

facturing Ltd. and Motor Machinery Manufacturing Ltd. would also be denotified;

(c) whether opposition to this denotification has been voiced from several quarters;

(d) if so, who have opposed and what are their arguments;

(e) whether Government have considered these arguments;

(f) if so, outcome thereof; and

(g) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS (SHRI ARIF MOHAMMED KHAN) : (a) and (b) . The final disposition of all the industrial undertakings managed under the Industries (Development and Regulation) Act is examined in the light of the policy guidelines issued by the Government in October 1981. The salient features of these guidelines have already been furnished in reply to Lok Sabha Unstarred Question No. 204 on 23.1.1985. However, two industrial undertakings namely, Containers and Closures Limited and Indian Rubber Manufacturers Limited had already been denotified in October, 1983 after careful examination of the performance of these undertakings during the post take-over period and official liquidators have already been appointed by Calcutta High Court to take over the assets of these undertakings.

(c) and (d) . Representations from various Trade Union bodies, Members of Parliament and also the Government of West Bengal have been received requesting nationalisation of all the units taken over under the Industries (Development and Regulation) Act, including those since denotified. It has been stated in these representations that these taken over units are or can be viable if these are modernised and their management strengthened.

(e) Yes, Sir.

(f) and (g) Decision on final disposition of undertakings taken over under I (D and R) Act is taken after careful examination of each case in the light of Govt. policy.

Losses Suffered by I. D. P. L.

1167. PROF. RAMKRISHNA MORE : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) whether Indian Drugs and Pharmaceuticals Limited have suffered heavy losses during the last several years;

(b) if so, the reasons thereof; and

(c) the steps being taken to make it a profitable company ?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS. (SHRI VEERENDRA PATIL) : (a) It is a fact that Indian Drugs and Pharmaceuticals Limited have been incurring net losses in the recent years.

(b) The losses are due to various factors such as technological problems, higher cost of production from basic stage and a product-mix predominantly comprising Category I and II bulk drugs and formulations with low mark-up.

(c) Remedial steps such as plugging of loopholes in Import Policy which inhibit production and capacity utilisation, ensuring adequate availability of working capital and critical raw materials and drug intermediates and attempting to upgrade technology are being taken.

M/S. Peerless General Finance And Investment Company

1168. SHRIMATI GEETA MUKHERJEE : Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state :

(a) whether the Monopolies and Restrictive Trade Practices Commission is conducting a probe into the alleged unfair trade practices indulged in by the Peerless General Finance and Investment Company;

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : (a) and (b). A complaint under Section 36B of the MRTP Act, 1969 has been filed by the Consumer Education and Research Centre, Ahmedabad before the MRTP Commission on 19.2.1985 alleging certain unfair trade practices against M/s. Peerless General Finance and Investment Co. Limited Calcutta. The sum and substance of the main allegations made in the complaint is as under :-

- (i) M/s. Peerless General Finance and Investment Co. Ltd. has falsely represented to the general public that its schemes are financial savings schemes which, in fact, they are not.
- (ii) The company has used the terms like "Surrender Value", "Paid-up Value", "Bonus", "Endowment", "Revival", "Lapse", etc., in relation to its schemes. These terms and the other assertions made by the company leave an impression as though the schemes extend the benefit or life insurance. The fact, however, is that the insurance cover is limited only to risk for death by accident and this too is subject to the concurrence of National Insurance Company on a year to year basis.
- (iii) The company's schemes are really money circulation schemes and such schemes are banned under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978. The conducting of such schemes by the company in violation of the provisions of the said Act constitutes an unfair trade practice in as much as the company represents to the public that it is legally entitled to conduct money circulation business which, in fact, is prohibited by law.
- (iv) The company's schemes violate the provisions of the Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1977. The said schemes, therefore, constitute an unfair trade practice insofar as the company represents to the public that its schemes are legal and are not in violation of the aforesaid Directions.
- (v) The company makes excessive claims about the merits of its schemes and suppresses its demerits. This too is an unfair trade practice.

The Commission has ordered preliminary investigation under Section 36C of the MRTP Act, 1969 in the matter.

Threat From Pakistan and Other Countries

1169. PROF. MADHU DANDAVATE :
SHRI S.M. GURADDI :
SHRI NARSINGRAO SURYA-
WANSHI :

Will the Minister of DEFENCE be pleased to state :

- (a) whether Government consider the present 'militaristic postures' of Pakistan as a threat to security of India;
- (b) which are the other countries whose activities are also a threat to India;
- (c) the details thereof; and
- (d) what steps have been taken to meet this challenge ?

THE MINISTER OF DEFENCE : (SHRI P.V.NARASIMHA RAO) : (a) to (c) . Pakistan is known to be acquiring sophisticated weapons and equipment from a number of countries including the USA. China is also reported to be acquiring military equipment from some countries for modernisation of its armed forces. These developments have implications on the security of our country.

(d) Government monitor all developments which have a bearing on our security and take appropriate measures to maintain adequate defence preparedness.

Spare parts for Tarapur Atomic Power Station

1170. SHRI LAKSHMAN MALLICK : Will the Minister of DEFENCE be pleased to state :

- (a) whether Government have received any High Level Italian Delegation led by Defence Minister Giovanni Spadolini ;
- (b) whether the Italian delegation has expressed its desire to supply the much needed spare parts for Tarapur Atomic Power Station; and
- (d) if so, the reaction of Indian Government thereto ?

THE MINISTER OF DEFENCE (SHRI P.V. NARASIMHA RAO) : (a) Yes, Sir. The Italian Defence Minister paid an official visit to India from 4th to 7th October, 1984.

(b) The question of supply of spare parts for the Tarapur Atomic Power Station was not discussed with the Italian Defence Minister.

(c) Does not arise in view of reply to part (b)