

(b) Titanium dioxide is a versatile industrial white pigment finding application in a number of industries like paints enamels, textiles, printing inks, rayon, paper, rubber, soap, etc. Due to its superior pigmentary properties the industries have advantageously used titanium dioxide in place of other white pigments like zinc oxide and white lead.

(c) No Sir. The aforesaid factory has been producing small quantities of Rutile Grade Titanium Dioxide, the production of which during the recent years has been reported to as under:

Year	Production (in tonnes)
1978 . . . . .	576
1979 . . . . .	762
1980 . . . . .	Nil

(d) Yes, Sir. The State Chemicals and Pharmaceuticals Corpn. of India U.K., West Germany, Australia, Finland imports of Rutile Grade Titanium Dioxide during the last two years from U. K., West Germany, Australia, Finland, Italy and USA as under:—

Year	Quantity (in tonnes)	Value (in crores of Rs.)
1978-79 . . . . .	5,947	5.03
1979-80 . . . . .	5,815	8.03

**Incentives to enhance drug production**

5066. SHRI K. PRADHANI: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether Government have taken a decision regarding its new policy to provide incentives to enhance drug production;

(b) whether pharmaceutical companies will be allowed to enhance their licensed production capacity; and

(c) if so, the details regarding the new drug policy of Government in this regard?

THE MINISTER OF PETROLEUM, CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a) The present drug policy of the Government which is based on the recommendations of the Hathi Committee on Drugs and Pharmaceuticals contain provisions for increasing drug production in the country.

(b) Yes, Sir. Pharmaceutical companies will be allowed to enhance their licensed capacities subject to the policy parameters laid down in the Drug Policy.

(c) Does not arise.

**Sea Erosion in Karnataka**

5067. SHRI OSCAR EERANDES. Will the Minister of IRRIGATION be pleased to state:

(a) whether Government are aware of the serious sea erosion taking place in Dakshina Kannada, the coastal District of Karnataka and about the fear amongst inhabitants of further sea erosion in the ensuing months;

(b) if so, the details thereof;

(c) what are the measures contemplated by the Central Government to prevent sea erosion in this region; and

(d) whether the State Government has asked for Central assistance for schemes to prevent sea erosion?

THE MINISTER OF IRRIGATION (SHRI KEDAR PANDAY): (a) and (b) The Government of Karnataka has reported that sea erosion has taken place at 12 locations in the coastal areas of Dakshina Kannada.

(c) and (d) The State Government is preparing twelve schemes estimated to cost Rs. 22.47 crores to prevent sea erosion in this region and is also for-

mulating a proposal for seeking Central assistance.

**Alleged Irregularities Committed by  
M/s. Swadeshi Polytex Limited**

5068. SHRI N. E. HORO: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether some irregularities committed by M/s. Swadeshi Polytex Limited were brought to the notice of Government; and

(b) if so, what are the details in this regard and what action Government have taken against the management of the above mentioned firm?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI P. SHIV SHANKAR) (a) Yes, Sir

(b) On receipt of complaint filed by M/s. Swadeshi Cotton Mills Company Limited under section 408 of the Companies Act, 1956, an inspection of the books of accounts of the company under section 209A of the Companies Act, 1956 was carried out. The complaint and the inspection report drew attention to certain irregularities on the part of the management. The major irregularities as brought out in the complaint and the inspection report taken together are as follows:—

(a) Grant of interest-free advance to certain trusts;

(b) Non-existence of two imported bailing presses;

(c) Appointment of product promoters and payment of commission to them without justification;

(d) Provision of residential accommodation and perquisites to the Managing Director and the Deputy Chief Executive of the company at a high cost and in excess of the prescribed limits;

(e) Purchase of silver vessels by the company for the use of Managing Director and his family members;

(f) Sale of by-products to certain parties at rates lower than the rates charged to others;

(g) Advances made to the handling agents without any provision to that effect in the agreement. The handling agents, have been appointed by the company for handling raw-materials purchased in consideration of a commission;

(h) Payment of reward and the travelling expenses to the employees for collection of proxies in favour of the Managing Director;

(i) Sale of undrawn waste at lesser rates and subsequently purchasing similar material at higher rates. Besides the above major irregularities, the inspection report has also brought out certain violations of the provisions of the Companies Act, 1956.

As a result of the material brought out in the Inspection Report, the Company Law Board issued a Show Cause Notice under Section 408 of the Companies Act, 1956, to the company on the 30th October, 1978. The proceedings under Section 408 of the Companies Act, 1956, before the Company Law Board are still in progress.

**Representation regarding Screening  
two Marathi Dramas**

5069. SHRI R. K. MHALGI: Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether it is a fact that Government have received a representation dated 15th February, 1980 from a body of persons from Thana (Maharashtra) regarding the screening of two Marathi dramas 'Nat Samrat' and 'Batatyachi Chade'; and

(b) if so, what action Government have taken or propose to take?

THE MINISTER OF STATE IN THE MINISTRY OF INFORMATION AND BROADCASTING (SHRIMATI RAM DULARI SINHA): (a) No, Sir.

(b) Does not arise.