

(a) whether Government have recently changed their policy regarding foreign collaboration ;

(b) if so, the details thereof ;

(c) whether Government have received any opinion from the industrialists and foreign entrepreneurs in India in this regard ; and

(d) if so, the details thereof ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) and (b). No, Sir. Government's policy in regard to foreign collaboration continues to be guided by the statement which the late Prime Minister Nehru made in the Constituent Assembly of India on the 6th April, 1949. However, with a view to avoiding repetitive import of know-how, Government have decided that coordinated negotiation should be conducted with foreign parties in fields where,

(i) a number of foreign collaboration agreements already exist and a new party applies for the same or similar know-how ; or

(ii) where a number of new units in the same field are proposed to be set up in the country at about the same time, the object being,

(i) to reduce the outgo of foreign exchange, and

(ii) to encourage indigenous research and technological development.

(c) and (d). Yes, Sir. Certain individuals and Chambers of Commerce and Industry have generally criticised Government's policy mentioned above. The main points of criticism are that this policy would not be practicable, that it implies a certain degree of compulsion on individual industrialists and that this policy will not be in the larger interests of the country.

### India's Economic Policies

30. SHRI D. R. PARMAR :  
 SHRI K. P. SINGH DEO :  
 SHRI C. MUTHUSAMI :  
 SHRI R. K. AMIN :  
 SHRI R. R. SINGH DEO :  
 SHRI S. K. TAPURIAH :  
 SHRI C. C. DESAI :  
 SHRI D. N. PATODIA :

Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether India's eminent industrialist, Shri J. R. D. Tata, has recently criticised Government's economic policies and also its decision on vital questions ; and

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

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) and (b). In the last meeting of the Central Advisory Council of Industries held in New Delhi on the 3rd, 4th January, 1969, Shri J. R. D. Tata had stressed that all constraints against the favourable economic forces which had become visible particularly after our success in the agricultural field, should be removed and where positive action was required, it should be taken quickly and with decisiveness. Shri Tata had also observed that the decision making machinery of the Government was cumbersome and slow. These observations had been made by Shri Tata mainly in the context of a few proposals such as the small car project, the Tata Fertilizer project, the Korba Thermal Station decisions of the Government on which were pending. As these are cases involving heavy investment and have far reaching implications, they require a very careful examination at the hands of the Government before final decisions can be taken on them. Government, however, appreciate the frankness with which Shri Tata expressed his own views.