

†[PATHANI TEA ESTATE IN ASSAM

491 SHRI SUNDAR SINGH BHANDARI Will the Minister of HOME AFFAIRS be pleased to state

(a) whether it is fact that about 145 acres of land belonging to Pathani Tea Estate in the district of Kachhar in Assam is no longer under Indian possession since 1962-63, and

(b) if so the details thereof and the steps taken by Government in this regard ? ]

गृह मंत्रालय मे उपमन्त्री (श्री एफ० एच० मोहसिन) (क) और (ख) असम के लाठिटीला-दूमाबारी क्षेत्र के कुछ उलाके, जिनमे पाठनी चाय बागान का एक भाग शामिल है, 1962 से पाकिस्तान के बलपूर्वक कब्जे मे थे। इस क्षेत्र मे अन्तर्राष्ट्रीय सीमा का अन्तिम रूप से निर्धारण नहीं हुआ है। पाकिस्तान सरकार के साथ विचार विमर्श करके सीमा-निर्धारण कराने के हमारे प्रयत्न निष्फल रहे। किन्तु स्वाधीन तथा मित्र बंगला देश के उदय से स्थिति बदल गई है तथा इस विषय मे उपयुक्त समय पर आगे विचार किया जायगा।

†[THE DEPUTY MINISTER IN THE MINISTRY OF HOME AFFAIRS (SHRI F. H. MOHSIN) (a) and (b) Since 1962, certain areas in the Lathitilla-Dumbari sector of Assam including a portion of the Pathani Tea Estate, had been in forcible occupation of Pakistan. The international boundary in this area has not been finally demarcated. Our attempts to get the demarcation done in consultation with Pakistan Government had been infructuous. However, the emergence of a friendly and independent Bangla Dush has brought about a change in the situation and the matter will be further considered at the appropriate stage.]

492 [Transferred to the 7th April, 1972]

#### KHOSLA COMMITTEE'S REPORT ON FILM CENSORSHIP

493 SHRI SWAISINGH SISODIA Will the Minister of INFORMATION AND BROADCASTING be pleased to state

(a) whether Khosla Committee's report on film censorship has since been considered by the Government of India,

†[ ] English translation

(b) if not, the reasons therefor, and

(c) by when a decision is likely to be taken thereon ?

THE DEPUTY MINISTER IN THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI DHARAM BIR SINGH) (a) to (c) The report has had to be examined in consultation with the different Ministries/Departments of the Government of India, the State Governments, as also the various organisations of the film industry. This process has taken some time. The decisions are likely to be taken shortly.

#### INDO-BRITISH TALKS ON INDUSTRIAL POLICY

494 SHRIMATI PRATIBHA SINGH: Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state

(a) whether Government have any proposal to re-examine industrial policy in the light of the third meeting of the Indo-British technological group in the first week of March 1972, if so, the details of the decisions taken, and

(b) the details of the outcome of the said Indo-British talks ?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (PROF. SIDDHESHWAR PRASAD) : (a) Industrial licensing policy of the Government is periodically reviewed to make it an effective instrument for the realisation of the objective of speedy industrialisation of the country. The modification is approved as a result of such reviews and given wide publicity.

(b) A copy of the Press Communiqué issued at the conclusion of the Third meeting of the Indo-British Technological Group held in New Delhi from 2nd to 4th March, 1972 is attached.

#### Press Communiqué

##### Third Meeting of the Indo-British Technological Group

The Third Meeting of the Indo-British Technological Group took place in New Delhi from 2nd to 4th March 1972. The Indian Team was led by Shri B. B. Lal, Secretary, Ministry of Industrial Development and the British Team by Sir Max Brown, Secretary, (Trade), Department of Trade and Industry. The teams included representatives of Government and industry from both countries.

2 The meeting was marked by a cordial atmosphere and a wide range of subjects affecting Indo-British technological co-operation was discussed with candour and mutual understanding.

3 The British Delegation noted the considerable progress of the Indian economy in recent years and particularly the diversification of India's industrial base and the expansion of her capabilities in producing sophisticated capital goods. It appreciated the social and economic aspirations of the Indian Government and respected its basic objectives of promoting greater self reliance, increasing foreign exchange earnings and meeting effectively the problem of unemployment and under-employment. It was agreed that the country's industrial policy must of necessity be geared to these ends.

4 The Indian Delegation reiterated the policy of the Government of India that foreign investment is welcome in India in selected fields which have been identified as these in which technological or critical production gaps exist.

5 It was agreed that, with the industrial capacity that had already been developed in India, the future pattern of technological cooperation between the two countries might increasingly take the form of association between their industries through sub-contracting from Indian sources both for U.K. industry and for third countries. Direct exports to the U.K. should also increase and there might be opportunities for co-operation in projects and joint ventures in third countries. The British Delegation pointed out the necessity of advanced marketing techniques being used in highly competitive world conditions and offered help in training in these techniques in the United Kingdom. The Confederation of British Industry undertook to draw the attention of its members to the prospects and possibilities of collaboration in these fields and, generally, to make them better aware of India's conditions and capabilities.

6 The meeting discussed the export performance of British subsidiary companies in India. While recognising the contribution that British companies had made to the expanding Indian export effort, the Indian side felt that with the access which British subsidiaries have to foreign markets through the networks of their principals, they were in a position to make an even larger contribution to India's export drive. It was their view that these companies' earnings from export should be substantially higher than their

outgoings on account of dividends, royalties, import of raw materials, etc.

7 The British side agreed that British companies should continue to play a full and increasing part in India's export drive. In this context, they drew attention to the stringent export requirements laid down by the Indian Government where a company wanted to expand its activities. The British side felt that these requirements were likely to discourage companies from expanding, and thereby increasing exports. The Indian side agreed to consider these views further.

8. The policy regarding the dilution of foreign equity holdings in foreign majority companies was discussed and the meeting noted the development of this policy over recent years. The guidelines recently announced in regard to the capital structure of such companies with over 51% of foreign equity when expansion took place, were explained by the Indian delegation, and the British side appreciated the removal of previous uncertainty in this area. The area of foreign holding between 40% and 51% would continue to be dealt with on a case-to-case basis.

9 The Indian Delegation stated that in general, it has not been the practice to seek dilution of the foreign equity of such companies below 40%. If, however, it became necessary to raise loans from one of the Public Financial Institutions, the same rules of convertibility would apply as for Indian companies.

10 The question of increasing Research and Development effort by foreign owned subsidiaries and Indian companies was discussed at length. It was agreed that R & D activity dealing with production problems and product and process adaptation should be based in the Indian units themselves, while basic innovations may have to be the subject of collaboration agreements. The need to develop indigenous technology and for this purpose to allocate greater resources to R & D work in Indian units was recognised.

11 However, the British side felt that the cut off of R & D payments by the British subsidiaries in India would deprive them of the continual updating of their products resulting from the centralised R & D activities for their principals with adverse consequences for their export potential. The Indian side fully recognised the need to be associated with technological developments elsewhere but did not accept

that the mechanism of continuing R & D payment to foreign companies was the right means.

12. It was agreed to set up a small Sub-Group to study this question more intensively and report back to the next meeting of the Group.

13. The effects on Indo-British collaboration as a result of British entry into the EEC were briefly discussed. It was the view of the British delegation that such collaboration should increase as a result of the expected faster growth of the British economy. British had no intention of loosening relationships with her traditional partners. The CBI agreed to provide such published reports on British Industry's attitude to the Common Market as had been produced, and would continue to send future reports on this subject.

14. Both sides agreed that the discussions had been of considerable value and that the work of the Group should continue. The next meeting of the Group will be held in London.

#### DIRECT TELEPHONE LINK BETWEEN INDIA AND BANGLA DESH

495. SHRIMATI PRATIBHA SINGH : Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether direct postal, telephonic and telegraphic services between India and Bangla Desh have been established ;

(b) if so, the details in this regard ; and

(c) the extent of additional expenditure likely to be incurred on this account annually ?

THE MINISTER OF COMMUNICATIONS (SHRI H. N. BAHUGUNA) : (a) (i) *Postal Services* : Yes, except in regard to parcels, insured services and money orders.

(ii) *Telecommunication Services* : Yes.

(b) (i) Surface mails are being exchanged with the Bangla Desh Post Office at convenient points on the West-Bengal, Meghalaya and Tripura Borders. Airmails are being forwarded direct to Dacca.

For the present under reciprocal arrangements, inland rates of postage are being applied for mails for Bangla Desh.

(ii) Calcutta has been linked by adequate telephone circuits with Dacca, Kushtia and Chittagong. Delhi has been provided with

direct trunk to Dacca. Jalpaiguri has been linked with Saidpur and Agartala with Akhaura.

A telegraph circuit has been provided between Calcutta and Dacca. INTELEX Service has also been established.

(c) (i) There is no additional expenditure involved in the handling of our mails for Bangla Desh as compared to domestic mails.

(ii) For establishment of Telecommunication Service and for assisting Bangla Desh to restore their service till February, 1972, the Approximate expenditure incurred was Rs. 3.15 lakhs. Annual recurring expenditure on account of the cost of maintenance of communication circuits within Indian territory will be very nominal.

#### ABOLITION OF LICENSING SYSTEM FOR CERTAIN SECTORS

496. SHRI SITARAM JAIPURIA :  
SHRI A. G. KULRANI :

Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state :

(a) whether it is a fact that the Federation of Indian Chambers of Commerce and Industry has suggested to Government for the abolition of the system of Industrial licensing for investments made in the core sector, backward regions, export industries and industries designed to promote import substitution ; and

(b) if so, what is the reaction of Government thereon ?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT (PROF. SIDDHESHWAR PRASAD) :

(a) No such suggestions have been received by the Government as yet.

(b) Does not arise.

#### † ABOLITION OF HORSE RACE

69. SHRI THILLAI VILLALAN : Will the Minister of HOME AFFAIRS be pleased to state :

(a) whether there is any proposal under Government's consideration to instruct all states to abolish Horse-race in the near future ; and

(b) if so, the details thereof ?

† Transferred from the 15th March, 1972.