

GOVERNMENT OF INDIA
TARIFF COMMISSION



REPORT
ON THE
CONTINUANCE OF PROTECTION
TO THE
MACHINE SCREW INDUSTRY

BOMBAY,
1954



CONTENTS

PARA.		PAGE
1.	Origin of the case	1
2.	Method of inquiry	1
3.	Recommendations in the previous report on matters other than tariffs .	2
4.	Scope of the inquiry	4
5.	Present position of the industry	5
6.	Domestic demand	6
7.	Quality of the indigenous product	7
8.	Raw materials	7
9.	Imports and import control policy	9
10.	Existing rate of customs duty	10
11.	Commission's estimate of costs of production and fair ex-works prices	10
12.	C.i.f. prices and landed costs	12
13.	Comparison of the c.i.f. prices with the fair ex-works prices . .	12
14.	Measure of protection	14
15.	Summary of conclusions and recommendations	15
16.	Acknowledgments	15

APPENDICES

I.	List of firms, bodies and Government Departments to whom questionnaires and/or letters were issued and from whom replies or memoranda have been received	16
II.	List of persons who attended the Commission's public inquiry on 1st November, 1954 and gave evidence	21
III.	Statement showing the location of factories, year of commencement of production, capital invested, labour employed, rated capacity and actual production (in gross) of machine screws during the years 1951 to 1954	22
IV.	Statement showing the break-down of landed costs into c.i.f. prices, customs duty and clearing charges of machine screws	23

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY

NOTIFICATION

TARIFFS

New Delhi, the 23rd August, 1955

No. 18(1)-T.B./55.—Whereas the Central Government is satisfied after due inquiry that the duty chargeable under the Indian Tariff Act, 1934 (XXXII of 1934), in respect of the article specified in Item No. 63(33)(b) of the First Schedule to the said Act, and characterised as protective in the third column thereof, has become ineffective for the purpose of securing the protection intended to be afforded by it to similar articles manufactured in India.

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 4 of the said Act, as in force in India and as applied to the State of Pondicherry, the Central Government hereby increases, on and from the 23rd August, 1955, the duty of customs on the said article so that the duty chargeable shall on and from the said date be as specified in column 3 of the table annexed hereto.

THE TABLE

Item No. of Tariff	Name of article	Rate of duty
I	2	3
63 (33) (b)	Iron or steel Machine screws	50 per cent. <i>ad valorem</i> or 9 annas per gross <i>whichever is higher.</i>

K. B. LALL, Joint Secy.

PERSONNEL OF THE COMMISSION

SHRI M. D. BHAT *Chairman*

SHRI B. N. ADARKAR, M.A.(Cantab). . . *Member*

MR. B. N. DAS GUPTA,
B.A., A. S. A. A. (London), F. C. A. *Member*

SHRI C. RAMASUBBAN *Member*

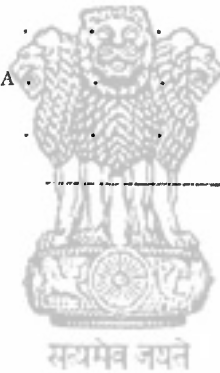
DR. RAMA VARMA *Secretary*

PERSONNEL OF THE PANEL WHICH HEARD THE CASE

SHRI M. D. BHAT *Chairman*

SHRI B. N. DAS GUPTA *Member*

SHRI C. RAMASUBBAN *Member*



GOVERNMENT OF INDIA

MINISTRY OF COMMERCE & INDUSTRY

RESOLUTION

TARIFFS

New Delhi, the 23rd August, 1955

No. 18(1)-T.B./55.—The Tariff Commission has submitted its report on the continuance of protection to the Machine Screw Industry, on the basis of an enquiry undertaken by it under Sections 11(e) and 13 of the Tariff Commission Act, 1951. Its recommendations are as follows:—

- (1) The machine screw industry needs further protection. The protective duty should be levied at 50 per cent. *ad valorem* or 9 annas per gross, whichever is higher. This duty should remain in force upto 31st December, 1957.
- (2) Provided there are no serious administrative difficulties, import quotas for machine screws should be fixed on the basis of quantity and not of value.
- (3) Allotment of quotas of mild steel wire to screw manufacturers should be increased so as to meet their requirements on two shift basis.
- (4) In case there is scarcity of indigenous mild steel wire at any time, licences should be granted to manufacturers to import their requirements of mild steel wire.
- (5) The Indian Standards Institution should finalise standard specifications for machine screws expeditiously.

2. Government accept recommendation (1). The protective duty recommended by the Commission is being brought into force with immediate effect. Steps will also be taken in due course to extend the period of protection to the industry upto 31st December, 1957.

3. Government also accept recommendations (2) to (5) and will take suitable steps to implement them as far as possible.

ORDER

Ordered that a copy of the Resolution be communicated to all concerned and that it be published in the *Gazette of India*.

K. B. LALL, Jt. Secy.

REPORT ON THE CONTINUANCE OF PROTECTION TO THE MACHINE SCREW INDUSTRY

1. The first inquiry into the claim of the machine screw industry to protection was held by the Tariff Board in 1951. In its report submitted to Government in August, 1951, the Board recommended that a protective duty at the rate of 30 per cent. *ad valorem* or 31½ per cent. inclusive of surcharge should be levied on iron and steel machine screws in place of the existing duty of Rs. 46-9-0 per ton. It further recommended that the protective duty should remain in force for a period of three years. The Government of India in the Ministry of Commerce and Industry by their Resolution No. 18(2) T.B./51, dated 1st December, 1951 accepted the recommendations of the Board and granted protection to the machine screw industry upto 31st December, 1954. In consultation with the Tariff Commission, protection to the industry was extended upto 31st December, 1955 by the Indian Tariff (Third Amendment) Act of 1954. The present inquiry was undertaken by the Commission under Section 11(e) read with Section 13 of the Tariff Commission Act, 1951 under which the Commission is empowered to inquire into and report on any further action required in relation to protection granted to an industry with a view to its increase, decrease, modification or abolition according to the circumstances of the case.

2. (a) On 22nd April, 1954 the Tariff Commission issued special questionnaires to all known producers, importers and consumers. A press communique was also issued inviting all parties interested in the industry or any other industry dependent on the use of machine screws to obtain copies of the relevant questionnaires and submit their replies thereto. Information relating to c.i.f. prices and landed costs of imported machine screws was obtained from the Collectors of Customs. The Development Wing of the Ministry of Commerce and Industry was requested to forward a memorandum on the present position of the industry. The Associations of the producers and consumers were addressed for furnishing information in regard to the problems facing the industry and the consumers respectively. Views on the question of continuance of protection or assistance to the industry were invited from State Governments. The Iron and Steel Controller was requested to state the present position in regard to the supply of raw materials, namely, mild steel wire etc. A list of those to whom questionnaires were issued and from whom replies or memoranda were received is given in Appendix I.

(b) Shri C. Ramasubban, Member accompanied by Shri B. R. Sehgal, Assistant Director, Tariff Commission visited the factories of (i) Badhwar & Co., Delhi, (ii) Universal Screw Factory, Chheharta, Amritsar and (iii) Jagatjit Engineering Works, Kapurthala, between 2nd and 5th October, 1954. Shri A. K. Gopalan, Assistant Cost Accounts Officer attached to the Commission investigated the costs of production of machine screws manufactured by Universal Screw Factory, Chheharta, Amritsar and Jagatjit Engineering Works.

Kapurthala between 12th and 15th October, 1954. A public inquiry was held at the Commission's office in Bombay on 1st November, 1954. A list of persons who attended the inquiry is given in Appendix II.

3. (a) The Tariff Board also made the following principal recommendations in its report in 1951:—
Recommendation in the previous report on matters other than tariffs

- (i) Sufficient imports of die steel and special steels should be permitted so as to meet the requirements of domestic industries including the machine screw industry.
- (ii) Government should give the manufacturers of machine screws reasonable facilities for the import of special types of machinery required for the manufacture of machine screws
- (iii) The Central and the State Governments should endeavour to meet the requirements of the indigenous machine screw industry for steel and mild steel wire to as large an extent as possible, and also take suitable steps to ensure prompt deliveries.
- (iv) Government Departments should, as far as possible, obtain their requirements of machine screws from indigenous producers provided the quality is satisfactory and the price is reasonable.
- (v) Since most of the demand in the country for the type of machine screws within the scope of the inquiry can be met by the indigenous manufacturers, the desirability of maintaining and expanding the indigenous production of machine screws should be kept in view and the quantum of imports regulated accordingly so long as the policy of licensing imports has to be continued for balance of payments considerations.
- (vi) Arrangements should be made with the Director-General of Commercial Intelligence and Statistics, and the Collectors of Customs to record, in future, imports of machine screws separately under the following heads:—

Machine screws:

- (1) Iron and steel.
 - (2) Brass.
 - (3) Other non-ferrous metals.
- (vii) There is still considerable scope for improvement and with improved equipment, better technical supervision for research, the industry can turn out a product which will give still greater satisfaction to the consumer.
 - (viii) The Indian Standards Institution should take up the question of evolving standard specifications for the products of this industry at an early date.

- (ix) The industry should take steps to diversify its production by undertaking the manufacture of such varieties of machine screws as are not produced at present.
- (x) The firms manufacturing machine screws in the country should take early steps to convert themselves into public limited companies.

In respect of the above recommendations, Government stated in the Ministry of Commerce and Industry Resolution No. 18-(2)TB/51, dated 1st December, 1951 that recommendations (i) to (vi) and (viii) would be given effect to as far as possible, and invited the attention of the industry to recommendations (vii), (ix) and (x) along with the other relevant recommendations.

(b) (i) *Import of die steel and special steels.* [Recommendation (i)].—The import of die steel and special steels is controlled by the Iron and Steel Controller. It was understood that import licences were granted freely for all controlled categories of steel provided the category to be imported was in demand in the country and prices quoted by the foreign suppliers were reasonable. The industry had no difficulty in importing the required quantity of die steel and special steels.

(ii) *Import of special types of machinery.* [Recommendation (ii)].—Since 1951 imports of machinery have been allowed by Government liberally and we were informed that producers of machine screws had no difficulty in importing the machinery required by them.

(iii) *Supply of mild steel wire.* [Recommendation (iii)].—Development Wing of the Ministry of Commerce and Industry has informed us that protected industries including machine screw industry were given steel wire on the basis of their requirements on single shift basis. This question is discussed further in paragraph 8(c).

(iv) *Government purchase policy.* [Recommendation (iv)].—From the evidence received by us, it appears that the requirements of Railways and other Government Departments are met by purchases from indigenous manufacturers through the Director-General of Supplies and Disposals.

(v) *Regulation of imports of machine screws.* [Recommendation (v)].—This is discussed in paragraph 9(b).

(vi) *Recommendation regarding separate classification of imports of machine screws.* [Recommendation (vi)].—This recommendation has been implemented. Special arrangements have been made in the office of the Director-General of Commercial Intelligence and Statistics, Calcutta to classify and compile imports of machine screws separately.

(vii) *Standard specifications for machine screws.* [Recommendation (viii)].—We have been informed by the Indian Standards Institution that preliminary draft proposals for standard specifications for machine screws are under preparation and are likely to be published by the middle of 1955.

(viii) *Conversion of proprietary concerns into public limited ones.* [Recommendation (x)].—The two leading firms manufacturing machine screws have not so far converted themselves into public limited companies. The proprietors of these firms represented to us that they had certain difficulties in effecting the conversion on account of their location. We, however, think that it should be possible for them to overcome the difficulties and convert the firms into public limited companies at an early date.

4. (a) In 1951 the Tariff Board excluded from the scope of the inquiry machine screws made from brass and other non-ferrous metals, as they were already subject to a protective duty, and confined their inquiry to machine screws made from iron or steel in all kinds of finish, with all types of heads and threads and in all sizes. The different types of machine screws were classified under the following heads:—

- (i) Countersunk head;
- (ii) Round head;
- (iii) Raised or instrument head;
- (iv) Cheese head;
- (v) Fillister head;
- (vi) Mushroom head;
- (vii) Binding head;
- (viii) Square head; and
- (ix) Hexagon head.

The Tariff Board also described the characteristics of machine screws as distinct from wood screws and bolts in the following manner:—

“Both machine screws and bolts are designed to fit a female thread made otherwise than by their own action. Machine screws are made for use in metallic parts while wood screws are designed for use in wooden articles. Consequently a machine screw has a uniform shank which is fully threaded up to the head while in the case of wood screws, the shank always tapers towards the end and is generally threaded upto two-thirds of its length. A bolt is different from a machine screw in that though its shank is uniform in diameter only a portion of the shank is threaded, leaving the unthreaded collar near the end.”

(b) We were informed at the public inquiry that large quantities of small sized machine screws with or without nuts were imported into the country in cartons bearing the nomenclature of “bolts and nuts”. This was found to be advantageous to the trade in view of the fact that upto April 1954 the duty leviable on bolts was almost nominal, being only Rs. 46/9/- per ton. From 1st April, 1954, however, the position has changed, and iron or steel bolts are subject to a revenue duty of 50 per cent. *ad valorem*. Similarly mushroom head roofing bolts made of galvanised iron which are really machine screws were imported under the name of bolts. We were informed that the Customs authorities found difficulty in distinguishing machine screws from bolts in such cases on the basis of the characteristics mentioned above.

(c) The question was discussed fully at the public inquiry. We were informed that, in addition to the nine types of screws referred to in sub-paragraph (a) above, indigenous manufacture included certain types of screws without heads which were partly threaded. We have, therefore, come to the conclusion that the criterion for distinguishing a machine screw from a bolt should be based mainly on the extent of threading. We have, therefore, decided to include machine screws made from iron or steel (1) with head, the shank being threaded to within two pitches from the head, and (2) without head, the shank being fully or partly threaded, in the scope of our present inquiry.

5. (a) *Producing units.*—The factories manufacturing machine screws are located in East Punjab, Pepsu, Delhi, Bombay and West Bengal States. It appears **Present position of the industry** that some of the factories have discontinued production of machine screws during the last three years and are now engaged in manufacturing wood screws only. Badhwar & Co., Delhi informed us that they had started production of machine screws, but at the time of our inquiry they were shifting to new premises and were not in actual production. We have received information regarding year of commencement of production, capital invested, labour employed, installed capacity and actual production in respect of only seven units and this information is given in a statement in Appendix III. Guest, Keen, Williams Ltd. (Bombay and Calcutta) have informed us that the bulk of their production is only of roofing bolts and fully threaded bolts. Manufacture of machine screws of other types forms a negligible part of their total output. The machinery installed by them is suitable for the production of all types of machine screws, although, for the present, they have not undertaken the manufacture of common types. Their capacity on single shift basis calculated on the output of threading machines is about 520,000 gross per annum. Telephone Industries Ltd., Bangalore produce machine screws only for their own requirements. Indian Steel Wire Products Ltd. have been producing fully threaded bolts and have been marketing them in limited quantities. We have not been able to obtain the figures relating to the capacities of these two factories. We understand that besides these producers, Ordnance factories, and certain bicycle and electric fans manufacturers have been manufacturing machine screws for their own requirements.

(b) *Capacity.*—During 1950, the annual rated capacity of the industry was estimated at 5.66 lakhs gross. This figure did not include the capacities of factories which manufactured machine screws for their own consumption nor did it include the capacity of Guest, Keen, Williams Ltd. It will be seen from Appendix III that the annual rated capacity of the six units which are now functioning is 378,500 gross. This is exclusive of the capacities of Guest, Keen, Williams Ltd., Indian Steel and Wire Products Ltd., Telephone Industries Ltd., Ordnance factories and other sundry manufacturers. The combined capacity on single shift basis of the two important units in the industry viz., Universal Screw Factory, Chhehrta and Jagatjit Engineering Works, Kapurthala, is 1.98 lakhs gross.

(c) *Production*.—In 1950, the above two units produced between them 1.74 lakhs gross of machine screws. In 1951 while the number of units increased, the production decreased to 1.27 lakhs gross. In 1952 and 1953 production increased to 1.48 lakhs gross and 1.68 lakhs gross respectively. During 1954 the production of six units was reported to be 1.57 lakhs gross for the period January to August. We have been informed that the factories are capable of producing almost all types of machine screws with different heads, diameters and lengths. The production of Guest, Keen, Williams Ltd. who have specialised in the manufacture of hexagonal and square head bolts and roofing bolts was 122,256 gross in 1952, 83,491 gross in 1953 and 63,986 gross in the period January to September 1954. These figures are reported to be approximate, and are not included in the previous figures. The average annual production of machine screws during the last four years exclusive of that of Guest, Keen, Williams Ltd., Indian Steel Wire Products Ltd. etc. was 1.70 lakhs gross, while the average annual rated capacity of the industry on single shift basis was 3.785 lakhs gross. The manufacturers have informed us that non-utilisation of the rated capacity was due to fall in demand on account of accumulation of stocks of machine screws in the market owing to large imports.

6. (a) The Tariff Board in its report in 1951 estimated the annual demand of machine screws at 6 lakhs gross. This estimate was exclusive of the requirements of those establishments which manufactured machine screws for their own consumption. We have not received from any of the producers, importers or consumers of machine screws any estimate of the current demand for machine screws or of the probable future demand. Some of them, however, have stated generally, that the future demand is likely to increase rapidly due to around industrial expansion. The Development Wing of the Ministry of Commerce and Industry has expressed the view that the current demand should be taken to be much in excess of the estimate of the Tariff Board *viz.*, 6 lakhs gross per annum.

(b) The figures of imports of machine screws, as furnished to us by the Director-General of Commercial Intelligence and Statistics for the years 1952-53 and 1953-54 are 397,505 gross and 371,375 gross respectively. The average annual production of machine screws in the country during the last two years was 1.58 lakhs gross. The figures of imports, however, relate only to articles which have been declared as machine screws or actually assessed to duty as such. They do not include screws which have been imported as bicycle parts or parts of some other machinery, nor do they include machine screws and set screws imported as bolts. Also, they do not include imports of brass screws which are assessed to duty under Indian Customs Tariff Item No. 70. The figures of indigenous production, however, include all types of screws made of iron or steel or brass, but exclude the production of those establishments which manufacture screws for their own requirements, as also the productions of Guest, Keen, Williams Ltd. and Indian Steel Wire Products Ltd. It may, therefore, be assumed that the total of the average imports (3.85 lakhs gross) and average indigenous production (1.58 lakhs gross) during the last two years, aggregating to 5.43 lakhs gross represents a figure less than the current average annual domestic consumption.

(c) Taking all relevant factors into consideration, we estimate that the current demand of iron or steel machine screws of all types is about 6 lakhs gross, and the demand may be expected to increase by about 10 per cent. every year. This demand, both current and future, is exclusive of the demand of those establishments which manufacture machine screws for their own consumption.

7. (a) The general opinion regarding the quality of indigenous machine screws is that, with the exception of those produced by some of the smaller units, the standard of production maintained by indigenous manufacturers is generally good.

Quality of the indigenous product Some of the automobile manufacturers, Bombay Port Trust, Controllers of Stores of the Central, Western and Southern railways and Directors of Industries of some of the State Governments have stated that the quality of indigenous machine screws compares well with that of imported screws. Certain producers of electrical apparatus, meters and instruments in particular, have informed us that the quality of indigenous machine screws is below the standard required for precision instruments. The representative of Crompton Parkinson Ltd., Bombay, however, stated at the public inquiry that his firm was quite satisfied with the quality of machine screws supplied by one of the indigenous producers. The representative of Nettlefolds of India Ltd. also mentioned at the public inquiry that a few samples of screws made by an indigenous manufacturer were sent to their parent factory at Birmingham and were found to be satisfactory.

(b) We are satisfied that considerable improvement has taken place in quality since the last inquiry and that the larger units are producing machine screws of quality which are generally satisfactory. It appears, however, that the standard of quality varies with different manufacturers. We think that further improvement in the quality of indigenous production is necessary. We understand that the Indian Standards Institution has not yet finalised the standard specifications for machine screws and expects to do so by about the middle of 1955. We recommend that the Institution should complete this work expeditiously.

(c) From the evidence received by us, it appears that there is still some prejudice against machine screws produced in the country. Producers stated at the public inquiry that screws packed in cartons with labels of foreign manufacturers realised better prices than indigenous screws, although the former were not as good as the latter. The representative of Nettlefolds of India Ltd. who was present at the inquiry informed us that screws made by them in U.K. commanded a better market in India than the screws made by them in the country, although the quality was identical. We have made allowance for prejudice on the basis of 5 per cent. of the fair ex-works price.

8. (a) The principal raw material required for the manufacture of iron or steel machine screws is mild steel annealed wire, from 14 SWG to 5 SWG. The consumable stores required are thread rolling dies, high carbon steel, slitting saws, tungsten carbide wire-drawing dies, lubricants, mill stores and packing material. All the raw

Raw Materials

materials and consumable stores required by the industry **excepting** die-steel are produced in the country. Most of the machinery required for the manufacture of machine screws is also fabricated in the country from indigenous materials.

(b) The ranges of wire required for machine screws are comparatively limited. Billets for manufacturing wire are usually obtained from Tata Iron & Steel Co. Ltd., or Indian Iron & Steel Co. Ltd. except in the case of special quality steels which are not manufactured by them. Billets of such special quality are imported. The Iron & Steel Controller arranges for these supplies and provides the billets either to Indian Steel and Wire Products Ltd. or National Rolling and Wire Ropes Ltd. to be drawn into rods. Indian Steel & Wire Products are in a position to draw the billets into wire and rods while National Rolling & Wire Ropes Ltd. can convert them only into rods. Rods can, in turn, be converted into wire by Hind Wire Industries also. The manufacture of wire is thus not limited to one producer, and the entire programme of wire supply is in the hands of the Iron & Steel Controller who is in a position to phase and regulate it provided indents are furnished to him on a planned basis.

(c) The industry has complained against inadequate and delayed deliveries of steel wire. We were informed that supplies were made only for single shift working of factories, and that, often there were long delays in deliveries. The Development Wing of the Ministry of Commerce and Industry advised us that allocations of steel wire were made on the basis of single shift capacity and that the question of increasing the allocations was under consideration. The representative of the Iron & Steel Controller who was present at the public inquiry stated that he did not anticipate any serious difficulty in allotting quotas of mild steel wire which would be sufficient for production on two shift basis. He also stated that while he was prepared to arrange for special imports of billets of higher grade in limited quantities, the industry should as far as possible restrict their requirements to grades of available indigenous material and plan their indents very carefully to avoid delays in manufacture and delivery. Since the domestic demand for machine screws is much higher than current production, there is a strong case for stepping up indigenous production by working the factories on two shift basis. We, therefore, recommend that allotment of quotas of mild steel wire should be increased so as to meet the requirements of manufacturers on two shift basis, and that if there is any scarcity of indigenous wire at any time, licences should be granted to manufacturers to import their requirements.

(d) Representations were also made by producers to the effect that the quality of wire supplied by Indian Steel and Wire Products Ltd. was not uniform. As a result, stoppages of machines had increased and dies had deteriorated in performance. The representatives of the Iron & Steel Controller and Indian Steel Wire Products Ltd. who were present at the public inquiry have assured us that wire of standard quality and without defects in drawing will be supplied to the manufacturers in future.

9. Imports of machine screws are not recorded separately in the Accounts relating to the Foreign Trade and Navigation of India. However, in accordance with the recommendation made by the Tariff Board in its report in 1951, the Director-General of Commercial Intelligence and Statistics has been compiling separately figures relating to imports of machine screws. The country-wise imports of machine screws during the last two years as furnished by him are as follows:—

Origin of imports	1952-53			1953-54		
	April—March			April—March		
	Quantity	Value		Quantity	Value.	
	Tons	Gross	Rs.	Tons	Gross	Rs.
U. K.	91	1,41,866	3,43,401	39	63,955	1,36,408
Sweden	78	1,00,253	91,890	37	80,312	73,438
W. Germany . .	82	55,118	79,429	47	72,305	86,192
Japan	23	37,950	62,451	31	70,419	51,488
U. S. A.	13	5,206	55,291	9	20,233	37,490
Other countries .	19	57,112	81,849	28	64,151	83,167
TOTAL	306	3,97,505	7,14,311	191	3,71,375	4,68,183

It will be seen from the above table that the imports were mainly obtained from U.K., Sweden, West Germany and Japan.

(b) The import control policy followed by Government since 1952 has been as follows:—

During January—June, 1952, machine screws were not treated as a separate item. These were licensed freely along with other items covered by serial No. 22 of part I of Import Trade Control Policy namely "Iron and steel bolts, nuts and screws, machine screws and machine studs, but excluding bolts, nuts and screws adapted for use on cycles." During July—December, 1952 and January—June, 1953 established importers were allowed imports from soft currency areas on the basis of 25 per cent. quota of half of their best year's imports. During the subsequent licensing periods July—December, 1953, January—June, 1954, July—December, 1954 and January—June, 1955 quota to established importers was reduced to 12½ per cent. The producers have stated that the import control policy has proved to be very liberal because quotas are estimated on the basis of value and not of quantity. Consequently large supplies of foreign machine screws which could be sold at low prices have come into the country. We were informed at the public inquiry that large quantities of screws of West German and Japanese origin

were available in the market at very low prices and that consequently indigenous manufacturers were finding it difficult to sell their machine screws, while stockists of U.K. screws were trying to sell them at distress prices. The producers have, therefore, represented that the quotas for imports should be calculated on the basis of quantity and not of value. We consider that there is force in this representation and recommend that if there are no serious administrative difficulties, quotas should be fixed on the basis of quantity and not of value.

10. Iron or steel machine screws are at present assessed to duty under item No. 63(33)(b) of the First Schedule of the Indian Customs Tariff (THIRTYNINTH ISSUE). The relevant extract from the schedule is given below:—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rate of duty
				The U. K.	A British Colony	Burma	
63 (33) .	Iron or steel screws. (b) Machine screws.	Protective.	31½ per cent. <i>ad valorem</i>	31st December, 1954*.

* Protection has been extended to 31st December 1955 by the Indian Tariff (Third Amendment) Act of 1954.

Commission's estimates of costs of production and fair ex-works prices of production of machine screws produced by the two major producers, namely, Universal Screw Factory, Chheharta, Amritsar and Jagatjit Engineering Works, Kapurthala. These two factories manufacture machine screws of various sizes but those that are most in demand are of the following sizes.—1/2" × 3/16", 3/4" × 3/16" 1" × 3/16", 1/2" × 1/4", 3/4" × 1/4" and 1" × 1/4". For the purpose of estimating the costs of production, we have taken the above to be representative sizes. As the manufacturers desired that the details of their costs of production should be kept confidential, we are forwarding the report of the Assistant Cost Accounts Officer as a separate enclosure to this Report. Estimates of the future costs of production have been based on the extent of variations likely to be experienced in future in the various elements of cost. A statement of the estimates of future fair ex-works prices for the six sizes of machine screws is given on page 11.

*Statement showing estimates of fair ex-works prices of one gross of machine screws of Jagatjit Engineering Works,
Kapurthala and Universal Screw Factory, Chhilaria (Amritsar) for the year 1954-55.*

NOTE.—J. E. W. denotes Jagatjit Engineering Works
U. S. F. „ Universal Screw Factory.

Unit—Rs. Per Gross.

Sl. No.	Size of screws	1/2" x 3/16"								3/4" x 1/4"				1" x 1/4"			
		J.E.W.	U.S.F.	J.E.W.	U.S.F.	J.E.W.	U.S.F.	J.E.W.	U.S.F.	J.E.W.	U.S.F.	W.	U.S.F.	J.E.W.	U.S.F.	W.	U.S.F.
1	Raw Materials (M. S. Wire)	0.257	0.245	0.322	0.320	0.386	0.386	0.537	0.463	0.644	0.577	0.644	0.577	0.815	0.721	0.644	0.577
2	Conversion charges (Less re-coveries)	0.487	0.435	0.487	0.435	0.487	0.435	0.487	0.435	0.487	0.435	0.487	0.435	0.487	0.435	0.487	0.435
3	Packing charges	0.045	0.041	0.048	0.046	0.053	0.052	0.060	0.052	0.066	0.066	0.066	0.066	0.075	0.066	0.066	0.066
4	Interest on working capital	0.012	0.011	0.013	0.012	0.014	0.013	0.016	0.014	0.018	0.016	0.018	0.016	0.021	0.018	0.018	0.018
5	Total cost of production	0.801	0.732	0.870	0.813	0.940	0.868	1.100	0.964	1.215	1.094	1.215	1.094	1.398	1.240	1.215	1.094
6	Return on block @ 10 per cent.	0.037	0.038	0.037	0.038	0.037	0.038	0.037	0.038	0.037	0.038	0.037	0.038	0.037	0.038	0.037	0.038
7	Fair ex-works price	0.838	0.770	0.907	0.851	0.977	0.906	1.137	1.002	1.252	1.132	1.252	1.132	1.435	1.278	1.252	1.132
	Average fair ex-works price	0.804	0.879	0.942	0.942	1.069	1.069	1.192	1.069	1.356	1.192	1.356	1.192	1.588	1.356	1.356	1.192
	or	Re. 0 12 10	Re. 0 14 1	Re. 0 15 0	Re. 0 15 0	Rs. 1 1 1	Rs. 1 1 1	Rs. 1 3 0	Rs. 1 1 1	Rs. 1 5 8	Rs. 1 3 0	Rs. 1 5 8	Rs. 1 3 0	Rs. 1 5 8	Rs. 1 3 0	Rs. 1 5 8	Rs. 1 3 0

The basis on which future costs have been calculated is, briefly, as follows:—

- (i) Production of Universal Screw Factory has been assumed at 1.65 lakhs gross per annum and that of Jagatjit Engineering works, at 81,000 gross per annum.
- (ii) Wastage of materials in process of manufacture has been allowed at 5 per cent. on the weight of the finished product.
- (iii) While estimating the conversion cost, no charge has been allowed in respect of salaries of the proprietors as they do not draw any salary as such.
- (iv) Interest on working capital has been allowed at $4\frac{1}{2}$ per cent. on four months' cost of production, instead of 4 per cent. allowed on three months' cost of production on the previous occasion. This increase has been found to be necessary on account of the actual conditions which prevailed during 1953-54 in respect of raw materials and disposal of the finished products.
- (v) Return on block has been allowed at 10 per cent. on the value of the gross block utilised for the manufacture of machine screws.

For estimating the average cost of production, a simple average of the costs of the two factories has been taken as they do not show much variations. On this basis, the average fair ex-works prices of different sizes of machine screws work out to Re. 0-12-10 for $1\frac{1}{2}'' \times 3/16''$, Re. 0-14-1 for $3/4'' \times 3/16''$, Re. 0-15-0 for $1'' \times 3/16''$, Rs. 1-1-1 for $1/2'' \times 1/4''$, Rs. 1-3-0 for $3/4'' \times 1/4''$ and Rs. 1-5-8 for $1'' \times 1/4''$.

12. The c.i.f. prices and landed costs of machine screws obtained C.i.f. prices and landed from the Collectors of Customs and importers costs are given in Appendix IV. Kapur & Co., Bombay, have also furnished us with the following quotations of c.i.f. prices of Japanese machine screws of the types for which we have estimated the fair ex-works prices:—

Sizes	c.i.f.
	Rs. A. P.
$1\frac{1}{2}'' \times 3/16''$	0 5 3
$3/4'' \times 3/16''$	0 5 11
$1'' \times 3/16''$	0 7 6
$1/2'' \times 1/4''$	0 10 5
$3/4'' \times 1/4''$	0 12 2
$1'' \times 1/4''$	0 13 11

As these are the lowest quotations of c.i.f. prices and severe competition is expected from Japanese imports, we have adopted the above c.i.f. prices for comparison with the fair ex-works prices of indigenous machine screws.

13. A comparison of the fair ex-works prices with the landed Comparison of the costs without duty of the Japanese machine c.i.f. prices with the screws is made in the following table:— fair ex-works prices.

Size of Machine Screws

Dia. x length	Dia. x length	Dia. x length	Dia. x length	Remarks
------------------	------------------	------------------	------------------	---------

$3/16" \times 1/2"$ $3/16" \times 3/4"$ $3/16" \times 1"$ $1/4" \times 1/2"$ $1/4" \times 3/4"$ $1/4" \times 1"$

	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Fair ex-works price per gross . . .	0 12 10	0 14 1	0 15 0	1 1 1	1 3 0	1 5 8
Average freight disadvantage . . .	0 0 11	0 0 11	0 0 11	0 0 11	0 0 11	0 0 11
Allowance for prejudice . . .	0 0 8	0 0 9	0 0 9	0 0 10	0 0 11	0 1 1
(a) Total . . .	0 14 5	0 15 9	1 0 8	1 2 10	1 4 10	1 7 8
(b) C.i.f. price per gross for imports from Japan . . .	0 5 3	0 5 11	0 7 6	0 10 5	0 12 2	0 13 11
(c) Clearing charges . . .	0 0 1	0 0 1	0 0 2	0 0 2	0 0 3	0 0 3
(d) Total landed cost without duty (b+c) . . .	0 5 4	0 6 0	0 7 8	0 10 7	0 12 5	0 14 2
(e) Difference (a) — (d) . . .	0 9 1	0 9 9	0 9 0	0 8 3	0 8 5	0 9 6

(Average difference
Rs. -/9/-)

(f) Difference (e) as a percentage on (b), 173 per cent. 16½ per cent. 120 per cent. 79 per cent. 69 per cent. 68 per cent.
the c.i.f. price . . .

A freight disadvantage of 11 pies per gross has been allowed in respect of indigenous machine screws to cover the cost of transport from the factories at Amritsar/Kapurthala to Bombay and Calcutta. This has been worked out on the basis of sales of machine screws at Bombay and Calcutta by Universal Screw Factory and Jagatjit Engineering Works. Allowance for prejudice has also been made at 5% of the fair ex-works prices in each case. It will be seen that the duties required to equate the fair ex-works prices plus freight disadvantage and allowance for prejudice with the landed costs without duty of the machine screws imported from Japan ranges from 68 per cent. to 173 per cent. of the c.i.f. prices. The actual difference between the landed costs without duty of Japanese screws and the fair ex-works prices (plus freight disadvantage and allowance for prejudice) of the indigenous products, however, ranges from Re. -/8/3 to Re. -/9/9. The average difference works out to Re. -/9/- per gross.

14. (a) The quality of the indigenous machine screws has much improved since protection was granted to the industry in 1951. The selling prices of indigenous machine screws have also been reasonable. The industry has not, however, been able to consolidate its position and we are satisfied that it is in need of further protection. It will be seen from what we have stated in the previous paragraph that the quantum of protection required by the domestic industry against imports of machine screws from Japan varies from 60 per cent. to 160 per cent. It is not advisable to levy duty at these high rates as it will afford excessive protection to the domestic industry against imports of machine screws from other countries whose c.i.f. prices are much higher than those of imports from Japan. An alternative specific duty will, therefore, be an appropriate form of protection in this case. Since there is an *ad valorem* revenue duty of 50 per cent. on bolts, we think that the *ad valorem* duty on machine screws should not be less and we, therefore, recommend that the protective duty at 50 per cent. *ad valorem* or nine annas per gross, whichever is higher should be levied on imports of machine screws. We further recommend that the protective duty should remain in force upto 31st December, 1957.

(b) If the above recommendations are accepted, the particulars relating to item No. 63(33)(b) of the I.C.T. Schedule should be modified as follows:—

Item Number	Name of article	Nature of duty	Standard rate of duty	Duration of protective duty
63 (33) (b)	Machine screws of the following kinds :— (i) without head, the shank being fully or partly threaded. (ii) with head, the shank being threaded to within two pitches from the head.	Protective	50 per cent. <i>ad valorem</i> or 9 annas per gross, whichever is higher.	December 31st, 1957.

15. Our conclusions and recommendations are summarised as follows:—

Summary of conclusions and recommendations.

(1) The scope of the inquiry should include iron or steel machine screws (i) without head, the shank being fully or partly threaded, and (ii) with head, the shank being threaded upto within two pitches from the head. [Paragraph 4(c)]

(2) The current demand of iron or steel machine screws of all types is about 6 lakhs gross per annum. The future demand is likely to increase by about 10 per cent. every year. [Paragraph 6(c)]

(3) The Indian Standards Institution should finalise standard specifications for machine screws expeditiously. [Paragraph 7(b)]

(4) Allotment of quotas of mild steel wire to screw manufacturers should be increased so as to meet their requirements on two shift basis. [Paragraph 8(c)]

(5) In case there is scarcity of indigenous mild steel wire at any time, licences should be granted to manufacturers to import their requirements of mild steel wire. [Paragraph 8(c)]

(6) Provided there are no serious administrative difficulties, import quotas for machine screws should be fixed on the basis of quantity and not of value. [Paragraph 9(b)]

(7) The machine screw industry needs further protection. The protective duty should be levied at 50 per cent. *ad valorem* or 9 annas per gross, whichever is higher. This duty should remain in force upto 31st December, 1957. [Paragraph 14(a)]

16. We wish to acknowledge the assistance we have received from the representatives of producers, importers and consumers of machine screws and of various Government departments in conducting this inquiry. We also wish to thank Mr. C. J. Shah of the Development Wing of the Ministry of Commerce and Industry and Mr. R. N. Dutt, Deputy Iron and Steel Controller, for their assistance in connection with the inquiry.

M. D. BHAT, *Chairman.*

B. N. DAS GUPTA, *Member.*

C. RAMASUBBAN, *Member.*

RAMA VARMA, *Secretary.*

BOMBAY,

Dated the 7th February, 1955.

APPENDIX I

[vide paragraph 2(a)]

List of firms, bodies and Government Departments to whom questionnaires and/or letters were issued and from whom replies or memoranda have been received.

[*Those who have replied to the questionnaires and/or submitted memoranda]

A. PRODUCERS:

- *1. Badhwar & Co., G. T. Road, Delhi-Shahdra.
2. Bombay Brass and Engineering Works, Nakodar Road, Jullundur City.
- *3. Dun Aluminium Factory, 225/7, Tardeo Road, P. O. Box 4075, Bombay.
4. Faridkot Screw Factory, Faridkot.
5. Gujrat Textile Co., Manek Chowk, Ahmedabad.
- *6. Guest, Keen, Williams, Ltd., 41, Chowringhee Road, P. O. Box No. 609, Calcutta-16.
7. Gun and Shell Factory, Cossipore, West Bengal.
8. Hind Screws and Metal Works, "Palms Villa", Birla Lines, Subzi Mandi, Delhi.
9. Hind Wire Industries Ltd., P-16, Kalakar Street, Calcutta.
10. Indian Engineers' Corporation Ltd., O/s Chatiwind Gate, Canal Bridge, Amritsar.
- *11. Indian Telephone Industries Ltd., Duravani Nagar, Bangalore District.
- *12. Jagatjit Engineering Works, Kapurthala.
13. Shree Jam Wire Products Co., Ltd., Post Box No. 48, Bedi Port Road, Jamnagar.
14. K. B. Engineering Co., Ltd., Sultanwind Road, Amritsar.
15. Jai Krishna Das, The Ivory Palace, Juma Masjid, Delhi.
16. Metalford Industries, Glass Factory Road, Bagad Gunj, Nagpur.
17. National Engineers' Corporation, Sultanwind Road, Amritsar.
18. National Industries, Sultanwind Road, Amritsar.
19. National Screw and Wire Products Ltd., Stephen House, 4, Dalhousie Square, Calcutta.
20. Northern India Steel Works Ltd., Verka, Amritsar.
21. Tee Tee Industries, G. T. Road, Amritsar.
- *22. Universal Screw Factory, Chheharta, Amritsar.
- *23. Victor Industries, Sultanwind Road, Amritsar.

B. PRODUCERS ASSOCIATIONS:

1. Bharat Screw Manufacturers' Association, Chowk Pragdass, Amritsar.
2. Screw Manufacturers' Association, 35, Stephen House, 4, Dalhousie Square (East), Calcutta.

C. IMPORTERS:

1. Madanlal Aggarwal, 50, Nagdevi Street, Bombay.
2. Allied Agencies, 6, 2nd Fanaswadi Lane, Bombay.
3. Batliboi & Co., Forbes Street, Fort, Bombay.
4. Bombay Belting Co., Ltd., 71-A, Netaji Subhas Road, Calcutta-1.
5. Amritlal Coomar & Bros., 113, Monohardas Chowk, Calcutta.
6. E. A. Currim Ltd., 14, Chittaranjan Avenue (South), Calcutta-13.
7. P. C. Coomar & Sons (Hardware) Ltd., 145, Netaji Subhas Road, Calcutta-1.
8. Lekhraj Devraj & Co., Narayan Dhuru Street, Bombay.
9. F. E. Darukhanawalla & Co., Nagdevi Street, Bombay-3.
10. Chimanlal Desai & Co., Gool Mansion, Homji Street, Fort, Bombay.
11. P. C. Dutta & Sons, "Gooptu Mansion," 71-A, Netaji Subhas Road, Calcutta.
12. East Asiatic Co. (India) Ltd., Shree Nivas House, P. O. Box No. 639, 27-A, Waudby Road, Fort, Bombay.
13. D. M. Ebrahim & Co., 151, Lohar Chawl, Bombay.
14. Abdullabhoj Fazalbhoj, 142, Sarang Street, Bombay.
15. Godrej and Boyce Manufacturing Co., Ltd., Lalbaug, Parel, Bombay.
16. Hukamchand Goverdhandas, 110, Narayan Dhuru Street, Bombay.
- *17. Nettlefold of India Ltd., Das Chambers, 25, Dalal Street, Post Box No. 1502, Bombay-1.
18. Rajkumar & Gupta Ltd., 181, Nagdevi Street, Bombay-3.
19. Tarachand Gupta & Bros., Narayan Dhuru Street, Bombay.
20. Hari Industries, Hari Bhuvan, Khak Chowk, Porbander, (Saurashtra).
21. Harshadray & Co., Advani Chambers, 1st Floor, Sir Phirozshah Mehta Road, Bombay.
22. Buadas Hazarilal & Bros., 110, Narayan Dhuru Street, Bombay.
23. William Jacks & Co., Ltd., Hamilton House, Ballard Estate, Bombay.
24. Jessop & Co. Ltd., 63, Netaji Subhas Road, Calcutta.
25. Kishanchand Khanna & Co., 94, Bhajipala Lane, Bombay-3.
26. Harjimal Kedarnath & Co., 87, Nagdevi Cross Lane, Bombay.
27. Tirathdas Kesharam, 130, Narayan Dhuru Street, Bombay-3.
28. S. A. Mahabaleswarwalla, 52, Khokha Bazar, Bombay.
- *29. Maniklal & Co., 166, Hornby Road, Fort, Bombay.
30. Chunilal P. Mehta, 7, Parvati Nivas, Church Road, Vile Parle West, Bombay-24.
31. Monmotho Nath Mukerjee & Sons, 113, Monohardas Chowk, Calcutta.
32. M. Mansukhlal & Co., 34, Netaji Subhas Road, Calcutta.
33. Mody Brothers, 52, Nagdevi Cross Lane, Bombay-3.
34. Harjimal Nandlal, 75, Nagdevi Cross Lane, Bombay-3.
35. Pannalal & Sons Ltd., 61, Nagdevi Cross Lane, Bombay-3.
36. Poysha Industrial Co., Advani Chambers, Sir Phirozshah Mehta Road, Fort, Bombay.
37. Prem and Sons, 30, Bibijan Street, Bombay-3.
38. Prince Morus India Ltd., Sir Phirozshah Mehta Road, Fort, Bombay.
- *39. P. B. Shah & Co., Ltd., 34, Netaji Subhas Road, Calcutta.
40. M. R. Shah & Co., 22, Canning Street, Calcutta.
41. Dali B. Sroff & Co., 361, Hornby Road, Fort, Bombay.
42. Sepulchre Brothers (India) Ltd., Taj Building, Hornby Road, Fort, Bombay.

43. Singha Brothers, 110, Narayan Dhuru Street, Bombay-3.
44. Steel Merchants Syndicate Ltd., 153, Narayan Dhuru Street, Bombay-3.
45. Anantrai Talakchand & Co., 78, Netaji Subhas Road, Calcutta.
- *46. Bashimal Tirathram, 72/74, Bhajipala Lane, Bombay-3.
47. Hirji Trikamji, 82/86, Agiary Lane, Abdul Rehman Street, Bombay-3.
48. J. C. Vora & Co., 107, C. P. Tank Road, Bombay-1.
- *49. Vulcan Trading Co., Ltd., Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay-1.
50. Wadhawaram and Brothers, Importers and Exporters, 87, Nagdevi Cross Lane, Bombay-3.
51. Western India Hardware Mart, 16, Narayan Dhuru Cross Lane, Bombay-3.

D. CONSUMERS:

(i) Cycle Manufacturers:

1. Atlas Cycle Industries Ltd., Sonapat (Near Delhi).
2. Hind Cycles Ltd., 250, Worli, Bombay.
3. Hindustan Cycle and Industrial Corporation Ltd., Phulwari Shareef, Patna.

(ii) Electric goods manufacturers:

4. Bharat Bijlee Ltd., King's Circle, Bombay.
5. B. G. Works, Ltd., Mahesh Rishra, (West Bengal).
- *6. Crompton Parkinson (Works) Ltd., Haines Road, Worli, Bombay.
- *7. Kassels Ltd., Subzi Mandi, Delhi.
8. Kay Engineering Works, Kapurthala.
9. Kirloskar Brothers Ltd., Kirloskarwadi, Satara District, (Bombay State).
10. Metropole Works Ltd., Verka, Amritsar.
11. National Electrical Industries Ltd., Industrial Estate, Lalbaug, Bombay.
12. Polar Electrical Engineering Co., Ltd., Behala, (West Bengal).
13. Raghu Engineering Works, Daryaganj, Delhi.

(iii) Electric Fan Manufacturers:

14. Acme Manufacturing Co., Ltd., Antop Hill, Wadala, Bombay.
15. Calcutta Electrical Manufacturing Co., Ltd., 33, Netaji Subhas Road, Calcutta.
16. Clyde Fan Co., Ltd., 21/2, Chowringhee Road, Calcutta.
17. Engineering Works of India Ltd., Canning Street, Calcutta.
- *18. General Electrical Co., of India Ltd., Magnet House, Chittaranjan Avenue (South), Calcutta.
19. Indian Electrical Works Ltd., Diamond Harbour Road, Calcutta-8.
20. Kaycee Industries Ltd., Kamani Chambers, Ballard Estate, Bombay.
21. Matchwel Electricals (India) Ltd., Sabzi Mandi, Delhi.

(iv) Sewing Machine Manufacturers:

22. Delhi Sewing Machine Co., Ltd., M. J. Building, Chandni Chowk, Delhi.
23. Jay Engineering Works Ltd., 183A, Prince Anwar Shah Road, Dhakuria, P.O.B. 2158, Calcutta.
24. Khalsa Cycle Works, Nawashahar, Jullundur.
25. K. C. Mullick & Sons Ltd., 77/13, Dharamtalla Street, Calcutta.
26. R. L. Seth & Co., Charkhawan, Chawri Bazar, Delhi.

(v) *Transport companies:*

27. Air India Ltd., New India Assurance Building, Mahatma Gandhi Road, Bombay.
- *28. George Oakes Ltd., Swedeshi Mills Compound, New Queens Road, Bombay.
29. General Motors (India) Ltd., Sewree, Bombay.
30. Hindustan Aircraft Ltd., Bangalore.
31. Hindustan Motors Ltd., 8, Royal Exchange Place, Calcutta.
- *32. Premier Automobiles Ltd., Construction House, Ballard Estate, Bombay.
33. Prime Movers (India) Ltd., Devkaran Nanji Building, Elphinstone Circle, Fort, Bombay.
34. Society of Motor Manufacturers and Traders Ltd., Post Box 173, New Delhi.
35. Scindia Steam Navigation Co., Ltd., Scindia House, Ballard Estate, Bombay.

(vi) *Railways:*

- *36. Secretary, Railway Board, New Delhi.
37. Controller of Stores, B. A. Railway, Calcutta.
- *38. Controller of Stores, Western Railway, Mahalaxmi, Bombay.
- *39. Controller of Stores, B. N. Railway, Calcutta.
- *40. Controller of Stores, E. I. Railway, Calcutta.
- *41. Controller of Stores, Central Railway, Parel, Bombay.
- *42. Controller of Stores, Southern Railway, Perambur, Madras.
43. Controller of Stores, Southern Railway, Nagapatam.

(vii) *Others:*

44. East Indian Bolt & Nut Dealers Association, 22, Ezra Mansions, 10, Government Place, East, Calcutta.
- *45. Bombay Port Trust, Ballard Estate, Ballard Road, Bombay.
46. Shri Natvarlal V. Ganatra, Vidya Talkies, Indore.

E. STATE GOVERNMENTS AND ADMINISTRATIONS:

- *1. Chief Secretary to the Government of Bombay, Bombay.
2. Chief Secretary to the Government of West Bengal, Calcutta.
- *3. Chief Secretary to the Government of Madras, Madras.
- *4. Chief Secretary to the Government of Madhya Pradesh, Nagpur.
5. Chief Secretary to the Government of Uttar Pradesh, Lucknow.
6. Chief Secretary to the Government of East Punjab, Simla.
7. Chief Secretary to the Government of Assam, Shillong.
8. Chief Secretary to the Government of Bihar, Patna.
9. Chief Secretary to the Government of Orissa, Cuttack.
10. Chief Secretary to the Government of Madhya Bharat, Gwalior.
11. Chief Secretary to the Government of United States of Saurashtra, Rajkot.
12. Chief Secretary to the Government of Travancore Cochin, Trivandrum.
13. Chief Secretary to the Government of Rajasthan, Jaipur.
14. Chief Secretary to the Government of Patiala & East Punjab States Union, Patiala.
15. Chief Secretary to the Government of Vindhya Pradesh, Rewa.
16. Chief Secretary to the Government of Mysore, Bangalore.
17. Chief Secretary to the Government of Hyderabad, Hyderabad (Dn.).
18. Chief Secretary to the Government of Bhopal, Bhopal.
- *19. Chief Secretary to the Government of Himachal Pradesh, Simla.

- *20. Chief Commissioner, Delhi.
- 21. Chief Commissioner, Ajmer-Merwar, Ajmer.
- 22. Chief Commissioner, Coorg, Mercara.

F. OTHERS:

- 1. All India Manufacturers' Organization, Industrial Assurance Building, Churchgate, Bombay.
- 2. Engineering Association of India, 23-B, Netaji Subhas Road, Calcutta
- 3. Director General, Ordinance Factories, 6, Esplanade East, Calcutta-1.
- 4. Director General of Supplies & Disposals, New Delhi.
- 5. Iron and Steel Controller, Government of India, 33, Netaji Subhas Road, Calcutta.
- 6. Indian Standards Institution, 19, University Road, Civil Lines, Delhi-8.

G. MANUFACTURERS OF RAW MATERIALS:

- 1. Indian Steel & Wire Products Ltd., Indranagar, P.O. Tatanagar.
- 2. Mukand Iron & Steel Works Ltd., 51, Mahatma Gandhi Road, Fort, Bombay.
- 3. Jayant Metal Mfg., Co., 924-A, Sayani Road, P. O. Box No. 7009, Bombay-28.



APPENDIX II

[Vide paragraph 2 (b)]

List of persons who attended the Commission's public inquiry on 1st November, 1954, and gave evidence.

Producers

- | | | |
|--------------------------|--------------|---|
| 1. Mr. Dharamdas Virmani | representing | Universal Screw Factory, Chheharta Amritsar. |
| 2. Mr. Madanlal Kapur | " | Universal Screw Factory, Chheharta, Amritsar. |
| 3. Mr. K. L. Sakhuja | " | Jagatjit Engineering Works, Kapurthala. |
| 4. Mr. P. C. Badhwar | " | Badhwar & Co., Delhi. |
| 5. Mr. A. E. Domingo | " | Dun Aluminium Factory, Bombay. |
| 6. Mr. L. J. Sajani | " | Indian Telephone Industries Ltd., Bangalore. |

Raw Material Supplier :

- | | | |
|----------------------|---|---|
| 7. Mr. C. K. Ramnath | " | Indian Steel and Wire Products Ltd., Tatanagar. |
| 8. Mr. S. C. Biswas | " | Mukand Iron and Steel Works, Ltd., Bombay. |

Importers :

- | | | |
|----------------------|---|---|
| 9. Mr. R. A. Binns | " | Nettlefolds of India Ltd., Bombay and Guest, Keen, Williams Ltd., Calcutta. |
| 10. Mr. F. N. Sahiar | " | Vulcan Trading Co. Ltd., Bombay. |

Consumers :

- | | | |
|--------------------------|---|--|
| 11. Mr. N. C. Killawalla | " | Controller of Stores, Western Railway, Bombay. |
| 12. Mr. R. K. Tandon | " | Controller of Stores, Central Railway, Bombay. |
| 13. Mr. A. D'Souza | " | Crompton Parkinson Works Limited, Bombay. |

Government Departments :

- | | | |
|-------------------------|---|---|
| 14. Mr. C. J. Shah | " | Development Wing of the Ministry of Commerce and Industry, New Delhi. |
| 15. Mr. R. N. Dutt | " | Iron and Steel Controller, Calcutta. |
| 16. Mr. K. B. Vagholkar | " | Director of Industries, Bombay. |
| 17. Mr. Joshi | " | Collector of Customs, Bombay. |

APPENDIX III

[Vide paragraph 5 (a)]

**Statement showing the location of factories, year of commencement of production, capital invested, labour employed, rated capacity and actual production (in gross) of machine screws during the years 1951 to 1954.*

Serial No.	Name and location of factory	Year of commencement of production	Capital invested (Rs.)	Labour employed (Numbers)	Annual installed capacity on single shift basis (in gross)	Actual production (in gross).				
						1951	1952	1953	1954 (January-August).	
1	2	3	4	5	6	7	8	9	10	
1	Universal Screw Factory, Chheharia (Amritsar)	1941	3,54,500	40	1,44,000	86,856	93,552	86,552	77,873	
2	Jagatjit Engineering Works, Kapurthala (Pepsu)	1944	2,30,504	25	54,000	29,744	36,812	49,210	53,731	
3	Badhwar & Co., Delhi	1950	2,75,687	19	90,000	9,906	5,976	15,483	7,893	
4	Victor Industries, Amritsar	1943	1,30,000	68	6,000	145	5,160	1,379	500	
5	Dun Aluminium Factory, Bombay	1951	42,400	10	48,000	..	6,213	15,144	17,094	
6	Vanaz Engineers Ltd., Bombay	1948	33,500	7	500	295	29	146	90	
7	K. B. Engineering Ltd., Amritsar	1952	N. A.	N. A.	36,000	
	TOTAL		10,66,591	169	3,78,500	1,26,946	1,47,742	1,67,914	1,57,181	

*NOTE.— (i) Information regarding capital invested and labour employed has been furnished by the manufacturers.
(ii) Information regarding annual installed capacity and actual production has been furnished by the Development Wing.
(iii) Production for 1954 shown against Vanaz Engineers Ltd., is for January—March.

APPENDIX IV

(Vide paragraph 12)

Statement showing the break-down of landed costs into c.i.f. prices, customs duty and clearing charges of machine screws.

Serial No.	Source of information	Origin of import	Date of import	Type and specification	c. i. f. prices	Customs duty	Clearing charges	Landed costs	
1	2	3	4	5	6	7	8	9	
(a) Counter-sunk Head									
1	Collector of Customs, Calcutta	Sweden	April, 1954	$1\frac{1}{2}'' \times 1\frac{1}{8}''$ $2'' \times 1\frac{1}{8}''$ $2\frac{1}{2}'' \times 1\frac{1}{8}''$ $3'' \times 1\frac{1}{8}''$ $3'' \times 1\frac{1}{4}''$ $3'' \times 1\frac{1}{2}''$ $3\frac{1}{4}'' \times 1\frac{1}{2}''$ $2'' \times 1\frac{1}{4}''$ $2\frac{1}{2}'' \times 1\frac{1}{4}''$ $1'' \times 3\frac{3}{8}''$ $4'' \times 1\frac{1}{4}''$ $4'' \times 3\frac{3}{8}''$	0 14 0 1 1 0 1 10 0 2 2 0 3 6 0 17 0 0 8 12 0 1 2 0 2 10 0 2 8 0 6 4 0 7 12 0	0 4 0 0 4 6 0 8 0 0 11 0 1 1 0 5 2 0 2 12 0 0 5 0 0 13 0 0 12 6 2 2 0 2 4 0	0 1 0 0 1 0 0 2 0 0 2 0 0 3 0 1 2 0 0 11 0 0 1 0 0 2 0 0 2 0 0 6 0 0 10 0	1 3 0 1 7 0 2 4 0 2 15 0 4 10 0 23 4 0 12 3 0 1 8 0 3 9 0 3 6 6 8 12 0 10 10 0	
(Per gross)									
2	M/s. Vulcan Trading Co. Ltd., Bombay	Sweden	..	Whitworth Rolled Thread	$3\frac{1}{16}'' \times 1\frac{1}{2}''$ $3\frac{1}{16}'' \times 3\frac{1}{4}''$ $3\frac{1}{16}'' \times 1\frac{1}{2}''$ $1\frac{1}{4}'' \times 1\frac{1}{2}''$ $1\frac{1}{4}'' \times 3\frac{1}{4}''$ $1\frac{1}{4}'' \times 1''$	0 10 6 0 11 6 0 12 6 0 15 6 1 1 6 1 6 0	0 3 4 0 3 7 0 3 11 0 4 10 0 5 6 0 6 11	0 0 3 0 0 4 0 0 4 0 0 5 0 0 5 0 0 7	0 14 3 0 15 5 1 0 9 1 4 9 1 7 5 1 13 6

24

March— $1/8" \times 1/4"$
April, 1954. $1/8" \times 3/8"$
 $1/8" \times 1/2"$
 $1/8" \times 3/4"$

(c) Cheese Head—contd.

2. Collector of Customs, Calcutta	Rolled Thread											
	Sweden	April, 1954	3/8" x O Gauge BA	1 4 0	0 7 6	0 2 0	1 13 6					
			2" x O	2 14 0	1 2 6	0 2 6	4 3 0					
			1/4" x 1"	1 0 0	0 4 0	0 1 0	1 5 0					
			3/8" x 1"	1 1 6	0 4 6	0 1 6	1 7 6					
			1/2" x 1"	1 2 0	0 5 0	0 1 6	1 8 6					
			3/4" x 1"	1 5 6	0 6 6	0 2 0	1 14 0					
			1" x 1"	1 8 0	0 7 0	0 2 0	2 1 0					
			1 1/4" x 1"	1 14 6	0 8 6	0 2 0	2 9 0					
			1 1/2" x 1"	2 0 0	0 9 6	0 2 0	2 11 6					
			2" x 1"	2 5 0	0 12 0	0 2 0	3 3 0					
			1/4" x 2"	0 15 0	0 4 0	0 1 0	1 4 0					
			3/8" x 2"	1 0 0	0 4 6	0 1 0	1 5 6					
			1/2" x 2"	1 2 0	0 4 6	0 1 6	1 8 0					
			3/4" x 2"	1 4 0	0 5 0	0 2 0	1 11 0					
			3/8" x 3"	0 14 0	0 4 0	0 1 0	1 3 0					
			1/2" x 3"	1 0 0	0 4 0	0 1 0	1 5 0					
			1 1/4" x 3"	1 2 0	0 4 6	0 1 6	1 8 0					
			1 1/2" x 4"	0 14 0	0 4 0	0 1 0	1 3 0					
			2" x 4"	1 8 0	0 7 0	0 2 0	2 1 0					
3. Collector of Customs, Bombay	Germany	April—May, 1954.	5/32" x 1/4"	0 5 3	0 1 7	0 0 1	0 6 11					
			5/32" x 3/8"	0 5 10	0 1 9	0 0 1	0 7 8					
			5/32" x 1/2"	0 8 11	0 2 10	0 0 2	0 11 11					
			3/16" x 1/2"	0 7 1	0 2 3	0 0 1	0 9 5					
			3/16" x 1 1/4"	0 11 4	0 3 6	0 0 2	0 15 0					
			5/16" x 1/4"	1 1 1	0 5 5	0 0 3	1 6 9					
			3/16" x 1/4"	1 6 8	0 2 1	0 0 1	0 8 10					
			3/16" x 3/8"	0 7 2	0 2 3	0 0 1	0 9 6					
			3/16" x 1/2"	0 7 2	0 2 3	0 0 1	0 9 6					



सत्यमेव जयते