

No. 5508

**JAPAN
and
INDIA**

**Agreement (with annexures) concerning the establishment
of Prototype Production and Training Centre for Small
Scale Industries. Signed at New Delhi, on 25 January
1960**

Official text: English.

Registered by Japan on 3 January 1961.

**JAPON
et
INDE**

**Accord (avec annexes) concernant la création d'un Centre
de production de prototypes et de formation pour la
petite industrie. Signé à New Delhi, le 25 janvier 1960**

Texte officiel anglais.

Enregistré par le Japon le 3 janvier 1961.

No. 5508. AGREEMENT¹ BETWEEN JAPAN AND INDIA CONCERNING THE ESTABLISHMENT OF PROTOTYPE PRODUCTION AND TRAINING CENTRE FOR SMALL SCALE INDUSTRIES. SIGNED AT NEW DELHI, ON 25 JANUARY 1960

The Government of Japan and the Government of India, earnestly desiring to advance the economic and technical cooperation between the two countries and thereby to strengthen further the friendly relations which traditionally exist between the two countries, have agreed as follows :

Article I

There shall be established a Prototype Production and Training Centre for Small Scale Industries (hereinafter called " the Centre ") at Howrah, West Bengal, which shall execute the following functions :

- (a) practical and theoretical training of skilled workers and technicians for small scale industrial units as well as of the technical staff of the Department of Industries of the States in India and of the small scale industries organization of the Government of India;
- (b) development and production of prototypes of machines, tools and accessories to be supplied to small scale industrial units for enabling the reproduction of such prototypes on a commercial basis by these units;
- (c) development of special types of machinery to assist small scale industrial units in improving their production techniques.

In so far as the above-mentioned functions are not hindered, the Centre may execute job orders on non-commercial basis for the production of certain specialized components which cannot be produced by small scale industrial units.

Article II

(1) In accordance with laws and regulations in force in Japan, the Government of Japan will take necessary measures to provide at their own expense the services of a Japanese director and of requisite Japanese teaching and technical staff as listed in Annexure I² in addition to those of a technical consultant required for the installation of machinery and equipment referred to in Article III.

¹ Came into force on 25 January 1960, the date of signature, in accordance with article VIII.

² See p. 36 of this volume.

(2) The Japanese director and teaching and technical staff shall be granted privileges, exemptions and benefits, as mentioned in Annexure II,¹ and shall be granted privileges, exemptions and benefits no less favourable than those granted to the experts of the third countries under similar circumstances.

Article III

In accordance with laws and regulations in force in Japan, the Government of Japan will take necessary measures to make available at their own expense teaching aids, machinery, equipment, tools and spare parts required for the establishment of the departments at the Centre as listed in Annexure III.¹

Article IV

The Government of India undertake to bear claims, if any arise, against the Japanese director and teaching and technical staff resulting from, occurring in the course of, or otherwise connected with the *bona fide* discharge of their functions in India covered by this Agreement.

Article V

- (1) The Government of India undertake to provide at their own expense;
- (a) an Indian director and requisite Indian technical and administrative staff, as listed in Annexure IV;¹
 - (b) requisite buildings as listed in Annexure V² as well as land and incidental facilities required therefor;
 - (c) raw materials, replacements of machinery, equipment and tools, and any other materials necessary for the operation of the Centre;
 - (d) suitable furnished accommodation and transportation facilities for the Japanese director and teaching and technical staff.

- (2) The Government of India undertake to meet;
- (a) customs duties, internal taxes and other similar charges, if any, imposed in India in respect of the articles referred to in Article III;
 - (b) expenses necessary for the transportation of the articles referred to in Article III within India as well as for the installation, operation and maintenance thereof;
 - (c) stipends for trainees;
 - (d) any other running expenses necessary for the operation of the Centre.

¹ See p. 38 of this volume.

² See p. 40 of this volume.

Article VI

The Japanese director shall be responsible for the technical matters pertaining to the functions of the Centre referred to in Article I, while the Indian director shall function as his counterpart in these technical matters and shall in addition be responsible for the administrative matters pertaining to the functions of the Centre.

Article VII

Both Governments agree that there shall be mutual consultation for the purpose of advancing the objectives of the Centre and of successfully promoting Indo-Japanese cooperation in operating the Centre.

Article VIII

(1) This Agreement shall enter into force on the date of its signature.

(2) This Agreement shall remain in force for a period of three years from its entry into force and shall continue in force thereafter provided that it shall be terminated on the date of expiry of the above-mentioned three year period or thereafter if either Government have previously given to the other Government at least six months' written notice of their intention to terminate the Agreement.

DONE in duplicate at New Delhi in English on this 25th day of January, 1960.

For the Government of Japan :
Shiroshi NASU

For the Government of India :
L. K. JHA

ANNEXURE I

LIST OF JAPANESE STAFF AT THE CENTRE

Director.	Instructor for machine shop.
Department head, designing.	Instructor for electrical measuring instrument shop.
Department head, production.	Instructor for forging and smithy shop.
Department head, training.	Instructor for welding shop.
Superintendent, machine shop and tool room.	Instructor for foundry.
Superintendent, electrical measuring instrument shop.	Instructor for grinding and plating shop.
Superintendent, forging, smithy and welding shop.	Instructor for benchwork and assembly.
Superintendent, foundry Chief of laboratory (physical tests, chemical tests, material tests).	Instructor for pattern shop.
	Metallurgist for heat treatment and welding.
	Tool engineer.

ANNEXURE II

PRIVILEGES, EXEMPTIONS AND BENEFITS

The Government of India shall accord to the Japanese director and teaching and technical staff the following privileges, exemptions and benefits:

- (1) Exemption from payment of Indian income-tax.
- (2) Duty-free concessions available under the normal baggage rules.
- (3) Duty-free import of the following articles :
 - (a) one personal automobile or motor cycle;
 - (b) one refrigerator and/or home freezer;
 - (c) one radio or radio-gramophone;
 - (d) minor electrical appliances and accessories;
 - (e) air-conditioner;
 - (f) professional equipment and gadgets;
 on condition that these articles shall be exported back when the Japanese director and teaching and technical staff leave India on completion of their assignment, and that any of these articles can be disposed of in India only with the prior permission of the Government of India, and that, in such cases customs duty at the rates leviable shall be paid by the Japanese director and teaching and technical staff concerned.
- (4) Free medical care as admissible to experts assigned to India under the Colombo Plan.

ANNEXURE III

LIST OF DEPARTMENTS AT THE CENTRE

- | | |
|---|--------------------------------|
| (1) Machine shop. | (7) Grinding and plating shop. |
| (2) Tool room. | (8) Pattern shop. |
| (3) Electrical measuring instrument shop. | (9) Painting shop. |
| (4) Forging and smithy shop. | (10) Heat treatment shop. |
| (5) Welding shop. | (11) Testing laboratory. |
| (6) Foundry, ferrous and non-ferrous. | (12) Drawing office. |
| | (13) Basic training shop. |

ANNEXURE IV

LIST OF INDIAN STAFF AT THE CENTRE

- | | |
|---|---|
| (1) Director. | Production (time-study, cost-accounting, planning, progressing and scheduling). |
| (2) Technical staff :
Indian counterparts for the Japanese specialists in the following fields : | |
| Designing. | Training.
Machine shop. |

Tool room.
 Electrical measuring instrument.
 Forging and smithy.
 Welding.
 Foundry.
 Grinding and plating.
 Pattern making.
 Painting.
 Heat treatment.
 Material testing.
 Benchwork and assembly.

Inspection and testing.
 (3) Administrative staff:
 Deputy director for administration
 and clerical staff for administration,
 accounting, storing, etc.
 Permanent employees including
 skilled and unskilled workers.

ANNEXURE V

PARTICULARS OF BUILDINGS TO BE CONSTRUCTED AT HOWRAH FOR THE CENTRE

Buildings for the following shops, rooms and facilities

- | | |
|--|--|
| <p>(1) Machine shop consisting of:
 (a) Machining and assembly shop.
 (b) Tool room.</p> <p>(2) Electrical measuring instrument shops consisting of:
 (a) Machining room with parts and materials yard and incidental equipment room such as special power source room.
 (b) Assembly and control room including winding and exercise room.</p> <p>(3) Forging and smithy shop.</p> <p>(4) Welding shop.</p> <p>(5) Ferrous and non-ferrous foundry for:
 (a) Melting.
 (b) Moulding.
 (c) Core-making.
 (d) Finishing.
 with pig-iron yard, sand yard and coke yard.</p> <p>(6) Grinding, plating and painting shop.</p> <p>(7) Wood-working shop consisting of:
 (a) Pattern shop.</p> | <p>(b) Pattern store.
 with timber yard.</p> <p>(8) Heat treatment shop.</p> <p>(9) Testing laboratory for:
 (a) Chemical analysis.
 (b) Physical testing.
 (c) Sand testing.</p> <p>(10) Basic training shop (practical).</p> <p>(11) Training rooms.</p> <p>(12) Show room of products.</p> <p>(13) Raw materials and finished goods stores.</p> <p>(14) Library.</p> <p>(15) Administration buildings including drawing office.</p> <p>(16) Hospital.</p> <p>(17) Fire brigade.</p> <p>(18) Canteen.</p> <p>(19) Locker room, bath rooms and lavatories.</p> <p>(20) Staff quarters.</p> <p>(21) Trainees hostel.</p> <p>(22) Substation.</p> |
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