MAY 9, 1978

## Regularisation of Foreign Drug Companies in Non-Organised Sectors

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9794. SHRI RATANSINH RAJDA: Will the Minister of PETROLEUM, CHEMICALS AND FERTILIZERS be pleased to state;

- (a) is it a fact that in the Notifications No. S.O. 312/IDRA/29B/2/61, dated 30th January, 1962 and No. S.O. 460/IDRA/29B/i/62 dated 7th February, 1962 issued by Government of India the fixed assets condition is attached with the undertaking irrespective of the numbers of the workers employed;
- (b) if so, under what provisions in the Statement dated 29th March, 1978 in the Lok Sabha the foreign drug companies in non-organised sector activities are to be regularised were they require to obtain COB licences irrespective of the labour employed;

(c) if so, are all these activities of these foreign drug companies not illegal; and

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(d) if so, how Government would like to take the steps for flouting IDR Act and/or Import Trade Control Act, Essential Commodities Act and Foreign Exchange Regulation Act against these firms?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND FERTILI-AND CHEMICALS ZERS (SHRI JANESHWAR MISHRA): (a) to (c). According to Section 3(c) and (d) of the IDR Act 1951. provisions of the IDR Act will not apply to even a completely owned foreign company if the industrial undertaking consists of a factory employing less than 50 workers with the aid of power or 100 without the aid of power. Thus, the Notification referred to in the Question do not cover the firms employing less than 50 workers with the aid of power or 100 without the aid of power. Hence, such companies are not required to obtain COB licences under the IDR Act. However, under the provisions of the Foreign Exchange Regulation Act, such foreign companies would require to obtain Government's approval to carry on their existing business.

(d) Since these companies do not fall within the ambit of the provisions of the IDR Act, no action under the said Act is possible.

The Import Trade Control Act, the Drugs (Prices Control) Order, 1970 promulgated under the Essential Commodity Act and the Foreign Exchange Regulation Act are independent and not connected with the IDR Act. For violation of provisions of these Acts, if any, which come to the notice of Government, appropriate action would be taken, as stated in the new Drugs Policy.

## Enquiry against G. M. N. E. Railway

9795. SHRI DAYA RAM SHAKYA: Will the Minister of RAILWAYS be pleased to refer to the reply given to Unstarred Question No. 6463 on the 11th April, 1978 regarding enquiry against G.M., N.E. Railway and state:

- (a) why the loss of Rs. 32,500/- was not recovered from the General Manager;
- (b) the facts of CBI enquiry indicating the financial loss occurred in 1969 and procedural irregularities;
- (c) whether transfer of G.M. was in administrative interest and if so, why he has again been posted on the N.E. Reilway in a higher post;
- (d) have rules for consideration of other officers to the post of General Manager been relaxed and if so, why senior eligible officers have been overlooked; and
- (e) the reasons for considering this officer with such background for such a vital post?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI SHEO NARAIN): (a) The Central Vigilance Commission to whom the case was referred, as per extent procedure advised that no maia-fides had been established against the Officer and that it would be enough if he was administered a warning to be careful in future, which was done. The question of any recovery accordingly did not arise.

- (b) No loss to the administration Drugs (Prices Control) Order, 1970, fides had been established. In consultation with the Central Vigilance Commission, the procedural irregularities were brought to the officer's notice.
- (c) to (e). As stated in reply to Unstarred Question No. 6463, the officer concerned was transferred from N.E. Railway while working as Dy. Chief Engineer in the interest of the administration as well as that of the officer. He was appointed as General Manager N.E. Railway, with the approval of the Appointments Committee of Cabinet on the basis of the relative merits of the officers in the field of selection including his seniors and after taking into account all relevant factors.

## Coal for brick kiln Industry

9796. SHRI S. R. DAMANI: SHRI K. MALLANNA: SHRI RAMANAND TIWARY: SHRI JYOTIRMOY BOSU:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether there was shortage of wagons in the last three months to move coal for meeting demands of brick kiln industry in various States;
- (b) whether as a result 75 per cent of brick kilns in the northern States are facing closure; and
- (c) the reasons for the non-supply of wagons and the steps taken to meet the demand of this industry in full?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS