

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI):** (a) and (b). The question is presumably based on certain press reports relating to a Congress Party meeting which in any case was private. As regards the magnitude of deficit financing that may be desirable, Government's views are that it would depend on the overall economic situation prevailing from time to time.

#### FOREIGN INVESTORS

1109. **SHRI D. N. PATODIA:** Will the Minister of FINANCE be pleased to state:

(a) whether the India Investment Centre has submitted a report to Government during 1967-68 relating to various difficulties and hardships experienced by foreign investors in India and if so, when the report was submitted and what were the contents of the report;

(b) whether the report has been considered by Government and if so, what steps have been taken by Government to remove the difficulties for the foreign investors; and

(c) whether similar reports or suggestions have been received by Government from any other dependable source and if so, the particulars thereof?

**THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI):** (a) Presumably the Hon'ble Member refers to the report of the survey conducted by the New York office of the Indian Investment Centre during May-October, 1967 among U.S. corporations of the problems encountered by them in the exploration, negotiation, construction and operation of their Indian ventures. A copy of this report was received in the Ministry of Finance in June, 1968. This survey, comprising answers by 95 U.S. Corporations in response to a questionnaire issued by the Indian Investment Centre, reflects the opinions and suggestions of a broad cross section of U.S. investors on their experiences of investment in India. An analysis of these opinions shows that there are many features, considered as favourable for investment in India, such as a very large and growing market; outstanding record of India in the matter of remittance of

profits and repatriation of capital; the capabilities of Indian partners; and India's political and economic stability. The survey also reveals several features which, in the opinion of the corporations, adversely affect investment in India, including procedural delays; uncertainty as to Government's policies and terms; insistence on Indian ownership and control; duration of foreign collaboration agreements; stipulation regarding exports; controls; position of the public sector; and high burden of taxation. The corporations have also made some suggestions for improvement of the investment climate.

(b) The matter is under the consideration of Government.

(c) No, Sir.

#### ALL INDIA MEDICAL SERVICE

1110. **DR. A. G. SONAR:** Will the Minister of HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT be pleased to state:

(a) whether it is a fact that Government propose to create an All India Medical Service;

(b) whether it is also a fact that this question has been discussed in the recent State Minister's Conference; and

(c) the outcome thereof?

**THE DEPUTY MINISTER IN THE MINISTRY OF HEALTH, FAMILY PLANNING AND URBAN DEVELOPMENT (SHRI B. S. MURTHY):** (a) Yes. The name of the service is Indian Medical & Health Service.

(b) and (c). This item was not discussed in the recent meeting of the Central Council of Health held at Bombay.

#### NATIONAL BUILDINGS CONSTRUCTION CORPORATION

1111. **SHRI GADILINGANA GOWD:** Will the Minister of WORKS, HOUSING AND SUPPLY be pleased to state:

(a) whether the National Buildings Construction Corporation has agreed to allow rebates for prompt payment of bills;

(b) if so, the amount of rebate granted so far since this practice was started; and