

Rehabilitation of repatriates from Sri Lanka

329. SHRI SYED SHAHABUDDIN: Will the Minister of SUPPLY AND REHABILITATION be pleased to state:

(a) the total number of repatriates from Sri Lanka rehabilitated so far under the bilateral Agreement regarding persons of Indian Origin;

(b) the number of repatriates expected in the next three years; and

(c) the cut-off year when such repatriation may cease altogether?

THE MINISTER OF INFORMATION AND BROADCASTING AND SUPPLY AND REHABILITATION (SHRI V. P. SATHE): (a) 56,375 families of repatriates from Sri Lanka covered by the bilateral Agreements of 1964 and 1974 have been rehabilitated upto 31-12-1979.

(b) and (c) Repatriation of Indian Nationals from Sri Lanka is being carried out on a voluntary basis. It is difficult to predict with certainty the number of repatriates expected in the next three years and the cut-off year in which repatriation would cease.

Production of coal by Coal India Ltd.

330. SHRI SYED SHAHABUDDIN: Will the Minister of ENERGY AND IRRIGATION AND COAL be pleased to state the steps that are being taken to meet the production target of over 150 million tonnes of coal set for 1982-83 by the Coal India Limited?

THE MINISTER OF ENERGY AND IRRIGATION AND COAL (SHRI A. B. A. GHANI KHAN CHAUDHURY): According to the latest estimates, a production target of 123 million tonnes in 1982-83 would meet the demand from Coal India Limited. It is proposed to meet this targetted production programme by reorganisation/reconstruction of some of the existing mines as well as by opening of new mines.

Import of substandard power plants

331. SHRIMATI KANAK MUKHERJEE: Will the Minister of ENERGY AND IRRIGATION AND COAL be pleased to state:

(a) what is the present production of electricity in the Central State and private sectors;

(b) whether it is a fact that the maintenance and over-hauling of Plant and Machinery of Thermal Power Stations were completely neglected;

(c) whether it is also a fact that substandard and defective plants have been imported paying inflated values; and

(d) if so, what are the details thereof?

THE MINISTER OF ENERGY AND IRRIGATION AND COAL (SHRI A. B. A. GHANI KHAN CHAUDHURY):

(a) The gross energy production in the country during February, 1980 was 8913 MU, consisting of 877 MU from Central Government owned power stations, 7393 MU from State Government owned power stations and 643-MU from the power stations of private sector.

(b) It is not correct to say that the maintenance and overhauling of plants and machinery of thermal power stations were completely neglected.

(c) No, Sir.

(d) Does not arise.

Charges against M/s. Colgate-Palmolive (India) Limited

332. SHRIMATI KANAK MUKHERJEE: Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether Colgate-Palmolive (India) Limited has been charged by the MRTP Commission with monopolistic and restrictive trade practices;

(b) if so, what are the details of the charges against this company; and

(c) what is the stage of proceedings against the company?

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI SHIV SHANKAR): (a) to (c) In exercise of powers conferred by sub-section (1) of Section 31 of the Monopolies and Restrictive Trade Practices Act, 1969, the Central Government referred to the M.R.T.P. Commission on 28th March, 1974, the case of M/s. Colgate Palmolive (India) Pvt. Ltd., for an inquiry as to whether, having regard to the economic conditions prevailing in the country and to all other matters which appear, in the particular circumstances to be relevant, the trade practices alleged to be indulged in by the aforesaid company operate or are likely to operate against the public interest. The aforesaid Reference to the Commission was made as a result of the *prima-facie* opinion formed by the Government that M/s. Colgate-Palmolive (India) Pvt. Ltd., a subsidiary of Colgate-Palmolive-Poto Company, incorporated in the United States of America, engaged, among other things, in the production of soap, shampoos, tooth paste, tooth powder, tooth brushes, shaving brush, shaving cream, cream-oil, hair oil, hair cream and powder under trade names, such as "Colgate", "Palmolive" etc. was indulging, among others, in the following monopolistic trade practices as a result of which the cost relating to production, supply and distribution of the said products manufactured by the company had been unreasonably increased:—

(i) earning a very high gross profit rate on sales around 31 per cent and a gross profit rate of 42 per cent to 44 per cent on cost of sales; as against a reasonable return of 5 per cent on cost of sales;

(ii) earning exorbitant rate of profit at the rate of nearly 118 per cent in 1970 and over 158 per cent in 1971 on capital employed;

(iii) earning unreasonable net profits, after paying taxes, of over 50 per cent in 1970 and 46 per cent in 1971 on the average capital employed by the company to the detriment of the consumer;

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(iv) reaping profits without making any large investments in India as fixed block in buildings etc., and in not incurring substantial expenditure on research and development in India with a view to produce consumer items of better quality at cheaper rates for the benefit of the consumers; and

(v) selling not only what the company produces, but also a few products which it gets manufactured in other units and allowing such products to be sold under its own brand name while these products are manufactured for colgate by outside agencies with indigenous raw materials and know-how, the company reaps unreasonable profits to the detriment of consumer and the smaller units who produce such products.

In pursuance of the aforesaid reference, the MRTP Commission initiated an inquiry against the company. The company filed a writ petition in the High Court of Delhi challenging the order of the Central Government making reference to the Commission on the ground, *inter-alia*, that the Central Government was under a legal obligation to give a hearing to the company before making the aforesaid reference to the Commission. The Delhi High Court saved the inquiry by the Commission on 24-6-1974. The writ petition has since been heard by the Delhi High Court and dismissed with costs by their judgement dated 13-2-1979. The Commission has now resumed the inquiry against the company and has published a notification to this effect in some of the leading newspapers of the country on 10-2-1980 inviting information/comments from all the parties who wished to furnish any information or give their comments regarding the inquiries within 21 days of the publication of the notification.

No inquiry regarding allegation of any restrictive trade practices has been instituted by the Commission against the company.