

(b) If so, the reasons therefor;

(c) whether similar decision has been taken to prevent Foreign Trade mark used on products like 7 O'clock blades; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) and (b) Yes, Sir. The purpose of forbidding the use of foreign brand names in the Television Industry is to promote the growth of indigenous Industry and encourage establishment of Indian brand names both for the domestic and export markets.

(c) and (d) While approving foreign collaboration agreements, a condition is laid down that the use of foreign brand names will not be allowed on products meant for internal sales. However, under the existing law, there is no restriction on the use of foreign trade marks if it does not involve any direct or indirect consideration in foreign exchange. Further trade marks can be used without registration or before or after the expiry of registration without the protection afforded by the Trade and Merchandise Marks Act.

Passing of excise relief to buyers of fuel efficient vehicles

2228. SHRI C. MADHAV REDDY : Will the Minister of INDUSTRY be pleased to state :

(a) whether 50 percent excise relief announced recently by Government on fuel efficient light commercial vehicles has not been passed on by the manufacturers to the buyers;

(b) If so, whether Government have taken any steps to ensure that this excise relief is passed on to buyer;

(c) whether Government has conducted any study through the Bureau of

Industrial Cost and Prices into the justifications for the frequent price escalations by the light commercial vehicles manufacturers; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) & (b) The new light commercial vehicle manufacturers faced severe constraints in the recent past on account of high cost and low production. This situation was aggravated by unforeseen and unexpected factors like the steep appreciation of the Japanese Yen, particularly when these units were in the initial phase of commercial production and had not fully absorbed the manufacturing technology. It is in this background Government reduced the excise duty to 10% ad valorem, for fuel efficient light commercial vehicles of payload not exceeding 4000 Kgs. It is expected that with fiscal incentives the units would be able to overcome severe financial constraints and achieve the approved indigenisation programme which would make the units viable. It is also expected that with faster indigenisation, the impact of appreciation of the Japanese Yen would be reduced and the manufacturers would be able to offer reasonable prices to the customer.

(c) No, Sir.

(d) Does not arise.

Memorandum of understanding signed with Canada

2229. SHRI SHARAD DIGHE : Will the Minister of INDUSTRY be pleased to state :

(a) the details of the Memorandum of Understanding signed by India and Canada on February 9, 1987; and

(b) whether the agreement will increase bilateral trade and reduce the trade balance for India ?