other classic Hormones.</u>	
Oestrone	1 Kg.
Methyl - nor - testosterone	1 Kg.
Oestradiol	1 "
Oestradiol Benzate	1 "
Nor - Androstenedione Phenyl Propionate	1 "
Testosterone	2 "
Testosterone Propionate	10 "
Methyl testosterone	15 "
Methylandrosteronediol	5 "
Ethisterone	15 "
D O C A (Deoxycortone Acetate)	5 "
	<u>57 Kg.</u>

The Committee observed that the scheme envisaged only the formulation of certain drugs and did not involve any basic manufacture. It would also entail heavy outlay of foreign exchange on the import of raw-materials and capital equipment. The Committee, therefore, recommended rejection of the application.

76. Application from M/s. Mac Laboratore's Private Ltd., Bombay for a licence for effecting a substantial expansion for the manufacture of following new articles in collaboration with M/s. Carlo Erba Milan, Italy.

<u>Name of product:</u>	<u>Proposed annual capacity</u>
a) Calciosol C	6 lakhs amples.
b) Centil	9 lakhs tablets.
c) Cromamina	24 lakh tablets.
d) Entero-piristina	12,000 Kg.

<u>Name of product:</u>	<u>Proposed annual capacity</u>
e) Erbaprelina	24 lakh tablets.
f) Lut-estron.	2,40,000 ampoules.
g) Pirasmin	6 lakhs tablets.
h) Triormon	60,000 ampules.
i) Trisulfan	60 lakhs tablets.

The Committee noted that the scheme envisaged only the formulation of certain drugs and did not involve any basic manufacture. The Committee, therefore, recommended rejection of the application.

77. Application from M/s. Hickson & Dadajee Private Ltd., Bombay for a licence for effecting substantial expansion to their existing industrial undertaking for the manufacture of following new articles in collaboration with M/s. Hickson & Welch.

(1) <u>Particulars of the new articles.</u>	<u>Monthly capacity proposed.</u>	
Permissible harmless Food Colours.	20,000 lbs.	
<u>Primary colour</u>	<u>Colour Index</u>	<u>Quantity</u>
Ponceau 4R	185	25,000 per annum
Carmousine	179	8,400
Red 6B	57	60,000
Tartrazine	640	32,400
Sunset Yellow FCF	FD & C.No.6	86,400
Blue VLS	672	27,600 2,40,000
(2) Intermediates for Harmless food colours and for Dye. stuffs		6,00,000 lbs.
Intermediates for Organic pigments.		1,20,000 lbs.

The Committee recommended the grant of a licence subject to the following conditions:-

- (i) the foreign exchange requirements should be screened by the CG/HEP Committee;
- (ii) the programme of manufacture should be as detailed below:-

HARMLESS FOOD COLOURS:

P.T.O.

<u>Item of manufacture</u>	<u>Capacity (tons p.a.)</u>	<u>Starting Material</u>
Ponceau 4R	11.25	1. Alpha-Naphthylamine 2. Beta-Naphthol
Carmousine	3.75	1. Alpha-Naphthylamine 2. Alpha-Naphthol
Red 6B	27.00	1. Acetanilide 2. H. Acid.
Sunset Yellow FCF	40.20	1. Aniline 2. Beta-Naphthol
Tartrazine	14.50	1. Aniline 2. Oxaloetic ester.
Blue VLS	12.50	1. Toluene 2. Diethylaniline

The next meeting of the Licensing Committee will be held at 10-30 A.M. on 24th October, 1958.

K.C. Madappa

15/10/58

(K.C. Madappa)
Deputy Secretary to the Government of India.

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