

### Grant of Patents to NRIs for Turmeric

2044. SHRI A.C. JOS : Will the Minister of INDUSTRY be pleased to state:

(a) whether the United States have granted patent to two NRIs on the wound healing properties of turmeric:

(b) if so, whether the Government have assessed the damage it will cause to Indian manufacturers:

(c) if so, the details thereof: and

(d) the steps being taken by the Government to protect Indian interests in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) A patent for a method of promoting healing of a wound by administering turmeric powder to a patient afflicted with the wound has reportedly been granted in USA to two non-resident Indians.

(b) to (d). The patent granted in USA is valid in that country and does not have any legal effect in India. Even then, CSIR and Government of India are taking action in this matter.

### Merger of TOMCO with HLL

2045. SHRIMATI GEETA MUKHERJEE : Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the merger of TOMCO with HLL has proved to be a trend setter for merger and acquisitions in the Corporate Sector in the country;

(b) whether the Uniliver group in India has undergone a complete transformation with the acquisitions of a number of companies;

(c) if so, the details thereof;

(d) whether the Government has evolved a clearcut policy to draw a line where the economies of scale end and monopolies begin; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The amalgamation of TOMCO with HLL has not set a new trend in the country.

(b) and (c). Restructuring of companies belonging to this group has taken place through amalgamation of companies within the group as well as by amalgamation/acquisition of companies from outside the group. Growth, diversification and consolidation of their business activities has taken place, resulting in substantial increase in turnover.

(d) and (e). Concept of "Monopolistic undertaking" as defined under Section 2(j) of the MRTP Act, 1969 was deleted from the Act with effect from 1.8.1984 by the MRTP (Amendment) Act, 1984. In view of this, the question of laying down any a priori distinction between

monopolies and economies of scale does not arise. However, the MRTP Commission is empowered to look into allegations relating to the monopolistic, restrictive and unfair trade practices under the provisions of the MRTP Act.

### Incentives to Investors by M/s Paraarampuri Synthetics Ltd.

2046. SHRI SANAT KUMAR MANDAL : Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether attention of the Government has been invited to the news-item appearing in "The Financial Express", New Delhi dated July 1, 1996 under captioned "Parasram Puria offers gifts to woo investors";

(b) if so, whether the Department of Company Affairs has examined the implications of the Company's brokers offering heavy incentives to attract the investors in the context of the provisions of the existing Companies Act, 1956 and the Rules made thereunder;

(c) if so, the outcome thereof;

(d) whether it is in consonance with the existing Law; and

(e) if not, the steps taken to discontinuance of such malpractices?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (e). The conduct of stock brokers and sub-brokers is regulated under Stock-Brokers and Sub-Brokers Regulations 1992 issued by the Securities and Exchange Board of India (SEBI). In order to facilitate an examination of the implications in the context of the provisions of the Companies Act, 1956, the Department of Company Affairs (DCA) has requested SEBI to look into the matter and send material regarding whether the offering of heavy incentives was done with direct or indirect assistance of the company.

### Fixation of Seniority and Pay in L.I.C.

2047. SHRI RAM NAIK : Will the Minister of FINANCE be pleased to state:

(a) whether any punitive action has been taken against officers of LIC and the Insurance Division of the Finance Ministry for denying the benefits of seniority and fixation as per the orders of the Ministry of Home Affairs to staff of LIC;

(b) if so, the details thereof;

(c) whether any mandatory orders have been issued to LIC in this regard;

(d) if not, by what date will it be issued; and

(e) whether LIC will be asked to pay interest?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM): (a) to (c). The Notification issued by the Ministry of Home Affairs is applicable to the released Emergency Commissioned Officers and Short Service Commissioned Officers of the Armed Forces of the Union for their re-employment in the Central Civil Services. These orders are not automatically applicable to the posts in LIC. After considering all aspects, orders were issued that only last pay drawn of ex-ECOs/SSCOs will be protected and not their seniority.

(d) and (e). Do not arise.

#### Khadi and Village Industries Commission

2048. SHRI HARIN PATHAK : Will the Minister of INDUSTRY be pleased to state:

(a) the names of districts where Khadi and Village Industries Commission employment generation programmes are being implemented; and

(b) what are the norms for adopting the districts for the above programme?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) At present, the Special Employment Programme (SEP) is being implemented by Khadi and Village Industries Commission in the following Districts:-

| Name of District   | State            |
|--------------------|------------------|
| 1. Kurnool         | Andhra Pradesh   |
| 2. Adilabad        | Andhra Pradesh   |
| 3. East Godavari   | Andhra Pradesh   |
| 4. Banaskanta      | Gujarat          |
| 5. Ambala          | Haryana          |
| 6. Chamba          | Himachal Pradesh |
| 7. Anant Nag       | Jammu & Kashmir  |
| 8. Jammu           | Jammu & Kashmir  |
| 9. Kolar           | Karnataka        |
| 10. Alleppy        | Kerala           |
| 11. Pathanamthitta | Kerala           |
| 12. Thriss         | Kerala           |
| 13. Koshikode      | Kerala           |
| 14. Sarguja        | Madhya Pradesh   |
| 15. Jhabua         | Madhya Pradesh   |
| 16. Chandrapur     | Maharashtra      |
| 17. Kalahandi      | Orissa           |
| 18. Dausa          | Rajasthan        |
| 19. Tonk           | Rajasthan        |
| 20. Jaipur         | Rajasthan        |
| 21. Ramanathpuram  | Tamil Nadu       |
| 22. Tirunelveli    | Tamil Nadu       |
| 23. Mau-Balia      | Uttar Pradesh    |
| 24. Jaunpur        | Uttar Pradesh    |
| 25. Birbhum        | West Bengal      |

(b) The districts have been selected based on the criteria such as concentration of Scheduled Caste and Scheduled Tribe population and the potential for taking up viable projects in the KVI sector; industrial backwardness of the districts etc.

#### Hindustan News Print Ltd.

2049. SHRI RAMESH CHENNITHALA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to expand Hindustan Newsprint Ltd. Velloor, Kottayam, Kerala; and

(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No, Sir.

(b) In view of the unfavourable market conditions for newsprint, Hindustan Newsprint Ltd., Kerala have deferred their expansion plan for the present.

[Translation]

#### Illegal Trade of Foreign Exchange

2050 SHRI MAHESH KUMAR M. KANODIA : Will the Minister of FINANCE be pleased to state:

(a) whether the cases of illegal trading of foreign exchange in Delhi have come to the notice of the Government;

(b) if so, the number of such cases and the value of foreign exchange seized during the last six months; and

(c) the steps taken by the Government for preventing the illegal trading of the foreign exchange?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). Delhi office of the Enforcement Directorate detected eight cases of illegal trading in foreign exchange during the last six months. As a result, foreign exchange worth Rs.78 lakhs (approx.) was seized.

(c) A strict vigil is kept and action as warranted under the Foreign Exchange Regulation Act '73 is taken as and when any such case is detected.

[English]

#### Foreign Investment

2051. DR. KRUPASINDHU BHOI : Will the Minister of INDUSTRY be pleased to state:

(a) the details of the projects and areas in India where foreign investors are interested for investment; and

(b) the decision taken by the Union Government on the proposals received?