EXHIBIT NO.50
PRESS NOTE NO.2 (1995 Series)
REVISED GUIDELINES ISSUED FOR DETERMINING ISSUE PRICE OF PREFERENTIAL SHARES

The procedure for raising foreign equity in existing companies in India and the guidelines for determining the issue price of preferential shares, have been laid down in this Ministry's Press Note No.2(1994 Series) issued on 3rd June, 1994. In pursuance of the objective set out in paragraph 4 of this Press Note No.2 of 1994, the Government of India, in consultation with the Reserve Bank of India, had decided that preferential allotment of shares by companies would be at market related price. Accordingly, the guidelines for determining the price were also specified in the said paragraph 4. After issue of these guidelines, fresh guidelines had been issued by the Securities & Exchange Board of India as contained in its press release dated 4 August, 1994. While the SEBI guidelines were also issued to ensure that the pricing of preferential allotment is market related, the pricing formula has been different than the pricing formula specified in this Ministry's Press Note No.2 (1994 Series).

In order to avoid any conflict between the two sets of guidelines and to ensure that the companies follow similar guidelines as regards the pricing of preferential issues, the Government of India, in consultation with the Reserve Bank of India, have decided to substitute Paragraph 4 of Press Note No.2 (1994 Series) dated 3rd June, 1994 with the following:-

"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 in a special resolution under Section 81(IA) 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 dis-investment permits shares etc. to be sold at the prevailing market related price. This can cause distortion in the balance of inflow/outflow of foreign exchange. This 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.

In pursuance of these objectives, the Government of India, in consultation with the Reserve Bank of India) have decided that henceforth every preferential allotment of shares by companies raising foreign equity shall, unless the Reserve Bank, in consultation with the Government determine otherwise, by a notification, be at a price to be determined as provided hereunder:

Every preferential allotment of shares (other than allotment on rights basis) by listed companies, to foreign investors shall be at market price of the shares. For the purpose, the price shall not be less than the higher of the following:

The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date:

OR

the average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date.

Explanation:

(a) "relevant date" for this purpose means the date thirty days prior to the date on which the meeting of General Body of shareholders is convened, in terms of Section 81(IA) of the Companies Act to consider the proposed issue:

(b) "stock exchange" shall mean any of the stock exchanges in which the shares are listed and in which the highest trading volume in respect of the shares of the company has been recorded during the preceding six months prior to the relevant date.

EXHIBIT NO.50 (Contd.)
PRESS NOTE NO.2 (1995 Series)
REVISED GUIDELINES ISSUED FOR DETERMINING ISSUE PRICE OF PREFERENTIAL SHARES

The above guidelines of pricing in connection with preferential allotment to nonresidents 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. While submitting applications for raising foreign equity or for indicating 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 the guidelines thereunder, the companies shall work out the price according to the above guidelines and enclose them duly certified by Statutory auditors. 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 now go into the question of pricing of shares.

The shares allotted on preferential basis will not be transferable in any manner for a period of five years from the date of their allotment."

The guidelines contained in paragraph 4 of this Ministry's Press Note No.2 (1994 Series) shall stand amended accordingly. These amendments shall come into force with immediate effect and shall apply to all application pending with the Reserve Bank.

F. No.9(30)/92-F.C.(I) New Delhi, the 10 April, 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.

EXHIBIT NO.51
PRESS NOTE NO.3 (1995 Series)
REVISED POLICY AND PROCEDURE GOVERNING APPROVAL UNDER THE SCHEME FOR 100% EOUs & EPZs

The policy and procedure governing approvals under the schemes for EOUs and EPZ units was prescribed vide Press Note No.l3(1991 Series) dated 9th October, 1991. In the context of the ongoing economic liberalisation, Government have further reviewed the policy and procedure governing such approvals. Accordingly, Government have now decided to supersede Press Note No.l3(1991 Series) with the following guidelines:-

A) Approvals:

i) All proposals confirming to the prescribed parameters (specified in this Press Note) shall receive automatic approval within two weeks from the Secretariat for Industrial Approvals (SIA), Ministry of Industry (Department of Industrial Development) in the case of 100% EOUs and from the Development Commissioners (DCs) concerned for units to be set up in the Export Processing Zones (EPZ).

ii) All other proposals which do not confirm to the parameters for automatic approval, shall be considered by the Board of Approvals (80A) and disposed within 45 days through the SIA in the Ministry of Industry (Department of Industrial Development).

B) Procedure for Application:

Applications for securing both types of approvals (automatic or through the 80A) shall be submitted to the SIA for 100% EOUs and to the Development Commissioners concerned in respect of units to be set up under EPZs. The application form shall be same namely "Application form for EOU/EPZ Unit".

The application form shall be submitted in 10 copies.

The application will be accompanied by Crossed Demand Draft for RS.IOOO/- (Rs.2500/- in case of items falling under Schedule I and 11 of Notification No.477(E) dated 25.7.1991, (as subsequently amended) of the Department of Industrial Development) drawn in favour of the Pay and Accounts Officer, Department of Industrial Development, Ministry of Industry, payable at the State Bank of India, Nirman Bhavan Branch, New Delhi.

Receipt of the application will be acknowledged by the SIA or the DCs as the case may be and a reference number will be given which the applicant shall quote in all future correspondence.

C. Criteria for automatic approvals.

The following will be the criteria for securing automatic approval from the SIA in respect of 100% EOUs and from the Development Commissioners concerned in respect of EPZ Units:

(i) the project is not included in Schedule I or II of Notification No.477 (E) dated 25.7.1991 (as subsequently amended) issued under the Industries (Development & Regulation) Act, 1951;

(ii) the project is located either within an EPZ, for which availability of space and confirmity with the environmental and other standards of the EPZ has been confirmed from the DCs, or in an area other than EPZs for which the locational conditions stipulated by the Department of Industrial Development have been compiled with;

(iii) the project undertakes to achieve Value Addition, as per the norms specifically fixed for the items concerned in the EXIM Policy or atleast 15% for Electronic Hardware manufacturing Units or 20% in case of any other industries;

(iv) the GIF value of imported Capital Goods is financed through foreign equity or foreign exchange required for import of plant/equipment (net of taxes) is within the ceiling of Rs.lO crores. Import of second-hand CG may be allowed provided an Import licence is not required;

(v) the foreign technology agreement, if any, entered into by the unit, is restricted to a lumpsum payment of Rs.l crore or 8% royalty (net of taxes), over a period of 5 years from the commencement of production;

EXHIBIT NO.51 (Contd.)
PRESS NOTE NO.3❖ (1995 Series)
REVISED POLICY AND PROCEDURE GOVERNING APPROVAL UNDER THE SCHEME FOR 100% EOUs & EPZs

(vi) the exports by the unit are not to be physically made to the GCA (General Currency Area);

(vii) the unit meets the requirements of the Custom Authorities in so far as;

(a) It involves manufacturing activities within the ambit of Section 3 of the Central Excises and Salt Act, 1944;

(b) it is amenable to bonding by the Customs;

(c) all the manufacturing operations are carried out in the same premises and the proposal does not envisage sending out of the bonded area any RM or inter-mediate products for any other manufacturing or processing activity.

(viii) the unit has projected minimum export turnover, as specified in the Handbook of Procedure.

Conversion of DTA Units: Applications for conversion of existing DTA units into EOUs, where there is no outstanding export obligation under EPCG Scheme or Advanced Licensing Scheme, will be allowed, if such DTA unit satisfies the parameters for automatic approval.

Ratification by BOA: The SIA and the DCs concerned shall place before the BOA in its next meeting summary of each order issued by them under the powers delegated to them for ratification.

Note: Applications envisaging

(a) 'Deemed Experts' under EXIM Policy.

(b) DTA sale by EOUs/EPZ units requiring formal approval of BOA under Appendix XXXIII of Handbook of Procedure-Volume I.

(c) setting up private bonded warehouse under para 115 of the EXIM Policy 1992-97.

(d) setting up unbonded integrated Aquaculture/Horticulture projects, and

(e) Import/Export of items covered under EXIM Policy restrictions, will not be eligible for consideration under Automatic Approval Scheme and will be placed before the Board of Approvals.

D. Miscellaneous

Schedule I, II, III : The industries that appear in Schedule I, II and III of Notification No.477(E) dated 25.7.1991 of the Department of Industrial Development (as amended from time to time) shall also be permitted for being set-up as 100% EOUs or in the Export Processing Zones.

Customs Requirements: EOUs and EPZ Units shall meet the requirement of Custom Authorities in regard to bonding, nature of activity carried out, sub-contracting etc.

ITC Classification: Entrepreneurs may note that the description of article(s) to be manufactured should be stated according to the Indian Trade Classification System.

Copies of the Indian Trade Classification (based on the 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 Controller of Publications, I, Civil Lines, Delhi - 110 054 or from any of the agents authorised to sell Government of India Publications.

F. No.10(53)/91-LP New Delhi, the 19th April, 1995

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, New Delhi.

Note: ❖ *Press Note No.3(1995 Series) has been amended by Press Note No.8(1997 Series)*

EXHIBIT NO.51 (Contd.)
PRESS NOTE NO.3 (1995 Series)
REVISED POLICY AND PROCEDURE GOVERNING APPROVAL UNDER THE SCHEME FOR 100% EOUs & EPZs

APPENDIX

MINIMUM VALUE ADDITION REQUIREMENT FOR CERTAIN ITEMS UNDER EOU/EPZ SCHEME

I.	**ELECTRONICS**	
	Computer Software	60%
II.	**TEXTILES**	
	(a) Readymade garments	40%
	(b) Made-ups	30%
	(c) Cotton yarn and cotton polyster yarn (ring spindles spun)	30%
	(d) Cotton Yarn and cotton polyster yarn (open-end spinning)	30%
	(e) Piece Goods	30%
	(f) Denim fabrics	30%
	(g) Terry towels	30%
	(h) Silk fabrics	30%
III.	**Leather Products**	
	(a) Leather footwear	30%
	(b) Leather shoe uppers	30%
	(c) Leather garments/goods	30%
	(d) Sports shoes/sports footwear	30%
IV.	**Gem & Jewellery**	
	(a) Plain gold jewellery	10%
	(b) Studded gold jewellery	15%
	(c) Silver jewellery	25%
V.	**Others**	
	(a) Latex gloves	40%
	(b) Granite	50%
	(c) Test and measuring instruments; industrial control/valves, photo-copies and medical and scientific instruments	20%
	(d) Clocks/Time pieces/Wrist Watches	30%
	(e) Cigarettes	35%
	(f) Cigarette lighters	40%
	(g) Bristles, including brushes	30%
	(h) Tissue culture plants	60%

EXHIBIT NO.52
PRESS NOTE NO.4 (1995 Series)
DELEGATION OF POWERS FOR 100% EOUs EPZ UNITS

Government had delegated powers to the Development Commissioners of the Export Processing Zones (EPZs)vide Press Note No. 14 (1991 Series) dated 26th September, 1991 and Press Note No.5 (1993 Series) dated 30th June, 1993. In the context of the ongoing economic liberalisation. Government have further reviewed the position and decided to supersede these press notes with the revised delegation of powers to DCs under the EPZ/ EOU Scheme, within their respective jurisdiction. The delegation of powers authorises the Development Commissioners of the Export Processing Zones to exercise the following powers:

1. Additional import of capital goods (CG):

To allow increase in the total value of imported Capital Goods to the extent of 50% of approved value, subject to a maximum of Rs.lO.OO crores, whether by import of additional items, or by increase in the price of permitted items. One or more requests can be entertained in this regard.

2. Currency fluctuations:

To allow increase in the value of Capital Goods imports in terms of Rupees, owing to foreign exchange rate fluctuations vis-a-vis foreign currencies.

3. Attestation of list of imported capital goods:

To attest list of imported capital goods, both new and second-hand, within the approved value, including additional value permitted in (1) above.

4. Capacity enhancement:

To permit capacity enhancement ofEOUs/ EPZ units, without any limit in respect of delicensed industries only, provided the requirement of additional imported Capital Goods does not exceed 50% of approved value subject to a maximum of Rs.lO.OO crores.

5. Broad Banding:

To permit broad-banding subject to the condition that it does not result in procurement of additional capital goods imports beyond 50% subject to a maximum of Rs.lO.OO crores. Broad-banding will be allowed in respect of only those industries, the design and production facilities of which are common and have similar manufacturing process and where physical exports are envisaged.

6. Change in name:

To authorise the change in the name of the company or the implementing agency subject to the following conditions:

(1) For change from an individual to a Company provided:

a) the new company is promoted by the applicant;

b) he is a subscriber to the Articles and Memorandum of Association of the new company;

c) he subscribes to the tune of atleast 10% of the issued equity capital of the new capital and;

d) the individual is a Director of the new Company.

(2) For change from a company to another company provided:

a) the transferee Company is a fullyowned subsidiary of the company holding the letter of intent or permission letter or vice-versa; or

b) a new company has been promoted for the purpose of implementing the Scheme after the grant of Letter of Intent or Letter of Approval, with atleast 10% of the issued equity held by the existing company; and change of name would be permitted only if the new unit undertakes to take over the assets and liabilities of the existing unit.

7. Change of location:

To permit change of location from the place mentioned in the Letter of Approval/Letter of Intent to another, provided:

a) no change in other terms and conditions of the approval is envisaged;

b) the new location is within the territorial jurisdiction of the DCs;

c) the new location is at a warehousing station declared by the Custom Authorities;

EXHIBIT NO.52 (Contd.)
PRESS NOTE NO.4❖ (1995 Series)
DELEGATION OF POWERS FOR 100% EOUs EPZ UNITS

d) other locational, zoning, land-use or environmental conditions are also complied with.

8. Extension of validity of Letters of Intent/ Letters of Approval:

To extend the validity of Letters of lntent/ Letters of Approval:

a) in the case of EPZ units by one year beyond the initial validity period of one year; and

b) in the case of EOUs by one year beyond the initial validity period of three years.

provided that DCs are satisfied that the party has taken bonafide steps to implement the Letters of Intent/Letter of Permission.

9. Change in value addition:

To receive the value addition percentage upward or downward upto the minimum Value Addition percentage as prescribed for the item of manufacture under the Policy.

10. Disposal of Obsolete Capital Goods:

To allow disposal of obsolete Capital Goods on the payment of duties. While granting permission for the disposal of obsolete machinery, the DCs and EPZ shall give due consideration as to whether the machinery has been used for a period of 5 years and also whether the machinery being disposed of will be replaced.

11. Import of Office Equipment:

To permit import of Office Equipment, not exceeding 20% of the total capital goods value, subject to a maximum of Rs-25.00 (twenty five) lakhs.

Member Secretary of Board of Approvals for 100% EOUs shall also exercise the powers delegated above in respect of EOUs.

3. All cases of units originally approved under Automatic Approval Scheme, shall be brought to the Board of Approvals when the revised parameters do not conform to the conditions laid-down under this Scheme.

4. The Secretariat for Industrial Approvals, Ministry of Industry, (Department of Industrial Development) and the Development Commissioners concerned shall place before Board of Approvals in its next meeting summary of each order issued by them under the powers delegated to them for ratification.

F. No.10(53)/91-LP New Delhi, the 19th April, 1995

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
New Delhi.

Note: ❖ *Press Note No.4(1995 Series) has been amended by Press Note No.15(1997 Series)*

EXHIBIT NO.52 (Contd.)
PRESS NOTE NO.4 (1995 Series)
DELEGATION OF POWERS FOR 100% EOUs EPZ UNITS

JURISDICTION OF DEVELOPMENT COMMISSIONER OF EPZs/EOU

1. The Development/Joint Development/ Deputy Development/Assistant Development Commissioner, Santa Cruz EPZ, Andheri East, Bombay.	SEEPROZONE BOMBAY Tlx: 011-75027 SEEPZ IN Fax: 022-8321169	Units Situated in Santa Cruz EPZ and approved 100% EOUs located in Maharashtra, Goa, Daman & Diu, Dadra and Nagar Haveli.
2. The Development/Joint Development/ Deputy Development/Assistant Development Commissioner, Kandla Free Trade Kandla, Gandhidham.	KAFTZ GANDHIDHAM Tlx: 105-214 KFTZIN Fax: 02836-52194	Units Situated in Kandia Free Zone and approved 100% EOUs situated in Gujarat.
3. The Development/Joint Development/ Deputy Development/Assistant Development Commissioner, Madras Export Processing Zone, G.S.T. Road, N.H.45, Tambaram, Madras 600 045.	MEPZ MADRAS Tlx: 041-26047 MEPZ IN Fax: 044-465220	Units Situated in Madras Export Proccssing Zone and approved 100% EOUs situated in Tamil Nadu, Andaman & Nicobar Islands, Union Territory of Pondicherry excluding Maha and Yanam
4. The Development/Joint Development/ Deputy Development/Assistant Development Commissioner, Cochin Export Processing Zone, Kakkanad, Cochin - 682 030.	CEPZONE ERNAKULAM Tlx: 088-56590 CEPZ IN Fax: 0484-422530	Units Situated in Cochin Export Proccssing Zone and approved 100% EOUs situated in Kerala, Karnataka, Lakshadweep and Maha.
5. The Development/Joint Development/ Deputy Development/Assistant Development Commissioner, Noida Export Processing Zone, Noida Dadri Road, Phase-11, Noida Distt.-Ghaziabad-201 305.	LIVWELL NEW DELHI Tlx: 0595201 CEPZ IN Fax: 89-62314	Units Situated in Noida Export Proccssing Zone and approved 100% EOUs situated in Delhi, Uttar Pradesh, Punjab, Haryana, Himachal Pradesh, Jammu & Kashir, Rajasthan, Madhya Pradesh and Chandigarh.
6. The Development/Joint Development/ Deputy Development/Assistant Development Commissioner, Falta Export Processing Zone, 2nd MSO Building, Room No,4, Nizam Palace, 234/4, Bose Road, Calcutta.	FEPZ CALCUTTA Tlx: 0215292 FEPZ IN Fax: 033-2477923	Units Situated in Falta Export Proccssing Zone and approved 100% EOUs situated in West Bengal, Orissa, Bihar, Assam, Arunachal Pradesh, Tripura, Manipur, Meghlaya, Nagaland, Mizoram, & Sikkim.
7. The Development/Joint Development/ Deputy Development/Assistant Development Commissioner, Visakhapatnam Export Processing Zone, Udyog Bhavan Complex, Siripuram Junction.	VEPZ VISAKHAPATNAM Tlx: 0495334 VEPZ IN Fax: 0891-51259	Units Situated in Visakhapatnam Export Processing Zone and approved 100% EOU situated in Andhra Pradesh and Yanam.

EXHIBIT NO.53
PRESS NOTE NO.1 (1996 Series)
MANUFACTURE OF ASBESTOS & ASBESTOS BASED PRODUCTS

The Government had set up a Technical Committee to undertake a comprehensive study, covering all aspects relating to asbestos and asbestos based products. After examining the matter in depth, the Technical Committee has given its report to the Government. The Government, after considering the report, has accepted the recommendation of the Technical Committee.

2. Keeping in view the recommendations of the Technical Committee, the Government has *interalia* decided that the applications for the manufacture of asbestos and asbestos based products, for the grant of LOI/IL shall be considered subject to the following conditions:

(i) The Company shall obtain necessary central environmental clearance before converting LOI into licence, as stipulated in GOI Notification No.S.0.60(E), dated 27th January, 1994 of Ministry of Environment & Forests;

(ii) The discharge of asbestos fibre in the factory premises shall be so controlled that it does not exceed the limit of 2 fibre/ cc. Continuous measurement of its pollutants in the area may be taken and record must be maintained.

(iii) The BIS Standards prescribed for use of asbestos under controlled and regulated conditions, which are listed at Annexure1 must be followed compulsorily by the Company;

(iv) The Company shall provide medical health care facilities regularly at the workplace and if cases of harmful effect of asbestos have been noticed on any worker, necessary compensation shall be arranged under the existing laws; and

(v) The Company shall adhere to all other existing laws regarding safety of labourers, employment of child labour, Factories Act, ptr

3. In order to ensure speedy disposal of applications for grant of Letter of Intent/Industrial Licence, for manufacture of asbestos and asbestosbased products and to obviate the need of back reference to the entrepreneurs, it has been decided that all applications for grant of industrial license in the asbestos sector would be considered in the Approval Committee(s) only after these have been examined in depth by the Administrative Ministry/ Desk concerned vyith respect to the prescribed standards/safeguards as mentioned above.

F. No.10(6)/96-L.P. New Delhi, the 8th March, 1996.

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.53 (Contd.)
PRESS NOTE NO.1 (1996 Series)
MANUFACTURE OF ASBESTOS & ASBESTOS BASED PRODUCTS

ANNEX-I

LIST OF BIS STANDARDS

1. IS:11450-1986 Method for determination of airborne asbestos fibre concentration in work environment by light microscopy (membrane filter method)

2. IS:11451-1986 Recommendations for safety and health requirements relating to occupational exposure to asbestos.

3. IS:11767-1986 Recommendations for cleaning of premises and plants using asbestos fibres.

4. IS:11768-1986 Recommendations for disposal of asbestos waste material.

5. IS:11769 (Part-1)-1987 Guidelines for safe use of products containing asbestos : Asbestos Cement products.

6. IS:11769 (Part-2)-1986 Guidelines for safe use of products containing asbestos : Friction material.

7. IS:11769 (Part-3)-1986 Guidelines for safe use of products containing asbestos : Non-cement asbestos products other than friction material.

8. IS:11770 (Part 1)-1987 Recommendations for control of emission of asbestos dust in premises manufacturing products containing asbestos dust in premises manufacturing products containing asbestos : Asbestos Cement Products.

9. IS:11770 (Part 2)-1987 Recommendations for control of emission of asbestos dust in premises manufacturing products containing asbestos : Friction materials.

10. IS:11770(Part 3)-1987 Recommendations for control of emission of asbestos dust in premises manufacturing products containing asbestos : Non-cement asbestos products other than friction material.

11. IS:12078-1987 Recommendatios for personal protection of workers engaged in handling asbestos.

12. IS:12079-1987 Recommendations for packaging transport and storage of asbestos.

13. IS:12080-1987 Recommendations for local exhaust ventilation systems in premises manufacturing products containing asbestos.

14. IS:12081 (Part-1)-1987 Recommendations for pictorial warning signs and precautionary notices for asbestos and products containing asbestos : Workplaces.

15. IS:12081 (Part 2)-1987 Recommendations for pictorial warning signs and precautionary notices for asbestos and products containing asbestos : Asbestos and its products.

16. IS:12082 (Part 1)-1987 Recommendations for control of asbestos emission : Mining of asbestos ore.

EXHIBIT NO.54
PRESS NOTE NO.2 (1996 Series)
MANUFACTURE OF CELLULOSE FIBRE CEMENT BASED ON ASBESTOS FREE AND NON-WOOD PULP MATERIAL

Subject: Exemption from obtaining Industrial Licence for the Manufacture of Cellulose Fibre Cement based on Asbestos free and non-wood pulp material.

Under the New Industrial Policy announced on 24th July, 1991, asbestos and asbestos based products had been retained under compulsory licensing. Articles of asbestos cement and cellulose fibre cement have a common ITC Code 68.11 included under compulsory licensing. Though manufacture of asbestos is considered process hazardous, the same is not true of cellulose fibre cement as it is considered asbestos free.

2. To simplify and streamline the Policy and Procedure for filing Industrial Entrepreneur Meinoranda(IEM), it has been decided that the licensing discipline, hence forth, would not apply to manufacture of "articles of cellulose fibre cement based on asbestos-free and nonwood pulp raw material." The entrepreneurs, therefore, who intend to manufacture "articles of cellulose fibre cement(asbestos free), not using wood pulp", under ITC Code 68.11 need not apply for Industrial License. They may now file an Industrial Entrepreneurs Memoranda(IEM) as prescribed in Para 6 of Press Note NO.9(1991 Series) dated 2nd August, 1991, with the Secretariat for Industrial Approvals(SIA) in the Department of Industrial Policy and Promotion, and obtain the acknowledgement. The location of the undertaking will, of course, be subject to Local land use and Zoning Laws and Regulations.

F. No.10(43)/91-LP New Delhi, the 31st July, 1996.

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.55
PRESS NOTE NO.3❖ (1996 Series)
REMOVAL OF STIPULATION RELATING TO MINIMUM EQUITY STAKE OF SIDC IN THE JOINT VENTURE AND ASSISTED UNITS

Subject: Removal of stipulation relating to minimum equity stake of SIDC in the joint venture and assisted units.

Under the existing policy relating to the pattern of share holding and disposal of equity holding in projects promoted by State Industrial Development Corporations(SIDC) and other State Government Industrial Promotions Agencies, a stipulation had been imposed that a SIDC/Promotional Agency shall hold at least 26% equity in the paid up capital of the company.

2. In the post-liberalised regime, the Government has taken a series of steps to provide greater flexibility to investors in important areas of the economy. In continuation of these measures, it has now been decided by the Government to do away with the stipulation relating to minimum equity stake of SIDCs/ Promotional Agency in joint venture projects.

3. In all past cases where such a stipulation was imposed in the LOI/IL, the entrepreneur/ company concerned, wishing to avail of waiver of such a stipulation may apply to the Secretariat of Indutrial Approval, Department of Industrial Policy and Promotion, Ministry of Industry, Government of India, New Delhi.

F. No.10(18)/96-LP New Delhi, the 20th September, 1996.

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.

Note : ❖ *Press Note No.3(1996 Series) has been amended by Press Note No.7(1997 Series)*

EXHIBIT NO.56
PRESS NOTE NO.4 (1996 Series)
FURTHER LIBERALISATION IN PARAMETERS FOR AUTOMATIC APPROVAL IN FOREIGN COLLABORATION

Subject: Further liberalisation in parameters for Automatic Approval in Foreign Collaboration.

The Industrial Policy Statement of 1991 contains a list of 35 industries as Annex.Ill, in respect of which the RAF accords automatic approval to foreign investment proposals involving foreign equity capital upto 51% in the Indian Company. The other two conditions are that the foreign equity should cover the foreign exchange requirements for import of capital goods needed for the project, and the plant and machinery should be new and not second hand.

2. For foreign collaboration proposals, automatic approval for all industries are accorded by RBI where payment of lumpsum fee is upto Rs.l crore, and/or involves 5% royalty for domestic sale and 8% for exports, subject to a total payment of 8% on sales over a period of a 10 year period from the date of agreement or 7 years from commencement of production.

3. As announced in the last Budget Session of the Parliament, the above provisions are being further liberalised to facilitate better and increased flow of foreign technology and equity and provide greater attraction to prospective investors. Henceforth, the proposals for automatic approval will be covered by the following guidelines:-

(i) It will no longer be necessary for automatic approvals by RBI that the amount of foreign equity should cover the foreign exchange requirements for import of capital goods needed for the project. The import of capital goods for the project would be, however, subject to the EXIM Policy.

(ii) The existing ceiling of Rs.l crore by way of payment of lumpsum fee for automatic approval will be raised to US $ 2 million.

All other terms and conditions for automatic approvals will remain unchanged as notified earlier.

F. No.10(29)/96-LP New Delhi, the 5th November, 1996.

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

Sd/-
(**Ashok Kumar**)
Joint Secretary to the Govt. of India

Principal Information Officer
Press Information Bureau,
New Delhi.

EXHIBIT NO.57
PRESS NOTE NO.5 (1996 Series)
FURTHER LIBERALISATION IN INDUSTRIAL LICENSING

Subject: Further Liberalisation in Industrial Licensing

Under the New Industrial Policy, announced in July, 1991, the Government had delicensed all except 18 specific industries subject to certain conditions. The Government had further reviewed the list of industries covered under compulsory licensing in April 1993, and the motor car, white goods industry, raw hides and skins, leather and patent leather were de-licensed. After review of the Drug Policy in 1994, the Government delicensed all bulk drugs and their formulations and intermediates except few identified bulk drugs and formulations.

2. The Government has recently reviewed the list of industries retained under compulsory licensing and decided to remove entertainment electronics(including Video Casettee Recorders, Colour Televisions, Compact Disk Players and Tape Recorders) from the list of industries requiring compulsory licensing in view of the considerations outlined below.

3. The Indian audio visual system industry has now come of age. Nearly all components for assembling these are now being manufactured in India. Even the import contents of the components manufactured in India have sharply declined. Moreover, all over the world, consumer electroics have been providing the dynamic thrust for the expansion of electronic industries. The latest technology trends indicate convergence of consumer electronics with information technology and professional electronics. Delicensing of entertainment electronic industries would provide greater freedom to the entrepreneurs to take investment and technology decision in the industrial sector which would contribute to greater industrial growth and employment.

4. The delicensing of this industry will however be subject to locational conditions as given in the Press Note dt.2nd August, 1991. The delicensing is also not extended to items exclusively reserved for manufacture in the small scale sector. Items reserved for small scale sector will continue to attract the licensing provisions under the lndustries(Development and Regulation) Act, 1951.

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

6. The entrepreneurs who have been issued letters of intent for manufacture of items now falling under exempted category, the LOI holder need not file an initial memorandum. In such cases, the LOI holder shall enly file part B of the memorandum at the time of commencement of commercial production against the LOI issued to them. It is however open to entrepreneurs to file an initial memorandum (in lieu of the LOI/IL held by them) if they so desire, whenever any variation from the conditions stipulated in the Letter of Intent/Industrial License is contemplated.

F. No.10(19)/96-LP New Delhi, the 2nd December, 1996.

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

Sd/-
(**Ashok Kumar**)
Joint Secretary to the Govt. of India

Principal Information Officer
Press Information Bureau,
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EXHIBIT NO.58
PRESS NOTE NO.1❖ (1997 Series)
GUIDELINES FOR INDUSTRIAL LICENCES FOR SUGAR FACTORIES

Subject: Guidelines for considering applications for industrial licenses for sugar factories

The Government of India have reviewed Guidelines for licensing new and expansion of existing sugar factories issued vide this Ministry's Press Note No. 16(1991) dated 8.11.91. The existing guidelines need revision in order to take into account the changes in the business scenario following economic liberalisation, the need for introducing simplified and transparent procedures and the technological changes that have taken place in the sugar industry over the years. In supersession of the aforesaid Press Note, Government has now formulated the following revised guidelines:

i) New Sugar factories will continue to be licensed for a minimum economic capacity of 2500 tonnes cane crushed per day(TCD). There will not be any maximum limit on such capacity.

ii) Preference in licensing would be given to the proposals involving larger capacity, modern technology and development of integrated complexes producing value added products and co-generation of power.

iii) For the consideration of application, a revenue district will be taken as the unit. In case more than one application is received for any unit of operation, other things being equal, priority will be given to the application received earlier.

iv) Licences of new sugar factories will be issued subect to the condition that the distance between the proposed new factory and an existing/already licenced sugar factory should be not less than 15 kilometers.

v) The basic criterion for grant of licence of new sugar units would be cane availability or the potential for the development of sugarcane or both.

vi) Other things being equal, preference in licensing will be given to the proposals from the Growers' Cooperative Societies. However, industrial licence issued to such a cooperative cannot be transferred to any other entity.

vii) All applications for expansion of the existing factories will be cleared automatically.

viii) Applications for grant of industrial licenses for the establishment of new sugar factories as well as expansion of existing units should be submitted to the Secretariat for Industrial Assistance(SIA) in the Department of Industrial Policy and Promotion, Ministry of Industry, New Delhi in Form IL, along with the prescribed fee of Rs.2500/-. The applications received for grant of licences would be referred by SIA to the Department of Food and the concerned State Governments/UTs for their comments. If no comments are received from either Department of Food or the concerned State Governments/ UTs within one month after their comments are asked for, it shall be deemed that they have no comments to offer. The Licensing Committee would thereafter consider the application for industrial licence and make appropriate recommendations.

B. The procedure and guidelines, as given above, are brought to the notice of the entrepreneurs for their information and guidance.

F. No.10(20)/96-LP New Delhi, the 10th January, 1996

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

Sd/-
(**Ashok Kumar**)
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Press Information Officer, Press Information Bureau, New Delhi.

Note: ❖ *Press Note No.1(1997 Series) has been amended by Press Note No.6(1997 Series)*

EXHIBIT NO.59
PRESS NOTE NO.2 (1997 Series)
EXPANSION OF LIST OF INDUSTRIES FOR AUTOMATIC APPROVAL FOR FOREIGN EQUITY

Subject: Expansion of List of Industries for Automatic Approval for foreign equity

Under the liberalised polices and procedures governing foreign investment and foreign technology and transfer agreements as per the Statement of Industrial Policy, 1991, the list of 35 industries eligible for Automatic Approval by Reserve Bank of lndia(RBI) for foreign equity up to 51% was published as ANNEX-III to this Ministry's Press Note No. 10(1992 Series) dated 24.6.1992

2. On a review of the policy on foreign direct investment, it has been decided to include 3 categories of industries/items relating to mining activities for foreign equity up to 50%, 13 additional categories of industries/items for foreign equity upto 51% and 9 categories of industries equity upto 74% in the list of industries/items eligible for automatic approval by the Reserve Bank of India. These industries are listed under the heading "Part 'A', Part' B' and Part 'C' of ANNEXURE-III" appended to this Press Note. These lists would be a supplement to the existing list of 35 industries (presently listed under Annex-III of the Industrial Policy) which qualify for automatic approval for foreign direct investment. In case any specific item now shown in Part B or Part C of Annex-III, already features in the 35 sectors included in the existing Annexure-III of Press Note No.lO (1992 Series) dated 24.6.92, the status of that item for eligibility for automatic approval foreign equity up to 51% OR 74% would be determined in terms of the instant Press Note.

3. No automatic approval shall be granted by the RBI for any item reserved for the small scale sector or for any other item which requires industrial licence under the existing policy. The applicant shall have to necessarily state in his/her application to RBI whether he/ she proposes to manufacture any item reserved for the small scale sector or not.

4. The foreign equity limits for automatic approval as per the attached lists would also be applicable to all proposals for Units in the Electronics Hardware Technology Park Schemes (EHTPs) and units under the Software Technology Park Schemes(STPs), wherever such proposals contain request for approval for foreign direct investment as well. The other parameters of eligibility with respect to these specific schemes(EHTPs, STPs) would be applicable in the same manner as they are applicable for proposals not containing any element of foreign investment under these schemes.

5. The attached lists are based on the National Industrial Classification of all Economic Activities(NIC), 1987. The entrepreneurs/investors should henceforth give description of their activities in this classification system while submitting their application to the RBI/ Government for various industrial approvals.

F. No.10(31)/97-LP New Delhi, the 17th January, 1997

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

Sd/-
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EXHIBIT NO.59(Contd.)
PRESS NOTE NO.2 (1997 Series)
EXPANSION OF LIST OF INDUSTRIES FOR AUTOMATIC APPROVAL FOR FOREIGN EQUITY

ANNEXURE-III

Note 1: This list is based on NIC Code, 1987

Note 2: Items for which approval of foreign investment and/or foreign technology agreements is not covered by automatic approval are:-

(i) Items reserved for the small scale sector;

(ii) Items which require licence under existing policy;

(iii) all items of aerospace and defence equipment whether specifically mentioned or not; and

(iv) all items related to production or use of atomic energy including carrying out of any process, prepartory or ancillary to such production or use, under the Atomic Energy Act, 1962.

Note 3: Wherever the description in the attached list varies from the description against its assigned NIC Code, the description as given in the list shall be treated as authentic and shall prevail over the standard description for the given NIC Code. Where the description relates to a group of articles, all sub-classifications under this Group shall be taken as inclusive unless specifically mentioned otherwise.

EXHIBIT NO.59(Contd.)
PRESS NOTE NO.2 (1997 Series)
EXPANSION OF LIST OF INDUSTRIES FOR AUTOMATIC APPROVAL FOR FOREIGN EQUITY

ANNEXURE-III (Contd.)

PART 'A'

LIST OF INDUSTRIES/ITEMS FOR AUTOMATIC APPROVAL FOR FOREIGN EQUITY UPTO 50%

SI.	NIC CODE			Description
NO.	Division	Group	Class	
1	2	3	4	5
A-1	12			**MINING OF IRON ORE**
		120		Mining of Iron Ore
A-2	13			**MINING OF METAL ORES OTHER THAN IRON ORE** (Mining of Uranium Group ores is not covered)
		130		Mining of Manganese Ore
		131		Chromite
		132		Bauxite
		134		Copper Ore
		135		Mining of Lead and Zinc Ores.
A-3	15			**MINING OF NON-METALLIC MINERALS NOT ELSEWHERE CLASSIFIED**
		150		Mining and quarrying of rock aggregates, sand and clays
		151		Mining/quarrying of minerals for construction other than rock aggregates, sand and clays.
		152		Mining of fertilizer and chemical minerals.
		153		Mining of ceramic, refractory and glass minerals.
		154		Salt mining and quarrying including crushing, screening and evaporating in pans
		155		Mining of Mica
		159		Mining of other non-metallic minerals.
B-1	20,21			**MANUFACTURE OF FOOD PRODUCTS**
		200		
			200.5	Preservation of meats except by canning
			200.6	Processing and canning of meat
		201		Manufacture of dairy products
			201.1	Manufacture of milk powder, ice-cream, powder and condensed milk except baby milk foods.

EXHIBIT NO.59(Contd.)
PRESS NOTE NO.2 (1997 Series)
EXPANSION OF LIST OF INDUSTRIES FOR AUTOMATIC APPROVAL FOR FOREIGN EQUITY

SI. NO.	NIC CODE Division	Group	Class	Description
1	2	3	4	5
			201.2	Manufacture of baby milk foods.
			201.3	Manufature of butter, cream, ghee, cheese and khoya etc.
			201.4	Manufacture ofpasturised milk whether or not in bottles/polythene packs etc.(plain or flavoured)
			201,9	Manufacture of other dairy products n.e.c.
		202		Canning and preservation of fruits and vegetables
			202.1	Sun-drying of fruits and vegetables.
			202.2	Artificial dehydration of fruits and vegetables
			202.3	Radiation preservation of fruits and vegetables
			202.4	Manufacture of fruits/vegetable juices and their concentrates, squashes and powders.
			202.5	Manufacture of sauces, jams, jellies and marmalades etc.
			202.7	Canning of fruits and vegetables
			202.9	Fruit and vegetable preservation n.e.c.
		203		Processing, canning and preserving of fish, Crustacea and similar foods.
		204		Grain milling
			204.1	Flour milling by power machine.
			204.9	Other grain milling and processing activities n.e.c.
		208		Production of common salt
		209		Manufacture of cocoa products and sugar confectionery(including sweetmeats).
			209.1	Manufacture of cocoa products
		218		Manufacture of starch and its derivatives
B-2	**23**			**MANUFACTURE OF COTTON TEXTILES**
		235		Cotton spinning, weaving and processing in integrated mills.
B-3	**24**			**MANUFACTURE OF WOOL, SILK AND MAN-MADE FIBRE TEXTILES**
		242		Wool spinning, weaving and processing in integrated mills.

EXHIBIT NO.59(Contd.)
PRESS NOTE NO.2 (1997 Series)
EXPANSION OF LIST OF INDUSTRIES FOR AUTOMATIC APPROVAL FOR FOREIGN EQUITY

SI.	NIC CODE			Description
NO.	Division	Group	Class	
1	2	3	4	5
		245		Spinning, weaving and processing of silk (textiles) in integrated mills.
		247		Spinning, weaving and processing of man-made textiles fibres in integrated mills.
			247.1	Spinning of staple fibres in mills.
			247.2	Spinning of staple fibres and weaving of artificial/ synthetic textile fabrics in mills.
			247.3	Weaving and processing(bleaching, dyeing and printing) of artificial/ synthetic textile fabrics in mills.
			247.4	Composite artificial textile fibres mills (spinning, weaving and processing).
B-4	26			**MANUFACTURE OF TEXTILE PRODUCTS**
			268	Manufacture of water-proof textile faebrics.
B-5	30			**MANUFACTURE OF BASIC CHEMICALS & CHEMICALS PRODUCTS(EXCEPT PRODUCTS OF PETROLEUM AND COAL)**
			300	Manufacture of industrial organic and inorganic chemicals
			301	Manufacture of fertilizers and pesticide
			302	Manufacture of plastics in primary forms; manufacture of synthetic rubber.
			303	Manufacture of paints, varnishes, and related products; artists' colours and ink.
			304	Manufacture of drugs, medicines and allied products.
			306	Manufacture of man-made fibres.
			309	Manufacture of chemical products n.e.c.
B-6	31			**MANUFACTURE OF RUBBER, PLASTIC, PETROLEUM AND COAL PRODUCTS**
			310	Tyre and tube industries
			312	Manufacture of rubber products n.e.c.
			313	Manufacture of plastic products n.e.c.
			318	Manufacture of coke oven products
			319	Manufacture of other coal and coal-tar products n.e.c.