

regarding the methods of unfair competition and/or restrictive practices, if any, adopted by the larger newspapers to suppress, weaken and eliminate the smaller ones about which there are often complaints, a sub-committee, set-up by the Press Council, invited specific information and instances by a letter addressed to newspapers and periodicals in all languages having a paid circulation of 5,000 copies and above. In reply, only ten dailies and four weeklies mentioned specific cases of what they considered restrictive practices indulged in by bigger papers. The Council is currently pursuing the enquiry by collecting further information regarding instances of restrictive practices.

(vii) Government are considering the question of setting up a Newspaper Finance Corporation to give financial assistance to small and medium newspapers and not to big newspapers, to help the healthy growth of the former.

(viii) (a) Government are of the view that but for the steps taken by the Government so far the growth of big chain newspapers would have been more than what it has been. It is not, however, possible to estimate the extent to which steps already taken by Government have been effective. Government believe that the best way to check the growth of big chain newspapers is to foster the growth of small and medium newspapers which are managed on healthy lines and follow an enlightened editorial policy keeping the national interests in view. Government are confident that the steps already taken and the further steps to be taken in the matter will effectively foster the growth of small and medium newspapers and

thereby check the growth of big chain newspapers.

(viii) (b) As recommended by the Diwakar Committee on Small Newspapers, Government have started a slow speed news bulletin over the All India Radio which purveys important news, particularly for use by small and medium newspapers who, due to financial reasons, are not in a position to subscribe to the service of news agencies.

A departmental study of the ownership pattern of the companies publishing newspapers has been instituted by the Department of Company Affairs. The conclusions of the study are awaited.

#### Taking over Balarama Varma Textile Mill by Textile Corporation

1033. SHRI JYOTIRMOY BOSU :  
SHRI SAMAR MUKHERJEE :

Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government have received any letter from the Tamil Nadu Government to take over the closed Balarama Varma Textile Mills, Shenkottai (Tamilnadu) through the Textile Corporation ; and

(b) the reaction of Government thereon ?

THE DEPUTY MINISTER IN THE  
MINISTRY OF FOREIGN TRADE (SHRI  
A. C. GEORGE) : (a) Yes, Sir.

(b) The mill has not been considered to be a fit one being taken over, under the Industries (Development and Regulation) Act, 1961.

#### Closure of Jute Mills in West Bengal

1034. SHRI JAGADISH BHATTACHARYYA : Will the Minister of FOREIGN TRADE be pleased to state :

(a) whether Government are aware that several jute mills in West Bengal are in a

critical condition and are in a stage of being wound up ; and

(b) whether Government considered any proposal to take over the mills which are now under closure in West Bengal ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GFORGE) : (a) and (b). Out of a total of 10 closed jute mills in West Bengal, 2 were re-opened in September-October 1970. Efforts are now being made to re-open yet another closed mill in the State. The remaining 7 have old and obsolete machinery and are unable to work economically. The possibility of reviving these units is remote ; however, all possible measures are being taken to see whether they can be re-opened.

#### Joint Ventures in Selected Industries

1035. SHRI S. R. DAMANI : Will the Minister of FOREIGN TRADE be pleased to state :

(a) what is the response from entrepreneurs to Government's proposal to start joint ventures in selected industries ;

(b) whether Government have decided about the items and drawn up any definite schemes and sent invitations to industrialists ; and

(c) if so, the number of schemes under active follow up ?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (A. C. GEORGE) : (a) to (c). During the period 1968 till now the Government have received approximately 165 concrete proposals from the Indian entrepreneurs for setting up industrial joint ventures abroad.

The industrialists are encouraged to go abroad for participation in joint industrial ventures only for such industries where there is surplus machinery production capacity and where internal demand for the products is largely covered. These include such industries as, textiles, chemicals, engineering, pharmaceuticals, canning, confectionery, rubber products, plastics, paper and pulp,

scooter assembly, flour mills, etc. The Government have prescribed the general guidelines governing Indian participation in joint ventures abroad, a copy of which is enclosed.

A statement showing the proposals approved by the Government so far for setting up Industrial joint ventures abroad, is placed on the Table of the House: in reply to Lok Sabha Unstarred Question No. 1005 to be Answered on 2.6.1971.

#### *Statement*

##### *General Guidelines Governing Indian Participation in Joint Overseas Industrial Ventures*

- (i) Normally minority participation only by Indian parties is allowed. The intention is that Indian parties should not insist on majority holdings abroad, but if the foreign part and the foreign government are willing to accept majority Indian participation, there would be no objection. Government favours associations of local parties in foreign countries ; also local development banks, financial institutions and local Governments wherever feasible.
- (ii) No cash remittance will be allowed except small amounts required in connection with preliminary expenses for setting up the Company abroad.
- (iii) Indian participation should be in the form of indigenous machinery, equipment, technical know-how etc. required for the new venture, value of structural, steel items, construction materials, components etc. are not allowed to be capitalised. However, where the value of machinery etc. falls short to make up the necessary reasonable equity and there is need to retain Indian equity holding at a level higher than what is obtainable through export of capital goods alone, there will be no bar to consider such cases on merits for permission to include structural, steel items and construction materials (but not components), to the extent these are required for the particular project against Indian equity.