

EXHIBIT NO.37  
PRESS NOTE NO.1 (1993 Series)  
ABOLITION OF THE SPECIAL COMMITTEE OF SECRETARIES ON FERTILISER PROJECTS

1. The Special Committee of Secretaries on fertiliser projects was constituted under the Industries (Development and Regulation) Act & Rules, in 1976 vide Government Notification S.O. 163(E)/RLIU/10(2)/76. All applications for grant of industrial licences, foreign investment and technical collaboration proposals, and import of capital goods for setting up fertiliser projects are considered by the Committee.

2. Under the New Industrial Policy of July, 1991, the fertiliser industry has been delicensed except in cases where a licence is needed on locational grounds. The import of capital goods for the fertiliser industry has been liberalised and put on OGL. Foreign technical collaboration proposals and proposals for foreign equity participation falling within the prescribed parameters are eligible for automatic approval to be granted by Reserve Bank of India(RBI) for all industries, including fertilisers. Foreign technical collaboration agreements which do not fall within the purview of RBI's automatic approval are considered by the Project Approval Board (PAB).

Foreign investment proposals which are not covered under the RBI's automatic approval route are considered by the Foreign Investment Promotion Board (FIPB).

3. The need for continuance of the Special Committee of Secretaries on fertiliser projects has been considered in the light of above mentioned measures taken by the Government and it has been decided to abolish the committee with immediate effect. Henceforth all applications for grant of industrial licence for the manufacture of fertilisers, wherever necessary, will be placed before the Licensing Committee or the Project Approval Board in the Department of Industrial Development, Ministry of Industry, as the case may be, for their consideration. Applications involving foreign technical collaboration or foreign equity participation falling within the purview of RBI for grant of automatic approval should be made to the RBI. Cases falling outside the purview of RBI's automatic approval powers will be considered by the PAB or the FIPB as the case may be.

No. 10(57)/92-L.P.

New Delhi, the 8th January, 1993.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
( **S. Bhavani** )  
Director

Principal Information Officer,  
Press Information Bureau,  
Shastri Bhawan,  
New Delhi.

EXHIBIT NO.38  
PRESS NOTE NO.2 (1993 Series)  
SETTING UP OF INTER-MINISTERIAL STANDING COMMITTEE FOR EHTPs AND ESTPs

For building up a strong Electronics Industry, with focus on enhancing its export potential and developing an efficient electronic component industry in the country, Government has announced two schemes called the Electronic Hardware Technology Park Scheme (EHTP) and Software Technology Park (STP) Scheme. Two Inter-Ministerial Standing Committees (IMSC) had been set up under the Chairmanship of Secretary, Department of Electronics, for considering applications to set up units under these schemes. It has now been decided to merge these two Committees and form a single Committee which will deal with applications under both the schemes. The composition of this single Committee will be as follows:

**Chairman**

1. Secretary,  
Department of Electronics,  
(or his nominee).

**Members**

2. Secretary,  
Department of Industrial Development, (or his nominee).
3. Secretary,  
Department of Science and Technology, (or his nominee).
4. Secretary,  
Ministry of Commerce, (or his nominee).
5. Chairman,  
Central Board of Excise and Customs, (or his nominee).
6. Secretary,  
Department of Economic Affairs,  
Ministry of Finance, (or his nominee).
7. Secretary,  
Planning Commission, (or his nominee).
8. Economic Adviser,  
Department of Electronics,(or his nominee).
9. Secretary,  
Department of Small Scale Industries  
and Agro and Rural Industries,  
(or his nominee).
10. Joint Secretary,  
Department of Electronics,  
Member Secretary.

The Committee will be serviced by the Secretariat for Industrial Approval (SIA) in the Department of Industrial Development.

2. The Committee will consider applications for grant of Industrial Approvals, including approval of proposals for Industrial Licence, Foreign Technology Agreements and import of Capital Goods.

3. Necessary Notification specifying the membership and functions of the IMSC under the Industries (Development & Regulation) Act, 1951 has been issued on 22nd February, 1993 as amended on 2nd March, 1993. Cases involving foreign equity will, however, be considered only by the Foreign Investment Promotion Board.

4. All applications in the specified form should be addressed to Secretariat for Industrial Approvals, Department of Industrial Development, Government of India superimposed with Applications for EHTP/STP Scheme. Applications, which do not seek a Letter of Intent, will be accompanied by a Crossed Demand for Rs.1000/- (Rupees one thousand only) in favour of the Pay and Accounts Officer, Department of Industrial Development, Ministry of Industry, payable at State Bank of India, Nirman Bhawan Branch, New Delhi - 110 011. The application will be accompanied by a Crossed Demand Draft for Rs.2500/- (Rupees two thousand five hundred only) if the item of manufacture requires a Letter of Intent.

No. 10(58)/92-LP

New Delhi, the 9th March, 1993.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-

( **Aditi S. Ray** )

Deputy Economic Adviser

Principal Information Officer, Press Information Bureau, New Delhi.

EXHIBIT NO.39  
PRESS NOTE NO.3 (1993 Series)  
DERESERVATION OF CERTAIN MINERALS FROM ANNEX-I

Under the Industrial Policy of July, 1991, the following minerals and mineral bearing areas have been reserved for the public sector:-

- (i) Mining of iron ore, manganese ore, chrome ore, gypsum, sulphur, gold and diamond.
- (ii) Mining of copper, lead, zinc, tin molybdenum and wolfram.

2. The National Mineral Policy of 1990 has been reviewed by the Ministry of Mines in the light of the New Industrial Policy of July, 1991. Under the National Mineral Policy of 1993, Government has

deleted all the 13 minerals which had earlier been reserved under the National Mineral Policy for exclusive exploitation by the public sector and has thrown them open for exploitation by the private sector.

3. Consequent upon the amendment of National Mineral Policy, it has been decided to delete the above mentioned minerals and mineral areas is being issued separately under the provisions of Industries (Development & Regulation) Act, 1951.

No. 10(31)/92-LP

New Delhi, the 26th March, 1993

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-

( **S. Behura** )

Joint Secretary to the Government of India

Principal Information Officer,  
Press Information Bureau,  
New Delhi.

EXHIBIT NO.40  
PRESS NOTE NO.4 (1993 Series)  
FURTHER LIBERALISATION IN INDUSTRIAL LICENSING

In July, 1991, Government delicensed all except 18 specific industries, subject to certain conditions. The procedure for Industrial Licen-sing was announced vide Press Note No.9 (1991 Series) which was amended, from time to time.

Government has not reviewed the list of industries covered under compulsory licensing. In the light of the Import Policy which has removed almost all restrictions on the import of capital goods, raw materials and components, and modification of the Liberalised Exchange Rate Management System introducing unified exchange rate for the 'Rupee' effective from 1st March, 1993, it has now been decided to delicense the 'motor-car' and the 'white goods' industry. White goods industries cover domestic refrigerators, domestic dishwashing machines, programmable domestic washing machines, microwave-ovens and air-conditioners.

Modernisation of leather industries with a view to promote exports, improve productivity, encourage ancillary industries and generate employment,

particularly in rural areas, requires injection of substantial investments in the leather industry and, therefore, it has been decided to delicense raw-hides and skins, leather and patent leather, excluding Chamois Leather.

Delicensing is not extended to items exclusively reserved for manufacture in the Small Scale Sector. Items reserved for the Small Scale Sector will continue to attract the Licensing Provisions under the Industries (Development and Regulation) Act, 1951.

The delicensing of the above mentioned industries will be subject to the locational conditions, as given in the Press Note dated 2nd August, 1991.

Entrepreneurs who wish to avail of the liberalised facility of delicensing for the above mentioned industries are requested to follow the same procedure as laid down in the aforementioned Press Note dated 2nd August, 1991, as amended from time to time.

No. 10(49)/92-LP

New Delhi, the 23rd April, 1993

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-

( **S. Behura** )

Joint Secretary to the Government of India

Principal Information Officer,  
Press Information Bureau,  
New Delhi.

EXHIBIT NO. 41  
PRESS NOTE NO.6❖ (1993 Series)  
CANCELLATION/DELETION OF IEMs

Attention of the entrepreneurs is invited to the Press Note No.22 (1991 Series) dated 24th December, 1991 in which it was mentioned that no amendments shall be admissible in the IEM filled by the entrepreneurs, and they will be required to file a fresh IEM in lieu of the previous IEM.

2. It is further clarified that an IEM would be cancelled/ deleted from the records of SIA if, on scrutiny, it is found that the proposal contained in IEM is not exempted from licensing. Secretariat for Industrial Approvals (SIA), Ministry of Industry will give due intimation to the entrepreneur in this regard and request him to file an IL application.

No. 10(88)/91-L.P.

New Delhi, the 29th July, 1993.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
( **S. Bhavani** )  
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*Note: ❖ Press Note No.5(1993 Series has been superseded by Press Note No.4 (1995 Series)*

EXHIBIT NO. 42  
PRESS NOTE NO.7 (1993 Series)  
TECHNOLOGY UPGRADATION IN GARMENT SECTOR

Government have reserved a number of items for production in the small scale sector as a measure to promote and develop small scale industries in the country. These items are listed in Schedule III of the Ministry of Industry's notification No.S.O.477(E) dated 25th July, 1991. The investment limits for small scale/ancillary industrial undertakings were enhanced to Rs.60 lakhs/Rs.75 lakhs respectively, vide Ministry of Industry's notification No.S.O.232(E) dated 2nd April, 1991.

2. Manufacture of readymade garments is reserved for exclusive production by the ancillary/small scale industrial undertakings. In case large scale undertakings wish to take up manufacture of readymade garments, they are required to undertake an export obligation of a minimum of 75% of new or additional production to be achieved within a maximum period of 3 years.

3. In recent months, Government has been considering the need to increase the permissible investment limit in export oriented small scale readymade garment units so that these units may upgrade themselves technologically and compete effectively in the international market. It was felt that in order to set up units for garment manufacture which would be modern, have a viable production capacity and export competitiveness, investments needed in plant and equipment would be more than the currently permissible limits for small scale units. Government have, therefore, issued a notification on 17th June, 1993 exempting industrial undertakings engaged in the manufacture of ready-made garments from the operation of provisions of the sub-section 2A to 2G of Section 29-B of the Industries (Development and Regulation) Act, 1951. Readymade garments includes knitted (hosiery)

garments. The exemption is subject to the following conditions, namely: i) that the investment in fixed assets in plant and machinery in the Industrial Undertaking, whether held on ownership terms or on lease or by hire purchase, shall not exceed Rs.3 crores; ii) that such industrial undertakings shall undertake to export a minimum of 50 per cent of the new or additional annual production to be achieved within a maximum period of three years; and iii) not less than 5% of the export obligation undertaken in (ii) above shall be achieved by way of non-quota exports.

4. The calculation of the export obligation will be done in "value terms", that is, industrial undertakings have to export to the extent of 50% of the ex-Factory value of the goods produced, on annual basis.

5. For manufacture of readymade garments, with investment in fixed assets between 75.00 lakhs and 3.00 crores, entrepreneurs will have to apply and obtain an industrial licence. Letters of Intent in such cases will have to be issued subject to the conditions indicated in para 3 above. In respect of Industrial Undertakings with investment in fixed assets beyond Rs.300 lakhs, the present policy of granting of Industrial Licence with an export obligation of 75% will continue.

6. Entrepreneurs intending to avail of this facility are required to submit their Industrial Licence application to the Secretariat for Industrial Approvals, Department of Industrial Development, Udyog Bhawan, New Delhi, accompanied by a Demand Draft for Rs.2500/- (Rupees two thousand five hundred) drawn in the name of Pay & Accounts Officer, Department of Industrial Development.

No. 10(13)/93-L.P.

New Delhi, the 29th July, 1993.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
( **S. Bhavani** )  
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EXHIBIT NO. 43  
PRESS NOTE NO.8 (1993 Series)  
SETTING UP OF INDUSTRIES IN BACKWARD STATES

As a follow-up to the announcement in this year's Budget regarding 5-year Tax Holiday to new Industrial Undertakings located in backward States under Section 80-IA of the Income Tax Act, 1961, Government has removed the restriction, i.e. articles listed in Eleventh Schedule of the said Act should be manufactured only by Small Scale Industries. Consequently, industrial units in the medium and large sectors which will be set up in the backward States will also be eligible for Tax-Holiday under Section 80-IA even if they manufacture items listed in the Eleventh Schedule of the Income-Tax Act.

2. In terms of Notification No.477(E) dated 25th July, 1991, as amended from time to time, all industrial undertakings have been exempted from the licensing provisions of the Industries (Development and Regulation) Act, 1951 if the article(s) of manufacture is not an article included in Schedule I (Industries reserved for public sector), Schedule II (Industries kept under compulsory licensing) and Schedule III (items reserved for small scale sector). This exemption is also subject to certain locational restrictions. Small scale/ancillary industrial undertakings are also exempted from licensing for all articles of manufacture which are

not covered by Schedule I and Schedule II. In addition, they are exempted from Industrial Licensing for the articles of manufacture exclusively reserved for small scale/ancillary sector even if they happen to be included in Schedule II. Industrial Undertakings including small scale/ancillary industrial undertakings are required to obtain Industrial Licence if they do not qualify for exemption from licensing provided in the notification dated 25th July, 1991.

3. Queries have been received in this Department seeking clarification whether exemption from licensing has been provided for setting up of industries in the backward States. It is clarified that extending the benefits of Tax-Holiday under Section 80-IA of the Income Tax Act for setting up of industries included in the Eleventh Schedule of the said Act in the backward States is independent of the requirement of industrial licensing under the provisions of the Industries (Development & Regulation) Act, 1951. Industrial Licence, wherever necessary, will require to be obtained for setting up of industries in backward States. In respect of delicensed industries also, entrepreneurs will be required to file an Information Memorandum with the Secretariat for Industrial Approvals in the prescribed manner.

No. 10(16)/93-L.P.

New Delhi, the 15th October, 1993.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
( **Jayalakshmi Jayaraman** )  
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Principal Information Officer,  
Press Information Bureau,  
Shastri Bhawan,  
New Delhi.

EXHIBIT NO.44  
PRESS NOTE NO.1(1994 Series)  
ABOLITION OF PHASED MANUFACTURING PROGRAMME FOR EXISTING UNITS

In the New Industrial Policy (NIP), 1991, Phased Manufacturing Programme (PMP) was abolished for new projects. However, projects approved before the NIP continued to carry the PMP condition, where stipulated. Instructions in this regard were issued through Press Note No.9 (1991 Series) dated 2nd August, 1991.

The question of the continuation of the scheme of Phased Manufacturing Programme for the existing units has been reviewed and it has been decided to withdraw, with immediate effect, the conditions of Phased Manufacturing Programme for the existing units also.

No. 10(29)/93-L.P.

New Delhi, the 28th April, 1994

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
( **Jayalakshmi Jayaraman** )  
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EXHIBIT NO.45  
PRESS NOTE NO.2 (1994 Series)  
REVISED GUIDELINES FOR DETERMINING ISSUE PRICE OF PREFERENTIAL SHARES

In implementing the Statement on Industrial Policy of July 1991, the procedure for raising foreign equity in existing companies in India, including those which do not have any foreign equity at present, has been laid down in this Ministry's Press Note No.13 of 1992 issued on 29th June, 1992. In supersession of Press Note No.13, of 1992 the revised guidelines for determining the issue price of Preferential Shares are outlined below:

**A. Eligibility Criteria for Increase in Foreign Equity**

The following categories of companies will receive automatic approval from the Reserve Bank of India for raising foreign equity, including those which have no foreign equity at present.

- (i) Companies wishing to raise foreign equity as part of an expansion programme.

An existing company wishing to raise foreign equity upto 51 per cent may do so as part of an expansion programme. The expansion programme must be in high priority industries shown in Annex.III to the Statement on Industrial Policy of 24th July, 1991. The fresh/additional equity should be part of the financing of the expansion programme. The increase in equity level must result from expansion of equity base of the existing company and the money to be remitted should be in foreign exchange. The company itself need not be exclusively engaged in activities listed in Annex III, only the proposed expansion must be predominantly in the high priority industries shown in Annex III.

- (ii) Companies wishing to raise foreign equity without any expansion programme.

An existing company predominantly engaged in high priority industry listed in Annex III can also raise foreign equity upto 51 per cent without an expansion programme. The increase in equity level must result from expansion of the equity base of the existing company. The foreign equity must be from remittance of foreign exchange.

**2. Other Proposals**

All other proposals for inducting or raising foreign equity in existing companies will be subject to prior approval of the Government. This will include proposals for raising foreign equity upto 51% in existing companies which do not meet any or all of the criteria outlined for automatic approval as also proposals for raising foreign equity beyond 51% in existing companies.

**B. Requirement for Preferential Share Allocation**

3. Preferential share allocation of the required volume of equity to the foreign investor will have to be approved by the shareholders through a special resolution under Section 81 (1A) of the Companies Act. All proposals for raising foreign equity or inducting new foreign equity in existing companies through preferential share allocation must be accompanied by this resolution.

**C. Issue of Shares and Share Valuation**

4. Consequent to the repeal of the Capital Issues (Control) Act of 1947 and issue of guidelines by the SEBI on 11th and 17th June, 1992, existing companies wishing to raise foreign equity can make the issue at the price determined by the shareholders a special resolution under Section 81 (1A) of the Companies Act. However, some proposals received from existing companies for enhancement of foreign equity show a tendency for the issues to be significantly under-priced in relation to the market price. Whereas companies are able to issue foreign equity at a large discount to the market price, the present RBI policy for disinvestment permit shares etc. to be sold at the prevailing market related price. This can cause distortion in the balance of inflow/outflow of foreign exchange. Thus further rationalisation of policy is required with the following objectives.

- i) To prevent a few shareholders from getting substantial and undue enrichment and unearned gains.
- ii) To prevent undue reductions in foreign equity inflow.
- iii) To make both investment and disinvestment market-related.

EXHIBIT NO.45 (Contd.)  
PRESS NOTE NO.2 (1994 Series)  
REVISED GUIDELINES FOR DETERMINING ISSUE PRICE OF PREFERENTIAL SHARES

In pursuance of these objectives the Government of India in consultation with the Reserve Bank of India, have decided that preferential allotment of shares by companies shall be at market related price and accordingly would apply the following guidelines in this regard:-

"Every preferential allotment of shares by companies (Allotment of shares other than allotment on rights basis) shall be at market value of the shares. The issue prices shall be determined on the basis of their average price during the immediate preceding 6 months at the main listing centre. This would be calculated on the monthly average of the high and low rates quoted for the shares at such centres. While submitting applications for raising foreign equity under automatic route to RBI, the companies would work out the price according to the above guidelines and enclose them duly certified by a Chartered Accountant."

The above guidelines of pricing in connection with preferential allotment to non-residents will apply to all foreign investment approvals to be issued by the Reserve Bank of India under the automatic route as well as by the Government of India (SIA). While submitting applications for raising foreign equity or for inducting foreign equity under automatic norms to the Reserve Bank of India or for obtaining approval of the Reserve Bank of India for allotment of shares under the applicable provisions of the Foreign Exchange Regulation Act, 1973 and guidelines thereunder, the companies shall work out the price according to the above guidelines and enclose them duly certified by a Chartered Accountant. However, in case of approvals from the government, the question of pricing of shares would be considered in accordance with above guidelines by the RBI and only after such government approval is given. The Government approval thus, would not go into the question of pricing of shares.

The above guidelines shall also apply to all pending applications.

#### **D. Procedures for Approvals**

5. Applications for automatic approval under the eligibility criteria in para A will be filed with the Reserve Bank of India. In the case of expansion programme the application shall state clearly the description of the article to be manufactured in

ITC(HS) classification. The proposal shall be a composite one including detailed information on the capital goods to be imported for the project expansion programme. Under the provisions of the policy the proposed foreign equity must cover the import of capital goods required for the expansion programme. Similarly, in the case of companies not undertaking expansion programmes, the application shall describe the existing products of the company in ITC (HS) classification.

6. The Reserve Bank of India will issue the necessary permission for the foreign equity investment under the Foreign Exchange Regulation Act, 1973 (FERA) and guidelines thereon. Simultaneously the Reserve Bank of India will confirm that the import of capital goods is covered by the foreign equity. The import of capital goods will be governed by the import and Export Policy in force.

#### **E. Dividend Balancing**

7. The Statement on Industrial Policy had provided for the monitoring of outflow of foreign exchange on account of dividend payments which are to be balanced by export earnings over a period of time, and that this monitoring will be done by the Reserve Bank of India. The dividend balancing will be done on the following basis only in respect of foreign investment approvals in the consumer goods sector:

- i) The balancing of dividend would be over a period of 7 years reckoned from the date of commencement of production for companies raising foreign equity for an expansion programme. For companies which are raising foreign equity without an expansion programme, this period will start from the date of allotment of the shares for raising foreign equity.
- ii) Remittance of dividends should be covered by earnings of the company from export of items in Annex-111. The amount of dividend payment maybe covered by export earnings of such items recorded in years of payment of dividend. The Reserve Bank of India will issue appropriate instructions to give effect to these provisions.

EXHIBIT NO.45 (Contd.)  
PRESS NOTE NO.2 (1994 Series)  
REVISED GUIDELINES FOR DETERMINING ISSUE PRICE OF PREFERENTIAL SHARES

**F. Other Proposals for Raising Foreign Equity in Existing Companies.**

8. All other proposals for inducting or raising foreign equity in existing companies will be subject to usual procedures. Applications will be made to the Secretariat of Industrial Approvals in the Department of Industrial Development, Udyog Bhavan, New Delhi in the prescribed form FC (SIA) or to the Chairman FIPB, PM's Office, South Block, New Delhi. Plain paper applications carrying all relevant details are also accepted. No fee is payable. These applications can also be filed with the Indian Mission/ Embassies abroad. This will include proposals involving raising foreign equity upto 51% in existing companies which do not meet any or all of the criteria outlined for automatic approval.

**G. Classification System**

9. Entrepreneurs may note that the description of article(s) to be manufactured should be stated according to the India Trade Classification (Harmonised System).

10. The description of Industries listed in Annex III of the Statement on Industrial Policy in the Indian Trade Classification (Harmonised System) is available in Press Notes No.11 (1991 Series). (Copies of the Indian Trade Classification Based on Harmonised Commodity Description and Coding System), published by the Ministry of Commerce, Directorate General of Commercial Intelligence and Statistics, Calcutta, can be obtained on payment from the Secretariat of Controller of Publications, I, Civil Lines, Delhi 110 054 or from any of the agents authorised to sell Government of India publications.

No. 9(30)/92-F.C.(I)

New Delhi, the 3rd June, 1994

The Press Information Bureau is requested to give wide publicity to this Press Note.

Sd/-

**(S. Behura)**

Joint Secretary to the Government of India

Principal Information Officer  
Press Information Bureau  
Shastri Bhawan  
New Delhi.

EXHIBIT NO.46  
PRESS NOTE NO.3 (1994 Series)  
SUBMISSION OF MONTHLY PRODUCTION RETURNS

According to the Scheduled Industries (Submission of Production Returns) Rules, 1979 notified by the Government under S.O. 328(E) dated 3rd May, 1979, all the Industrial Undertakings are required to submit monthly production returns to the concerned technical authorities and administrative ministries.

The technical authority, namely, the Directorate General of Technical Development (DGTD) having been wound up on the 31st March, 1994, all the industrial undertakings who are to submit the returns to DGTD in Form-A and Form-B are directed to submit them hereafter at the following address in the new simplified proforma annexed hereto.

Deputy Director (Statistics),  
Department of Industrial Development,  
Udyog Bhawan,  
New Delhi - 110 001

The new units or the existing ones who have commenced production of new articles are also required to furnish the monthly returns at the above address. If for such units, factory/product codes are not known, the returns may be filed without these codes until the codes are assigned and intimated to them by the Department.

In order to capture the dynamism and emerging scenario in the industrial sector well within time by means of indicators like the Index of Industrial Production and to build an up-to-date information base, the industrial units are required to submit the returns for a particular month by the 10th of the next month without fail, as enjoined in the Scheduled Industries Rule, 1979.

F. No. 10(30)/94-LP

New Delhi, the 20 October, 1994

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
**(Jayalakshmi Jayaraman)**  
Director

Principal Information Officer  
Press Information Bureau  
Shastri Bhawan  
New Delhi.

EXHIBIT NO. 46(Contd.)  
PRESS NOTE NO.3 (1994 Series)

**Monthly Production Return Proforma**

Factor Name: \_\_\_\_\_

Month

Factory Address: \_\_\_\_\_

Year

Factory Code

Total Number of Employees

Sl. No.	Product Name	Product Code Allocated	A/C Unit Code See Back	Installed Capacity	Production		Curent Year Target (in A/C Unit) (Apr.-Mar.)	Major Constraints	
					During the month				Upto the Month (in A/C Unit) Since April
					in A/C Unit	in Rs.'000			
1.									
2.									
3.									
4.									
5.									

\* Choose one Major Constraint if any, from below for each product. Indicate Sr. No. of Major Constraint

1. Demand    2. Raw Material    3. Pauer  
4. Labour    5. Procedural Delay  
6. Machine Break Down

For More Products use another

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Signature: \_\_\_\_\_

Telephone: \_\_\_\_\_

Telex: \_\_\_\_\_

Fax: \_\_\_\_\_

Tel. No. of local contact if any: \_\_\_\_\_

To,  
Deputy Director (Statistics)  
Deptt. Of Industrial Development,  
Udyog Bhavan, New Delhi - 110 011

Fax : (011) - 3011770

Telex : (031) - 66565

EXHIBIT NO.46 (Contd.)  
PRESS NOTE NO.3 (1994 Series)  
SUBMISSION OF MONTHLY PRODUCTION RETURNS

SI. No.	Accounting Unit Name	Accounting Code
1.	Carates	49
2.	Core Km.	17
3.	Cub. Meter	34
4.	FWU	55
5.	H.P.	61
6.	K. Litre	32
7.	K. Meter	12
8.	K.V.A.	63
9.	KVAR	68
10.	KW	69
11.	Kg.	41
12.	Lack Boxes	92
13.	Lash Nos.	53
14.	Lakh H.P.	67
15.	Litre	31
16.	M.M.U.	66
17.	M.R.M.	16
18.	MIL.CU.MTR	36
19.	Meter	11
20.	Mil. Bottles	88
21.	Mill. Boxes	85
22.	Mill K.V.A.	64
23.	Mill. Mtrs.	13
24.	Mill. Nos.	54
25.	Mill. Pairs	78
26.	No. Bats.	58
27.	No. Pairs	91
28.	Numbers	51
29.	Reams	72
30.	Rs. Lakhs	71
31.	Run. Mtrs.	14
32.	Sq. Mtrs.	21
33.	TH.RS.	70
34.	Th. Lines	93
35.	Th. Run Mt.	15
36.	Th. Bottles	87
37.	Th. Cu. Mtrs.	35
38.	Th. M.U.	65
39.	Th. Nos.	52
40.	Th. Pairs	77
41.	Th. Pcs	79
42.	Th. Reams	73
43.	Th. Rolls	89
44.	Th. Sq. Mtrs.	22
45.	Th. Tonnes	43
46.	Tonnes	42

EXHIBIT NO.47  
PRESS NOTE NO.4 (1994 Series)  
MODIFIED POLICY FOR DRUGS & PHARMACEUTICALS INDUSTRY

The licensing aspects of drugs and pharmaceutical industry are regulated by the provisions of the Industries (Development and Regulation) Act, 1951. Till recently the drugs and pharmaceutical industry was under licensing in terms of Ministry of Industry's exemption Notification No.477(E) dated 25th July, 1991.

The review of the Drug Policy of 1986 was under consideration of the Government for quite sometime in the context of the liberalised economic policies introduced since mid 1991. Government have now finalised the modifications required to be made in the Drug Policy, 1986. Details of such modifications have been outlined in the booklet "Modifications in Drug Policy, 1986" issued by the Department of Chemicals & Petrochemicals in September, 1994. The modified Policy relating to industrial licensing, foreign investment and foreign technology agreement is as follows:

### 1. Licensing

Industrial licensing for all bulk drugs and their formulations and for intermediates stands abolished except for the following:

- (a) Bulk drugs (reserved for public sector)

ITC Code	Item Description
1. 253622.00	Vitamin B1 (Thiamin anacin) and its salts and derivatives
2. 293623.00	Vitamin B2 (Riboflavin) and its salts and derivatives
3. 293629.02	Folic acid
4. 294130.09	Tetracycline and its salts
5. 294130.10	Oxytetracycline and its salts

- (b) Bulk drugs involving use of re-combiant DNA technology and bulk drugs requiring in vivo use of nucleic acids as the active principles.

- (c) Formulation based on use of specific cells/tissue-targetted formulations.

**(Note:** An illustrative list of the items falling under category (b) and (c) above is at Annex-1. These items have not been classified under Indian Trade Classification (Harmonised system).

In respect of all other items, industrial undertakings are required to file a Memos randum in the prescribed form (Form IEM) along with the proforma attached (Annex-11) with this Press Note with the Secretariat for Industrial Approvals (SIA), Department of Industrial Development, Udyog Bhawan, New Delhi-110 011 with 5 spare copies along with a crossed Demand Draft of Rs.1000/- drawn in favour of the 'Pay and Accounts Officer, Department of Industrial development, Ministry of Industry' payable at the State Bank of India, Nirman Bhawan Branch, New Delhi. All units wanting to go in for expansion would also have to file the IEM as above. However, even for delicensed items, licence would be required for locational reason. Non-Small Scale Units proposing to manufacture items reserved for small scale sector will also require industrial licence.

Where industrial licence is compulsory, entrepreneurs are required to submit the application in the prescribed form (Form IL) I along with the application fee of Rs.2500/-. The instructions relating to locational restrictions, substantial expansion and broad banding/manufacture of new article contained\* in Press Note No.9 (1991 Series) dated 2nd August, 1991 will also apply to drugs and pharmaceutical industry. Grant of COB licence ' will also be in accordance with the existing policy and procedures.

### 2. Processing of pending IL Applications

Applications pending for grant of Letter of Intent and other pending cases such as representations against prima facie rejection, change of name, change of location, conversion of LOI to IL etc. which do not come within the purview of compulsory licensing in terms of the modified Drug Policy will be scrutinised in the light of this Press Note and in respect of those cases which qualify for exemption from licensing, the applicants will be advised to submit Memoranda to the SIA as per procedure outlined above.

### 3. Position of LOI Holder

In respect of Letters of Intent (LOIs) granted in the past for the manufacture of items now falling under exempted category, LoI holder need not file an initial memorandum if he has already taken steps to implement the project. In such cases the LOI holder shall only file that part of the memorandum which is required to be submitted at the time of announcement

EXHIBIT NO.47 (Contd.)  
PRESS NOTE NO.4 (1994 Series)  
MODIFIED POLICY FOR DRUGS & PHARMACEUTICALS INDUSTRY

of commercial production. In such cases no application fee will be paid. It is, however, open to entrepreneurs to file an initial memorandum if they so desire wherever any variation is contemplated from the conditions stipulated in the Letter of Intent.

#### 4. Foreign Investment/Foreign Technology Agreements

At present drugs and pharmaceutical industry is included in Annex-III to the Statement on Industrial Policy on July, 1991. However, approval for foreign investments/foreign technology agreements was being accorded according to the provisions of Drug Policy, 1986.

It has now been decided that foreign investment upto 51% and foreign technology agreements in the case of all bulk drugs, their intermediates and

formulations thereof (except those produced by the use of recombinant DNA technology) will be granted automatic approval subject to the parameters by the Reserve Bank of India.

The automatic approval of RBI will be available to all the items of drugs and pharmaceutical industry covered by the Annex-III of the Press Note No. 10 (1992 Series) dated 24th June, 1992.

Other proposals which do not qualify for automatic approval schemes require approval of the Government on a case to case basis. Applications for such proposals will be required to be submitted Secretariat for Industrial Approvals (SIA), Department of Industrial Development, Ministry of Industry, Udyog Bhawan, New Delhi or FIPB, PM's Office, South Block, New Delhi in Form FC(SIA) as per the existing procedure.

F. No. 10(11)/92-LP

New Delhi, the 25 October, 1994

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
**(Jayalakshmi Jayaraman)**  
Director

Principal Information Officer  
Press Information Bureau  
Shastri Bhawan  
New Delhi.

EXHIBIT NO.47 (Contd.)  
PRESS NOTE NO.4 (1994 Series)  
MODIFIED POLICY FOR DRUGS & PHARMACEUTICALS INDUSTRY

**ANNEX-I**

**Illustrative List of Products produced by recombinant DNA technologies intended to be used as therapeutics, prophylactics, immunostimulators, and any other uses related to health of human and animal**

1. Bioactive therapeutic proteins and protein hormones.
2. Nucleic acids.
3. Peptides.
4. Therapeutic enzymes.
5. Immunogenic agents.
6. Others.

EXHIBIT NO.47 (Contd.)  
PRESS NOTE NO.4 (1994 Series)  
MODIFIED POLICY FOR DRUGS & PHARMACEUTICALS INDUSTRY

**ANNEX-II**

**ADDENDUM TO THE MEMORANDUM TO BE FILLED BY THE ENTREPRENEURS IN RESPECT OF PROPOSALS FOR DRUGS AND PHARMACEUTICALS COVERED UNDER NOTIFICATION REGARDING EXEMPTION FROM INDUSTRIAL APPROVALS**

Information to be furnished for each item of manufacture separately :

**A. PROPOSALS FOR BULK DRUGS/DRUG INTERMEDIATES**

1. Name of the proposed item of manufacture :
2. Approval under Drugs and Cosmetics Act, 1940 and Rules made thereunder :  
(Please indicate date and reference number of the approval, for use in the country, of the proposed Bulk Drug or of the Bulk Drug for which the proposed Drug Intermediates will be used, as the case may be, and enclose a copy thereof)
3. Proposed Annual Capacity :
  - a. Quantity (Unit)
  - b. Ex-factory Value of Production (Rs. in lakhs) :
  - c. CIF Value of :
    - i) Imported raw materials required per kg of product (Rs.)
    - ii) Product (if imported) (Rs. per kg.)
4. Description of proposed process :  
(Please furnish schematic diagram of chemical reaction sequences by giving chemical structures of reactants and products at each step.)
5. Source of Technology :
  - a. Developed through own R&D :  
(Please give details of work done)
  - b. Procured from indigenous sources (\*) :
  - c. Involves Foreign Collaboration (\*) :  
(\* Please furnish name and address of the source and terms of payment)
6. Raw Material requirement for the proposed annual capacity :

SI. No.	Name of Raw Material	Unit	Quantity	Rs. in lakhs	
				CIF Value if imported	Cost at Factory
(1)	(2)	(3)	(4)	(5)	(6)

**B. PROPOSALS FOR FORMULATIONS**

SI. No.	Name of the Formulation and Dosage Form	Capacity	Bulk Drug		Total Qty Kg/Lit	Value Rs. in Lakhs	SDC Approval no. and Date
			Name	Strength			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

EXHIBIT NO.48  
PRESS NOTE NO.5 (1994 Series)  
MANUFACTURE OF CAUSTIC AND CHLORINE

Under the New Industrial Policy, Chlorine and Caustic Soda are covered under 'Hazardous Chemicals' and are, therefore, subjected to compulsory licensing. Entrepreneurs intending to manufacture these items are required to obtain industrial licence from the Department of Industrial Development. While considering IL applications for these items, environmental interests are given due consideration keeping in view the hazardous nature of these items. Most often information relating to chlorine utilisation programme is not available in the applications filed by

the entrepreneurs and due to lack of this information it becomes difficult to take a decision on such applications.

In order to ensure speedy disposal of applications for grant of letter of intent for the manufacture of chlorine and caustic soda along with other associated products and to obviate the need of back references to the entrepreneurs, it has been decided that entrepreneurs will furnish information regarding chlorine utilisation programme in the enclosed proforma along with the IL applications.

F. No.10(43)/94-LP

New Delhi, the 28 December, 1994

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
**(Dhiraj Mathur)**  
Deputy Secretary

Principal Information Officer  
Press Information Bureau  
Shastri Bhawan  
New Delhi.

**ANNEX**

**CHLORINE UTILISATION PROGRAMME**

Name of Consuming unit	Distance from the proposed location (in Kms)	Item of Consumption	Annual Consumn of the unit during last year (TPA)	Present source from which consumed	Distance of the source from the consumer unit (in Kms)	Likely consumption from the proposed unit (TPA)	Reasons for cons- mntion from the proposed unit
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

EXHIBIT NO.49  
PRESS NOTE NO.1 (1995 Series)  
REVISED NORMS FOR AUTOMATIC APPROVAL OF  
FOREIGN TECHNOLOGY AGREEMENTS IN THE HOTEL INDUSTRY

This Ministry's Press Note No.18(1991 Series) dated 25th November, 1991 has prescribed separate norms for grant of automatic approval by the Reserve bank of India for foreign technical collaborations in respect of hotel industry. These were stipulated in para 3 of the said Press Note as detailed below :-

- (a) Technical and Consultancy Service:  
Lumpsum fee not exceeding US \$ 200.000.
- (b) Franchising & Marketing/Publicity support:  
Upto 3% of the gross room sales.
- (c) Management Fees:  
Upto 10% of the foreign exchange earnings provided the foreign party puts in 25% of the equity. This will also cover payments for marketing and publicity support.

2. The Government have reviewed these norms in the context of the practice in the hotel sector and the availability of foreign exchange at market determined rates. Consequently, the Government has now decided to prescribe the following revised norms for grant of automatic approval by Reserve Bank of India for foreign technical collaborations in the hotel industry:-

- (i) Technical and Consultancy Services including Fees for Architect, Design, Supervision, etc.  
Upto 3% of the capital cost of the project (less cost of land and finance).
- (ii) Financing and Marketing/Publicity Support Fee:  
Upto 3% of net turnover (Net turnover is gross

receipts less credit card charges, travel agents' commission, sales tax, statutory payments, etc.)

- (iii) Management Fees (including incentive Fee):  
Upto 10% of gross operating profit.

3. The above norms are applicable provided, the collaboration is proposed with companies running/ managing hotel(s) with atleast 500 rooms.

4. It may be mentioned that the parameters mentioned in para 2 are applicable only for obtaining automatic approval from the Reserve Bank of India for foreign technical collaboration in respect of the hotel sector. As such, the norms prescribed for other industries, i.e. lumpsum payment of Rs.1 crore. 5% royalty for domestic sales and 8% for exports, subject to a total payments of 8% on sales over a period of 10 years from the date of agreement or 7 years of commencement of production are not applicable for the hotel sector. As already prescribed, the application for automatic approval for such foreign technology agreements has to be submitted in Form FC(RBI) to the Reserve Bank of India, Exchange Control Department, Shaheed Bhagat Singh Road, Bombay - 400 023.

5. Proposals for foreign technical collaboration in the hotel sector which are not covered by the norms indicated above will be dealt under the normal procedure. Applications in respect of such proposals have to be submitted in Form FC(SIA) to the Secretariat for Industrial Approvals, Ministry of Industry. Udvoe Bhavan. New Delhi.

F. No.5(43)/94-FC(I)

New Delhi, the 21st March, 1995

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Sd/-  
**(Ashok Kumar)**  
Joint Secretary

Principal Information Officer  
Press Information Bureau  
New Delhi.