

LOK SABHA DEBATES

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LOK SABHA

Tuesday April 16, 1985, Chaitra 26,
1907 (SAKA)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

Foreign Trade Marks and Brand Names

[English]

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*445. SHRI K.P. UNNIKRISHNAN :
SHRI ANANDA PATHAK :

Will the Minister of INDUSTRY AND
COMPANY AFFAIRS be pleased to state :

(a) whether Government have come to
a conclusion about allowing foreign Trade
Marks in India;

(b) whether the recommendations con-
tained in the Report of the Committee which
went into the matter have been accepted by
Government and the technological and
economic benefits that the Committee have
found for justifying foreign trade marks and
brand names for even domestic sales; and

(c) whether Government propose to
amend the Trade and Merchandise Marks
Act and Indian Patents Act consequently ?

THE MINISTER OF STATE IN
THE MINISTRY OF INDUSTRY AND

COMPANY AFFAIRS (SHRI ARIF
MOHAMMAD KHAN) : (a) to (c). As a
general policy of the Government, use of
foreign brand names is discouraged. Foreign
brand names are not ordinarily allowed for
use on products for internal sales, although
there is no objection to their use on products
to be exported. A condition to this effect
is being incorporated in all approvals for
foreign collaborations.

There has not been any change in
Government Policy on this matter.

SHRI K.P. UNNIKRISHNAN : Sir, the
reply given by the Hon. Minister is very
disappointing. Numerous reports have
appeared that foreign brand names are
making a spirited come back after decades
of resistance put up both by our own
national movement as well as by the Govern-
ment. The Government also in 1960s and
1970s had actively discouraged the use of
imported brand names for new products
manufactured in this country. But suddenly
we find that we are flooded with massive
advertisement campaigns in recent months.
They have made it clear that Indian consu-
mers will soon have the benefit or will have
the privilege of new products indigenously
made or manufactured but sold in their
world-wide known brand-names.

For example, in scooters industry, Vespa
which is prohibited by the Government has
made a come back in spite of the declara-
tions made by the Hon. Minister in both
the Houses of Parliament in recent sessions.
It is with impunity, they are advertising.
So, Sir, there was a time, I am sure you
would recall, when we used to talk of
Swadeshi and self-reliance. In 1970s, we
have actually legislated FERA and Trade
& Merchandise Marks Act for this purpose.

Now, it is said that a Committee of
Secretaries have gone into the questions and

suggested some drastic changes. If I go by the report of the Committee of Secretaries, they say that it has to be changed because they find a hospitable environment.

Therefore, my question is, will the Minister spell-out clearly the approach as evolved by the Committee of Secretaries and lay its report on the Table of the House.

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL): Sir, the Hon. Member wanted to know what is the policy that is being followed. We have given the policy that is being followed now.

Now, this matter is under consideration and the Committee of Secretaries was constituted. They have made certain recommendations. But the Government has not taken any final decision. So, once the Government takes a final decision, it will be made known to Parliament and public.

SHRI K.P. UNNIKRISHNAN: My question was what the Committee of Secretaries has said and whether it will be laid on the Table of the House.

MR. SPEAKER: He says, that will become known after they consider the matter.

SHRI K.P. UNNIKRISHNAN: So, after it is fully considered, it will be done.

The Hon. Minister has been saying that as a condition for the foreign collaboration, a clause is inserted that they shall not use any foreign brand name. May I know whether he will give an assurance that in every foreign collaboration this particular clause will be scrutinised to see that they stick to this stipulation and whether he is prepared to have a mechanism evolved to see that they stick to it?

SHRI VEERENDRA PATIL: I have already said that as a policy, we are not allowing foreign brand names. It is incorporated in the foreign collaboration agreement itself. If there is any violation,

certainly, the Hon. Member can bring it to our notice. But as I have already said, this matter is under consideration. The whole thing is being reviewed whether we should continue to insist upon this

SHRI K.P. UNNIKRISHNAN: He is not prepared to give an assurance.

SHRI VEERENDRA PATIL: We are insisting upon them that they should not use foreign brand names. But they are using hybrid names. I take the instance of Maruti. In the case of Maruti, we have allowed them to use hybrid name, that is, Maruti Suzuki. Similarly, there is an instance of Toshiba Anand and the like. We have not allowed them to use any foreign brand name. This is incorporated in the foreign collaboration agreement itself.

SHRI K.P. UNNIKRISHNAN: What about Vespa?

SHRI VEERENDRA PATIL: I do not think Vespa is sold as Vespa.

SHRI K.P. UNNIKRISHNAN: It is advertised as Vespa.

SHRI VEERENDRA PATIL: I do not know when that foreign collaboration agreement was finalised, whether there is any clause that they should not use any foreign brand name and whether they have violated it. The Hon. Member is bringing it to my notice. I will certainly look into that matter. But, as I said, the whole policy with regard to using foreign brand names is being reconsidered and it is being reviewed. Once we take a policy decision, some whatever policy decision we take, then accordingly the foreign collaboration agreement will have to be finalised.

SHRI ANANDA PATHAK: The word "ordinarily" used in the main answer given by the Hon. Minister is so vague. That means anybody can use foreign brand names and the loopholes are there. What is the meaning of the word "ordinarily"? That should be clarified. The Hon. Minister has said that the whole matter is under consideration. Under the existing rules and

regulations, it is very clear that in respect of any product which is sold to the consumers in India, they will not be allowed to use any foreign brand name. Let them reconsider it; let them review it and decide the policy matter. But the stipulation is already there. On the basis of that, I want to know whether they are looking into these cases. My Hon. friend have given some instances also. May I know whether the Hon. Minister will give a categorical assurance that they will not be allowed to do that ?

SHRI VEERENDRA PATIL : I have already replied that question. He wanted to extract an assurance from the Government. For that, I can only say that the whole matter is under review. The Government has not taken any final decision. Therefore, I am not in a position to give any assurance.

Steps to increase production of fertilizers

*446. **SHRI CHINTAMANI JENA :** Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state :

(a) the present annual production of fertilizers in the country;

(b) whether Government propose to step up production of fertilizers in the country;

(c) whether any negotiation is going on with certain foreign countries to set up joint ventures in the country in this field;

(d) if so, the details thereof; and

(e) the other measures being taken to increase the fertilizers production in the country during the Seventh Five Year Plan ?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL) : (a) to (e). A statement is laid on the Table of the House.

Statement

(a) Production of fertilizers during the

year 1984-85 is about 39.17 lakh tonnes of Nitrogen and 12.63 lakh tonnes of P_2O_5 .

(b) Yes, Sir.

(c) and (d). No negotiations are presently being held with any foreign Government to set up a joint venture fertilizer plant in India.

(e) A major programme has been under taken to increase the production of fertilizers in the country. As a part of this programme, many new fertilizer plants are already under implementation and some more plants are proposed to be taken up for implementation in a phased manner. Besides, remedial measures have also been initiated/are planned to improve production performance of the fertilizer plants in operation.

SHRI CHINTAMANI JENA : Mr. Speaker Sir, In the statement the Hon. Minister has stated that the Government is making all efforts to increase indigenous production of fertiliser to meet the demand of fertiliser in the country. But in spite of all their efforts, may I know whether they are spending large amounts of money on importing fertilisers from abroad, apart from potash which is not being produced in the country. If so, the quantity of fertiliser imported in the Sixth Plan period and the cost of it and the anticipated import in the Seventh Plan period and the cost of it.

What are the efforts made by the Ministry to produce potash, urea and also ammonia required during the 7th Plan ?

SHRI VEERENDRA PATIL : It was discussed yesterday and I replied in great detail about the fertiliser position in the country and I have admitted the fact that we have not been able to achieve self-sufficiency so far as fertiliser production is concerned and I have given the figures.

The Hon. Member wanted to know what is going to be the gap between the demand and production for 1985-86. The gap is going to be 15.50 lakh tonnes. By the end of 7th Plan, 1989-90 the gap will be reduced from 15.50 lakh tonnes to 8.03 lakh tonnes.