

Activities of Multinational Corporations

1670. SHRI KRISHNA CHANDRA HALDER:
SHRI SHASHI BHUSHAN:

Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether Government have told the Multinational Corporations to open industries and diversify their trade in India; and

(b) if so, the main features of the policy in this respect?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI B. P. MAURYA): (a) and (b). The existing Industrial Policy of the Government as notified in the Press Note dated the 2nd February, 1973 specifies the areas in which and the conditions under which the multinational corporations will be eligible to participate in and contribute to the establishment of industries in the country.

Prior permission of the Reserve Bank of India under Section 29 of the Foreign Exchange Regulation Act, 1973 is required to be obtained by all companies coming within the purview of the said Section to expand or diversify their industrial or other activities. The applications received in this regard by the Reserve Bank of India are dealt with under the Guidelines for administering Section 29, FERA which have been laid on the Table of the House on 20-12-1973.

Scheme for Welfare of Backward Classes

1671. SHRI SHANKERRAO SAVANT: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether any scheme has been prepared and machinery set up to look after the welfare of Scheduled Castes, Scheduled Tribes and other backward classes and nomadic tribes;

(b) if so, what are those schemes and the machinery set up to implement the schemes; and

(c) the efforts made during the last three years to look after the welfare of these three classes?

THE DEPUTY MINISTER IN THE MINISTRY OF HOME AFFAIRS (SHRI F. H. MOHSIN): (a) to (c). Various schemes under Central/Centrally Sponsored Programmes and State Sector are being implemented for the welfare of Scheduled Castes, Scheduled Tribes, other Backward Classes, Notified Tribes, Nomadic and Semi-Nomadic Tribes. The schemes taken up during the last three years (1973-74 to 1975-76) are given in the statement laid on the Table of the House. [Placed in Library. See No. LT-10536/76]. These schemes are being executed by the States/U.Ts.

However, under the scheme of post-matric scholarship, the Ministry of Home Affairs has set up a pilot project at Gauhati in Assam which is looking after direct disbursement to post-matric scholarships to inter-State students belonging to Scheduled Castes and Scheduled Tribes, coming from the adjoining States like Assam, Meghalaya, Tripura, West Bengal, Arunachal Pradesh, Mizoram etc. Under the scheme Coaching and allied Schemes, the coaching-cum-guidance centres are being run through the D.G.E.&T. and necessary funds are provided by this Ministry. The scheme of aid to voluntary organisations of all India character is also operated by this Ministry.

During these three years, the amount of Rs. 170.48 crores would have been spent on these schemes

Assistance to Fisheries Cooperatives

1672. SHRI VARKEY GEORGE: Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether the National Cooperative Development Corporation has for

ulated certain schemes to give financial assistance to fisheries cooperatives in Kerala; and

(b) if so, the main features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI A. C. GEORGE): (a) and (b). The National Cooperative Development Corporation has formulated a general scheme of assistance to fisheries cooperatives for expanding their production and marketing activities, establishment of processing units as well as service/repair centres for mechanised boats and other equipment, construction of godowns/sheds, setting up of technical and promotional cells in the National/State/Regional cooperative fisheries federations, preparation of project reports, for establishing processing units and also for training of technical managerial personnel of fisheries cooperatives. The Corporation's assistance will be given to cooperatives through respective state governments. The Corporation has not so far received any proposal from the Kerala Government for assisting fishery cooperatives in that state. On receipt of proposals from the State Government the Corporation will consider giving assistance.

UN Report on Multinational Corporations in India

1673 SHRI SOMNATH CHATTERJEE Will the Minister of INDUSTRY AND CIVIL SUPPLIES be pleased to state:

(a) whether Government have studied the UN reports on Multinational Corporations;

(b) if so, the reaction of Government thereon; and

(c) steps being taken to restrict the spheres of operation of these corporations in India?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND CIVIL SUPPLIES (SHRI B. P MAURYA): (a) Yes, Sir.

(b) and (c). Government's policy towards foreign investment and colla-

boration including collaborations with multi-national corporations, is highly selective. Import of foreign capital and technology is permitted in sophisticated fields of industry in which technological or critical production gaps exist. Foreign investment, where considered necessary, is normally restricted to 40 per cent.

Through a proper screening of existing as well as future foreign investment and collaboration, the operation of multi-national corporations are made to conform to national priorities.

Various existing Acts and Regulations of the Government provide for adequate controls over the operations of the multi-national corporations in India. These include Foreign Exchange Regulation Act, 1973, Capital Issues (Control) Act, 1949, Industries (Development and Regulation) Act, 1951, the Monopolies and Restrictive Trade Practices Act, 1969, and Companies Act, 1956. According to the Industrial Licensing Policy Statement of February, 1973, foreign majority companies are eligible to participate in the areas specified in Appendix I and export-oriented industries. Foreign companies coming up for expansion or diversification are required to associate Indian capital in accordance with the dilution formula announced by the Government.

Setting up of a Television Centre at Bangalore

1674 SHRI P R SHENOY Will the Minister of INFORMATION AND BROADCASTING be pleased to state

(a) whether there is a demand from the people and Government of Karnataka for the establishment of a television centre at Bangalore, and

(b) if so, the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI DHARAM BIR SINHA): (a) Yes, Sir. Certain communications on this subject were received.