

pleasure to India in regard to the freezing of future defence contracts by the Union Government;

(b) whether the trade and defence negotiations between the two countries have been greatly affected;

(c) whether a number of agreements reached on the defence items have been delayed by the Union Governments;

(d) if so, the main reasons of the same;

(e) the details of the defence contracts reached between the two countries which were to be implemented by the end of the current financial year; and

(f) whether India has decided not to pursue further the contracts reached between the two countries on defence items ?

THE MINISTER OF DEFENCE (SHRI P.V. NARASIMHA RAO): (a) and (b). Negotiations for purchase of defence items from U.K. are proceeding according to schedule.

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

(e) It will not be in the interest of national security to disclose details of the negotiations or of the contracts or agreements reached between the two countries.

(f) Does not arise.

Inroads of large sector units into small sector

1089. **SHRI B.V. DESAI :** Will the Minister of **INDUSTRY AND COMPANY AFFAIRS** be pleased to state:

(a) whether Government have been successful in disciplining the large sector units which are making inroads into the areas reserved for the small sector ;

(b) whether Government's legislation to protect the interest of the small scale industries has not been implemented effectively so far ;

(c) if so, the main reasons for the same ; and

(n) in how many areas the big units have gone into the reserved areas and the action Government propose to take against these units ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS (SHRI ARIF MOHAMMAD KHAN): (a) With a view to save

the small scale units from competition from big units, Government have been reserving certain items for exclusive production in the small scale sector. As regards the arrangements for prevention of entry of big houses in the reserved sector, it may be mentioned that a small scale or ancillary industrial undertaking which is owned or controlled by or is a subsidiary of any other undertaking, is not eligible for exemption from the licensing provisions of the Industries (Development and Regulation) Act, 1951 and therefore setting up of any small scale unit by a large house without obtaining an industrial licence would be illegal and actionable under the provisions of the Act mentioned above. State Governments have also been advised that they should not register small scale undertakings which are owned or controlled by or are subsidiary of any other undertaking. It has also been provided that a large or medium scale undertaking would require to undertake an export obligation of a minimum of 75% of its production for entering into the field reserved for small scale sector.

(b) to (d). A Committee has been constituted under the Chairmanship of the Development Commissioner (Small Scale Industries) to examine whether any big units have unauthorisedly entered areas reserved for small scale sector.

Purchase of Mirage from France

1090. **SHRI MOHANBHAI PATEL :**
SHRI G.G. SWELL :

Will the Minister of **DEFENCE** be pleased to state :

(a) the latest position with regard to the deal for purchase of Mirage from France ;

(b) the time by which the delivery is likely to start and the time by which the entire order is likely to be completed ;

(c) the terms and conditions of the deal ;

(d) whether there has been any effect on the deal due to the espionage racket busted recently ; and

(e) if so, the details thereof ?

THE MINISTER OF DEFENCE (SHRI P.V. NARASIMHA RAO): (a) and (b). Deliveries of Mirage-2000 aircraft, against the contract for purchase of 40 aircraft concluded in 1982, have commenced. All the aircraft are expected to be delivered as per the schedule.