

**Foreign Consultancy Service for
Underground Railway in Calcutta**

*1730. SHRI RABI RAY : Will the Minister of RAILWAYS be pleased to state :

(a) whether it is a fact that he had advised the Railway Board to secure foreign consultancy service for an underground Railway in Calcutta within the next three months ;

(b) if so, the details thereof ; and

(c) the steps the Railway Board have taken towards this direction ?

THE MINISTER OF RAILWAYS (SHRI NANDA) : (a) to (c). The proposal to obtain the services of foreign experts is being progressed in consultation with the Planning Commission and the Ministry of Finance.

Industrial Growth

*1731. SHRI D. N. PATODIA : Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) what has been the rate of industrial growth during the last two years, year-wise and State-wise ;

(b) whether any assessment has been made to find out whether the imports have been adequate for the industrial growth ; and

(c) if not, the causes for the sluggish growth in the industrial sphere in the States ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) Available statistics pertain to industrial growth for all-India as such and not State-wise. There is no indication of adverse effect on industrial growth. On the contrary, the Index of industrial production with the year 1960 as base equal to 100, rose from 151.4 during the year 1967 to 161.1 during the year 1968 and it rose further to 173.9 (provisional) in 1969.

(b) Government's import policy is calculated to promote industrial growth in general and production in priority industries and export-oriented industries in particular.

(c) Does not arise.

**Under-Utilization of Capacity of
H. E. C., Ranchi**

*1732. SHRI SHIV KUMAR SHASTRI :
SHRI RAM CHARAN :

Will the Minister of STEEL AND HEAVY ENGINEERING be pleased to state :

(a) whether it is a fact that the Heavy Engineering Corporation is one of the many public sector undertakings which have utilized only 15 per cent of their capacity in 1968-69 ;

(b) whether Government had not made a proper scrutiny of feasibility studies and project report before embarking upon this project ; and

(c) if so, the reasons behind this dismal performance ?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND HEAVY ENGINEERING (SHRI K. C. PANT) :

(a) During 1968-69 the production in the various plants as a percentage of the rated capacity was as under :—

(i) Heavy Machine Building Plant	Mechanical	11%
	Structural	22%
(ii) Foundry Forge Plant		13%
(iii) Heavy Machine Tools Plant		2.2%

(b) No, Sir.

(c) The production build-up in the plants has not yet reached the rated capacity. In plants of this size and complexity, production build-up is gradual. With increased production taking place over a period of time as skills are acquired by the workers on heavy and sophisticated technological equipment and machinery, production should show substantial improvement.

**Collaboration of Indian Advertising
Agencies with American International
Agencies**

*1733. DR. P. MANDAL :
SHRI S. C. SAMANTA :

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

(a) whether Government will place a

list of share-holders and Directors of three Indian Companies engaged in Advertising Agency business with the collaboration of the American International Advertising Agencies; and

(b) whether such lists were earlier communicated to the Director of Advertising and Visual Publicity and the Bureau of Public Enterprises in an attempt to curb patronage of such foreign agencies by the Indian Government Undertakings ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) The following three companies engaged in advertising agency business in India have collaboration with American International Advertising Agencies :—

Bombay in which 40% of the shares are held by Messers Grant Advertising International, Inc. of U. S. A.

(2) Hindustan Thompson Associates Ltd. of Bombay in which 40% of the shares are held by Messes. J. Walter Thompson of the U. S. A. ; and

(3) Clarion-McCann Advertising Services Ltd. of Calcutta in which 49% of the shares are held by Messers. McCann-Erickson. Inc. of the U. S. A.

(1) Grant Advertising (India) Ltd. of

The names of the directors of the three companies are indicated below :—

Name of the Company	Name of Directors	As on
1. Grant Advertising India Ltd.	1. Will C. Grant	} At present
	2. Nav Roz G. Vakli	
	3. Robert J. Runtz	
	4. Reginalt F. J. Davidson	
	5. Sudershan M. Chatterji	
	6. Mrs. Jeroof N. Vakli	
	7. A. Ganguly.	
2. Hindustan Thompson Associates Ltd.	1. Narayan Dandekar (Chairman)	31st December, 1968
	2. E.G.A. Bathon (Mg. Director)	—do—
	3. Maj. Gen. Virendra Singh	—do—
3. Clarion McCann Advertising Services Ltd.	1. Sachindra Nath Banerjee (Managing Director)	27th August, 1969
	2. Armando M. Sarmiento	27th August, 1969.
	3. David J. Hopkins	—do—
	4. Subhas Sen	—do—
	5. Subrata Sen Gupta	—do—
	6. Mrs. Tara Sinha	—do—
	7. Parikshit Vamanrao Dholakia	—do—
	8. Prasanta Sanyal	—do—

The lists of shareholders of the three public limited companies in question are reported to be very long and are not readily available. However, the percentage of shares held by foreign collaborators in the three Indian companies is indicated below :—

Name of the Company	Percentage of total shares held by foreign company (collaborators)
1. Grant Advertising India Ltd.	40
2. Hindustan Thompson Associates Ltd.	40
3. Clarion McCann Advertising Services Ltd.	49

(b) The Ministry of Information and Broadcasting is seized of the problem. The Rajya Sabha resolution of 13th March, 1970 which, *inter-alia*, provides that the services of such advertising agencies should be utilised as are wholly Indian owned and Indian controlled, has been brought to the notice of all the Ministries, Government Undertakings, etc. by the Ministry of Information and Broadcasting. The extent of foreign controlling interest in the three companies under reference is known to the Ministry of Information and Broadcasting.

Observations by Maharashtra Irrigation Minister *Re.* Issue of Licences

*1734. SHRI VIRENDRAKUMAR SHAH : Will the Minister of INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS be pleased to state :

(a) whether the attention of Government has been drawn to a report in the *Financial Express* dated the 23rd April, 1970, under the caption "State Plans to Tack'e Diesel Oil Engine Glut" ;

(b) whether he has noted the observations made by the Minister of Irrigation of the Government of Maharashtra on the floor of the State Assembly to the effect that the Union Government give Licences to certain States to import machinery but insists on certain other States to use indigenous machinery ;

(c) whether the above observations are correct and, if so, the grounds for such discrimination ; and

(d) if the said observations are not correct, the steps taken by him to clarify the matter to the Government of Maharashtra to remove any wrong impression created in the minds of the members of the State Assembly and the general public ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) and (b). Yes, Sir.

(c) and (d) There is no discrimination regarding allotment of imported equipment to particular States and forcing other States to go in for indigenous machinery. Wherever indigenous capacity has been developed imports are not normally permitted. However, import licences have been allowed in certain exceptional cases where because of the long period of delivery of indigenous equipment or other such exceptional features and the essential nature of the project, import was considered to be necessary.

Introduction of Automation on Railways

*1735. SHRI YASHPAL SINGH : Will the Minister of RAILWAYS be pleased to state :

(a) whether Government are proposing to introduce large scale automation on the Railways ; and

(b) if so, the reasons therefor ?

THE MINISTER OF RAILWAYS (SHRI NANDA) : (a) and (b). No, Sir. So far as the term 'automation' refers to computers, Indian Railways have computerised some items of work on a selective basis. If by the term 'automation' other items of mechanisation are referred to such as mechanised maintenance of track, centralised traffic control, route relay interlocking, etc., Indian Railways go in for these improvements in order to step up efficiency of Railway service, increase safety of travel where frequency of services, as in suburban areas, is getting beyond the capacity of effective and quick manual control of signals, points etc.