

SHRI CHAMAN LAL GUPTA : The contractors do not allow the small sericulture farmers to get remunerative price for their produce. Tell something about it also.
(Interruptions)

[English]

SHRI P.S. GHATOWAR : Sir, a large number of poor families in the North-Eastern region, especially in Assam are connected with the silk industry. There are difficulties in the marketing of their silk products and also in the development of the silk industry in the North-Eastern region. May I know from the hon. Minister whether the Government would consider taking up a pilot project, considering the logistic and geographical difficulties of the North-Eastern region, to help the poor farmers there and for the development of the silk industry in the North-Eastern region?

SHRI KASHIRAM RANA : So far as the North-Eastern region is concerned, the Government is also concentrating on silk production activities through some difficulties are there. But despite these difficulties, the Government will certainly look into the suggestion made by the hon. Member.

[Translation]

SHRI MOHAN RAWALE : Mr. Speaker, Sir, my question does not relate to silk production, however if you kindly allow I would like to ask a question on N.T.C.

The government does not supply cotton, raw material and also does not provide financial assistance to the N.T.C. mills of Mumbai and in other parts of the country due to which these mills are closing down. I would like to ask whether the government have any package to revive the N.T.C. mills and if so, the time by which this scheme is likely to be implemented?

[English]

MR. SPEAKER : Mr. Minister, would you like to say something?

[Translation]

SHRI KASHIRAM RANA : Mr. Speaker, Sir, the Ministry of Textiles have prepared a revival package for the N.T.C. mills in the entire country and we have sent it for approval of the Cabinet.

[English]

DR. ASIM BALA : Sir, the question is on Quality Silk Centres. Quality Silk Centres will require quality personnel and the Government is also going to expend the number of centres in different parts of the country.

The scientists who are working in the Central Silk Board are treated differently. They are, by name, 'scientists' but they are not getting their due honour in respect of their scales of pay and grade as compared to the scientists who are working in the ICAR or the CSIR. I would like to know from the hon. Minister, through you, whether our hon. Minister and the Government is going to give the same scales of pay and grade to these scientists which are given to the other scientists working in our country.

SHRI KASHIRAM RANA : The scientists' association has submitted its representation to the Government and the Ministry of Textiles has also scrutinised the suggestions made by the association. We have also made a recommendation to the Ministry of Finance to settle and to resolve this problem.

Restructuring of Patent System

*246. DR. LAXMINARAYAN PANDEY :
SHRI VILAS MUTTEMWAR :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have taken steps to establish, promote, rationalise and strengthen the institutional and organisational reforms on global standards to deal with matters relating to process and product patents, copy right and trade marks in the wake of globalisation;

(b) if so, the details of the preparatory arrangements made to meet the provisions of WTO, particularly in regard to international standards, computerisation of operations, human resource and infrastructure development and clearance of backlog of patent applications;

(c) the number of applications received in the Indian Patent Office for various products during 1998-99 and the number out of these are pending;

(d) the details of courses structured for training manpower to deal with increasing and specialised nature and volume of work; and

(e) the details of the action taken on the signing of Paris Convention on Intellectual Property Rights?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (e) A Statement is laid on the Table of the House.

Statement

(a) and (b) Government has sanctioned a project for modernisation of Patent Office at a cost of Rs. 75.59 crores, to be implemented during 9th Five Year Plan. The major components of the project include setting up of a National Patent Office by upgrading the existing office in New Delhi, strengthening branch offices, providing trained and qualified personnel, in the existing and emerging fields of technologies, computerisation and infrastructural support, financial and operational autonomy, creation of awareness by organising training programmes/awareness seminars, etc.

A project was completed recently to strengthen the Trademarks Registry. Further, steps are being taken to upgrade its capabilities in 9th Five Year Plan.

The Copyright Act, 1957 is broadly compatible with major conventions/treaties and its administration is formality-free.

In order to fulfil India's obligations contained in the Agreement on Trade Related Aspects of Intellectual Property Rights of the Agreement establishing the World Trade Organisation, inter-Ministerial consultations are being held to consider necessary measures to meet our obligations.

(c) During the period April 1998 to February 1999, 8427 applications were received by the Patent Office for grant of process and product patents. These applications are pending examination.

(d) The project for modernisation of the Patent Office includes provision for training of Patent Office officials and creation of awareness. Appropriate programmes would be structured depending upon the requirements. Apart from this, training facilities in the field of intellectual property rights offered by international agencies are also availed of.

(e) After India's accession to the Paris Convention for the protection of Industrial Property Rights and the Patent Co-operation Treaty (PCT), awareness programmes were organised in November - December, 1998 in Calcutta, Chennai, Delhi and Mumbai for the benefit of its users. Further, notifications were issued declaring member countries of Paris Convention and PCT as Convention countries under relevant provisions of the Patents Act, 1970; provisions were made in the Patent Rules, 1972 to enable Patent Office to receive and process patent applications filed under PCT: Patent Offices of USA, Sweden, Australia, Austria, China and European Patent Office were declared as International Search and International preliminary examining authorities for PCT applications filed in India. The staff of the Patent Office has also been trained to handle the work.

[Translation]

DR. LAXMINARAYAN PANDEY : Mr. Speaker, Sir, the reply which I wanted to my question is still incomplete and it has not been fully replied to, however will the Hon. Minister be pleased to state as to whether some of the applications received from 1998 to 1999 have been settled and the reasons for not settling them so far. Since you have also told that there is shortage of staff also and whether these cases have not been settled due to shortage of staff or is there any other reasons following which you could not settle them.

SHRI SIKANDAR BAKHT : Hon'ble Speaker Sir the reply has been given very clearly that 8427 applications were received from April, 1998 to February, 1999 and [English] These applications are pending examination. [Translation] And there are many reasons for their not being examined. We have four patent offices at Delhi, Mumbai, Chennai and Calcutta and modern gadgets are not available there. So that they could work efficiently. Therefore, it takes three to five-years in the clearance of a single application.

DR. LAXMINARAYAN PANDEY : This is what I had said that one of reasons for pendency for since a long period was the shortage of staff as you have told under the modernisation project of the patent office there is a provision of providing training to the officers of the patent office and creating awareness among them. It has also been mentioned in the reply that the Government has sanctioned a project for modernisation of patent office at a cost of Rs. 75.59 crore. Could you not clear those applications due to those shortcomings following which those who are seeking product on patents have been facing lot of problems and as a result of which new products which could have been launched are not being launched.

SHRI SIKANDAR BAKHT : I am fully agreed to the complaint of the Hon. Member which is quite right. Unfortunately proper attention has not been given towards it. Patent office should be a very efficient organisation. We are now trying for that. One hand patent office is also being set up in Delhi. And a little more than Rs. 75 crore has been earmarked for that purpose and even competent and proposing educated workers are being sent abroad for awareness programme and training. When they will come back, the patent offices in our major cities would also be upgraded. Thus, I think that in future this work would gather momentum.

SHRI VIRENDRA SINGH : Mr. Speaker, Sir, the Patent Bill was passed in the Parliament day before yesterday. Two sections viz 37 and 90 are contained in that. As per my knowledge these two sections have been excluded from that Bill. Due to exclusion of these sections . . . (Interruptions) It is a subject related to the question. So far as I know due to exclusion of these sections the dominance of multinational companies would increase in the realm of agriculture and medicine.

Mr. Speaker, Sir, the main reason behind increasing the dominance of the multinational companies is that officers who gave advice to the Government in the matter of the Patents, they and their relatives are serving in the multinational companies, the I.M.P. and the international institutions. I want to know from the Government through you that by inclusion of above mentioned sections such officers whether these are from the army judiciary or the administrative service after taking voluntary retirement or getting training with the public money. World facilitate their entry into foreign multinational companies. Whether the Government of India is going to enact any such carv so as to ban their entry into the multinational companies who get hatly amount from these companies.

[English]

MR. SPEAKER : Shri Virendra Singh, the question relates to restructuring of patent system. What is, this that you are asking?

[Translation]

SHRI VIRENDRA SINGH : Mr. Speaker, Sir, this is a very important question which has increased danger to internal and external security of the country and that should be stopped.

[English]

MR. SPEAKER : Would you like to respond?

SHRI SIKANDAR BAKHT : The supplementary question is absolutely unrelated to the main question.

[Translation]

SHRI MOHAN SINGH : Mr. Speaker, Sir, the Patent law was enacted in 1970. The Government have amended the law so as to suit the requirement of the Multinational companies. We have certain reservations in this regard. The law commission of India very recently had given certain

suggestions with regard to the amendment in the larger interest of the country, which were never revealed to the Parliament and were never brought before the House. I would like to know from the hon'ble Minister that whether the Government would contemplate to make amendments in this Patent Act incorporating the suggestions given by the Law Commission and the present World Trade Organisation?

SHRI SIKANDER BAKHT : The question is basically related to the functioning of the Patent Offices, and is not at all related to the Patent Law.

[English]

MR. SPEAKER : Shri Jos, you can get a chance if you sit in your seat.

SHRI A.C. JOS : You do not look to that side, that is why I have come in the front row. Anyway, I abide by your ruling.

SHRI PRAMOTHES MUKHERJEE : A number of things were told at the time of passing of the Patents (Amendment) Bill, 1998. I do not wish to enter into details of these things. I would like to know from the Minister whether in the restructuring of the patent system, the Government would be able to develop an indigenous and independent system of research and development.

SHRI SIKANDER BAKHT : Yes, Sir, it is intended that our patent offices are absolutely modern and they function on the basis of the modern techniques available.

SHRI PRAMOTHES MUKHERJEE : I beg to differ with the Minister. It cannot be so . . . (Interruptions)

SHRI A.C. JOS : If you call my name like this, I will always sit in my seat.

MR. SPEAKER : It is always better to sit in your seat.

SHRI A.C. JOS : Now, I will also prefer to sit in my seat. I am thankful to you for having allowed me to ask this supplementary.

A very serious situation has arisen in the country. With all our differences, we have passed the Patents (Amendment) Bill. There is a spate of patent applications in this country. The hon. Minister, in his written reply has stated that he is planning for Rs. 75 crore in the Ninth Plan for modification and strengthening of the patent offices. It is a very vague answer. I do not know whether we have only one office in Delhi or we have branch offices in various States. It is not clear from the reply which is given. Even the lawyers do not know exactly which are the places where its branch offices are there. Would the Minister be kind enough to tell us the different places in India where we have the patent branch offices? If there are not enough branches, in each State at least zonal offices are to be sanctioned by the Minister. In his reply the Minister himself has stated that about 8000 patent applications are pending, leave alone trademark applications. I know cases where these applications are pending for four years or six years together. This is a matter wherein the Minister has to address very urgently and with all seriousness. So, my question is, will the

Government be pleased to open zonal patent offices in different States. My requirement is to have at least one zonal office in Kerala. The Government should give enough publicity to these offices.

SHRI SIKANDER BAKHT : Sir, the Patent Offices as it is today are located in Calcutta, Mumbai, Delhi and Chennai.

SHRI RAJO SINGH : What about Bihar?

SHRI SIKANDER BAKHT : I am giving an information as it is. When I have not taken the name of Bihar, it means that there is no Patent Office in Bihar. We have planned to have a very modern office in Delhi. Land has been identified and enough finance has already been allocated for this purpose. A number of steps have been taken up for awareness and training of the proper staff. This modernisation project includes a component for clearance of backlog of patent applications at an estimated cost of Rs. 20 crore. For this purpose, special technical investigating teams comprising of around 200 examiner with necessary supervisory staff will be set up to deal with this work in a time bound manner. The team will be provided all the necessary facilities, search tools and computer equipments, etc.

[Translation]

DR. BIZAY SONKAR SHASTRI : Mr. Speaker Sir, the Government have approved a project relating to modernisation of the Patent office involving a cost of Rs. 75 crore approximately and that would be completed within the Ninth Five Year Plan period. The Minister has further stated that Inter Ministerial consultations are going on so as to contemplate upon the contractual obligators part of India in the World Trade Organisation on the trade related aspects mentioned in the agreement relating to the intellectual Property Rights. I had raised this matter earlier also in the House but I did not get any satisfactory reply even at that stage.

There is an Indian scripture called the 'Veda' which is a source of all knowledge, science technology Ayurveda and Ayurvedic products. It is a great work which belong to India. However, the place where it was written does not fall under the Indian territory but the people there still call it Indian, they owe it to India. Recently, the manner in which our products have been patented, everybody knows this. Germany got Neem patented likewise America got Basmati Patented in their name it is a very serious matter. I am raising this question for the second time that is why I would like to explain its background a little I would like to ask from the Government as to whether it is contemplating any scheme so as to get the compyright of the scriptures like 'Veda' so that all the patent problems related are solved and the world may seek India's permission in this regard. The 'Veda' has 1153 branches in total. . . . (Interruptions)

[English]

MR. SPEAKER : Dr. Sonkar Shastri, I will disallow your supplementary.

[Translation]

DR. BIZAY SONKAR SHASTRI : I would like to ask whether the Government is contemplating with regard to its copyright?

MR. SPEAKER : Are you asking a supplementary.

DR. BIZAY SONKAR SHASTRI : Mr. Speaker, Sir, I had asked earlier also as to why the matter had not been contemplated upon so far?

SHRI SIKANDER BAKHT : I appreciate the sentiments of the honourable Member.

DR. BIZAY SONKAR SHASTRI : Sir, even last time my question was appreciated but no action was taken thereon. I would like the hon'ble Minister to give some reply stating likely action to be taken in this regard.

MR. SPEAKER : Please take your seat.

[English]

SHRI BRAJA KISHORE TRIPATHY : Hon. Speaker, Sir, so far we have not been able to reach a national consensus about the Patent (Amendment) Bill. I would like to know from the hon. Minister whether any step is being taken to arrive at a national consensus about the amendment of Patent Act which we have passed two days back.

Sir, from April 1998 to February 1999, 8427 cases are pending in Patent Offices for grant of process patent and product patent.

How much time will you take to process and finalise these applications? Is there any norm to finalise the applications?

[Translation]

SHRI SIKANDER BAKHT : In the present day scenario it is pertinent for the patent offices here to clear the patent applications very efficiently and expeditiously. Various steps have been taken in this regard. The first step is to set up a new patent office. And the second step is that the patent offices in the four cities . . . (Interruptions)

[English]

SHRI A.C. JOS : Sir, our patent office is the most inefficient office but he is saying that we are having an efficient system. We do not have an efficient system.

SHRI SIKANDER BAKHT : I am sorry. I am not responding to your point.

[Translation]

I want to say only this much that various steps are being taken. We are imparting training to new people, awareness programmes are undergoing, efforts are being made to modernise them. I admit that there is problem . . . (Interruptions)

[English]

SHRI BRAJA KISHORE TRIPATHY : What is the scheduled time for finalising the applications?

MR. SPEAKER : Let him complete.

SHRI SIKANDER BAKHT : Under the modernised system, there is a proposal to reduce the average time from

51 months to 33 months. We are doing our best to get this time limit reduced.

[Translation]

SHRI DATTA MEGHE : Mr. Speaker, Sir, Just now hon'ble Minister told that they are preparing but several applications are pending in old offices such as office in Mumbai. Sir, Patent Bill has been passed. Foreign Companies are coming to India. Large scale corruption is taking place at lower level in it. Will you fix any time-limit for earliest disposal of applications so that corruption could be checked? Are the Government intend to take action against those who are corrupt?

SHRI SIKANDER BAKHT : I respect the sentiments of the hon'ble Member. We know that at present, we have longstanding backlogs with us. I am also aware that there is the need to upgrade the Patent Office in Mumbai. At present, private offices are there in all four metro cities. Which are to be upgraded. The Government have formulated a programme for it. In addition a new Patent Office is going to be opened. In this regard we are following the model of Japan.

[English]

In six months, more than a thousand patent applications were cleared by Japan and since we have the same efficiency, in our view, that is what we are trying to do.

(Interruptions)

[Translation]

SHRI DATTA MEGHE : Sir, Mr. Minister is not saying anything about corruption. . . . (Interruptions)

[English]

SHRI LAKSHMAN CHANDRA SETH : Sir, the Patent Act has been amended. So, the apprehension of intrusion of intellectual rights is looming large. In this position, we need restructuring of the patent offices to promote indigenous talent and intellectualism. But I am sorry to say that instead of restructuring the patent offices, the patent office at Calcutta is going to be shifted. In that case, how will our indigenous activities develop in Calcutta when Calcutta is the gateway of North-Eastern India? I would like to know from the hon. Minister as to why the office at Calcutta is being shifted from there.

SHRI SIKANDER BAKHT : The patent office at Calcutta is not at all being shifted.

MR. SPEAKER : Qn. No. 247 - Dr. S. Venugopalachary - not present.

Qn. No. 248 - Shri Vijay Goel - not present.

Qn. No. 249 - Shri Sushil Kumar Shinde - not present.

Qn. No. 250 - Shri Chandu Lal Ajmeera - not present.

Dr. T. Subbarami Reddy - not present.

Qn. No. 251 - Dr. Chinta Mohan - not present.

Shri Bhagwan Shankar Rawat - not present.

Performance of HMT

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*252. SHRI PRASAD BABURAO TANPURE :
SHRI S.S. OWASI :

Will the Minister of INDUSTRY be pleased to state :

(a) the number of Divisions of Hindustan Machine Tools Ltd. which are incurring losses;

(b) the number of Divisions so far closed down by the Government due to continuous losses, Division-wise and location-wise;

(c) the number of employees rehabilitated of these units or given retirement benefits during 1997-98, particularly in Hyderabad;

(d) whether Tractor and Machine Tools Division of HMT Ltd. has submitted a proposal for revival which involves Rs. 420 crores.

(e) if so, the main points of the restructuring plan alongwith the manner in which the cost of the restructuring plan is likely to be met;

(f) the decision taken by the Government in this regard; and

(g) the total number of employees who opted for VRS during 1997-98 and 1998-99, till date, from this Division?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) to (g) A statement is laid on the Table of the House.

Statement

(a) HMT Ltd. has 5 business groups, viz, Machine Tools, Industrial Machinery, Engineering Components, Watches and Tractors. During the year 1997-98, the Industrial Machinery, Engineering Components and Watch Business Groups incurred losses.

(b) and (c) Operations of the Lamp Unit and the Central Metal Forming Institute (CMFI) at Hyderabad have been discontinued. 425 employees from the Lamp Unit and 3 employees from CMFI have been rehabilitated by way of transfer to other units of the company. 307 employees from the Lamp Unit and 15 employees from CMFI have availed voluntary retirement benefit during 1997-98.

(d) to (f) HMT has prepared a turnaround plan for the company as a whole, which includes the Tractor and Machine Tool Divisions also. This plan is likely to cost around Rs. 400 crores. The main points of the turnaround plan are; (i) Organization restructuring with the formation of three new subsidiary companies for Machine Tools, Watches and Tractors; (ii) Manpower restructuring through Voluntary Retirement Scheme (VRS) and (iii) Financial restructuring. The restructuring will involve fresh infusion of funds including funds for VRS, conversion of loans into equity by Government of India, waivers and concessions from debt holders and sale of surplus assets and holdings by the company. The

turnaround plan is being updated and revised by the company for further submission to Government.

(g) During 1997-98, 829 employees of the company have availed voluntary retirement and during 1998-99 (upto February 1999) 545 employees of the company have availed themselves of voluntary retirement scheme.

SHRI PRASAD BABURAO TANPURE : Sir, in the answer, they have said that during 1997-98, 829 employees of the company have availed themselves of the Voluntary Retirement Scheme and during 1998-99, 545 employees of the company have availed themselves of Voluntary Retirement Scheme. I just want to know from the hon. Minister what is the total number of workers who are working there and how many of them are still to be retired under the VRS.

SHRI SIKANDER BAKHT : There are some difficulties with regard to the Machine Tools, Industrial Machinery groups. We are trying to reorganise them and revive them wherever there is some difficulty.

SHRI V.V. RAGHAVAN : Mr. Speaker, Sir, the Hindustan Machine Tools Limited was once called by Pandit Jawaharlal Nehru as a jewel in the crown of our industrial map. It was flourishing like anything. It was making huge profits. Then came the liberalisation. From 1991 onwards, cheaper machinery has been allowed to be imported. Our very quality HMT machinery had to be kept idle. Once the customs duty was 85 per cent and now it is 13 per cent.

MR. SPEAKER : Shri Raghavan, what is your supplementary question?

SHRI V.V. RAGHAVAN : By all these things, the HMT is now in a very bad shape and it is in crisis. Once 26,000 employees were engaged in various units of the HMT. Now, they are being given VRS and they are out of job. Keeping the words of Pandit Jawaharlal Nehru in mind, would the Government do something to revive the HMT units?

SHRI SIKANDER BAKHT : The one simple thing is that I quite agree that we are not going to allow the HMT to go down the drain. There are some difficulties. We are definitely looking after it. We are definitely going to revolve it.

SHRI K.S. RAO : It is a very sad affair that the HMT which was supposed to be one of the best units in the country earlier has come to the stage of almost getting wound up throughout the country. The HMT has got units in Hyderabad also which had got great reputation earlier. Now, unfortunately, all those people who have raised hopes on HMT are becoming beggars because they do not have employment. They are now being sent to very far off places like Chandigarh and other places out of the State. There are no funds made available. Only a proposal is being asked for and nothing is being approved by the Ministry. Mr. Minister, in your own reply, you said that this turnaround plan is requiring about Rs. 400 crore. Still the proposal is lying as a proposal only. You have not informed the House whether you are prepared to give that money or not. So, I just wish to know from the hon. Minister whether the Ministry or the Government has got the capacity to fund this unit to revive its glory