

MR. SPEAKER : You are getting up a number of times without my permission.

DR. SUSHILA NAYAR : In view of the fact that UP Government was good enough to order closure of the three liquor shops in Garhwal district, about which I had to undertake a fast and in view of the fact that the minister himself said that local auction is the most suitable policy for the whole of India, may I ask what action he has taken to have the principle of local auction accepted by all the States ? Secondly, what action has he taken to compensate those States that have started implementation even in a partial manner like UP and Rajasthan, to the extent of 50 per cent of their revenue loss ?

SHRI GOVINDA MENON : The offer made by Shri Morarji Desai was that where prohibition is introduced for the first time half the loss will be met by the Central Government. We stand by that. The question of local opinion again, comes under the jurisdiction of the State Government.

Small Car

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- *37. SHRI S. K. TAPURIAH :
 SHRI RANJEET SINGH :
 SHRI R. BARUA :
 SHRI CHENGALRAYA NAIDU :
 SHRI MAYAVAN :
 SHRI P. C. ADICHAN :
 SHRI NIHAL SINGH :
 SHRI N. K. SOMANI :
 SHRI ARJUN SINGH BHADORIA :
 SHRI BENI SHANKER SHARMA :
 SHRI RAGHUVIR SINGH SHASTRI :
 SHRI SHIV KUMAR SHASTRI :
 SHRI RAM KISHAN GUPTA :

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

(a) whether Government have taken any final decision in regard to the manufacture of small car in the country ;

(b) if not, the reasons for the delay ; and

(c) the time by which a decision is likely to be taken in the matter ?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI BHANU PRAKASH SINGH) : (a) Not yet, Sir.

(b) and (c). A decision on the project involves allocation of resources therefor within the overall plan resources and priorities. All relevant aspects have to be given careful consideration before a final decision is reached and this process is taking time. It is expected that a decision in the matter will be reached soon.

SHRI S. K. TAPURIAH : We have been hearing about this car ever since 1959. Whenever any decision has to be taken on such simple matters, whether it is a scooter or car, it may take the government years but when it is a question of nationalisation of banks it is done overnight. Now, may I know from the government their definition of a small car ? Before they embark on the venture will they tell us at what price will it be made available to the consumer on the road ? What would be the specifications and by what date specifically will they come out with a concrete proposal ?

SHRI BHANU PRAKASH SINGH : A decision would be taken soon. It is under study.

SHRI S. K. TAPURIAH : At what price will it be available to the consumers ?

SHRI BHANU PRAKASH SINGH : It is under examination.

SHRI S. K. TAPURIAH : Sir, are you satisfied with this answer ?

SHRI RANGA : What is their conception of a small car ? What will be its size and capacity and price ? They can give that information.

THE MINISTER OF INDUSTRIAL DEVELOPMENT, INTERNAL TRADE AND COMPANY AFFAIRS (SHRI F. A. AHMED) : May I inform the hon. members that various proposals are before us. If this project is accepted in the public sector it is hoped that it would be possible for us to provide a car with an ex-factory price of Rs. 10,000

SHRI S. K. TAPURIAH : What will be its price on the road including taxes ?

SHRI F. A. AHMED : I am giving the ex-factory price because the tax will have to be calculated on the basis of the ex-factory price.

SHRI S. K. TAPURIAH : The excise duty is not *ad valorem*. You can calculate it.

SHRI F. A. AHMED : Excise duty and sales tax will be extra.

SHRI S. K. TAPURIAH : How much ? In that case, it will not be a cheap car.

SHRI F. A. AHMED : The existing price for cars ex-factory is Rs. 15,000 to 16,000.

SHRI BAL RAJ MADHOK : No, it is less.

SHRI PILOO MODY : You never bought a car in your life. You are using only government car. So, you do not know the price.

SHRI F. A. AHMED : The ex-factory price is Rs. 15,000 or 16,000.

SHRI BAL RAJ MADHOK : No, it is less. Look into the files. You are giving wrong information.

SHRI F. A. AHMED : The matter has gone even to the Supreme Court. We have fixed a certain price and they want further revision.

SHRI PILOO MODY : We want to know the consumer price ; we do not want to know of any other fictitious price.

SHRI F. A. AHMED : The consumer price will depend on the ex-factory price.

SHRI PILOO MODY : Whatever it is ; if you do not know, find out.

SHRI F. A. AHMED : Anyhow, it will be much cheaper than what you are getting at. It will be cheaper by about Rs. 5,000 to Rs. 6,000.

SHRI S. K. TAPURIAH : From these answers that we have been hearing ever since we are here, it is quite clear that Government is not at all interested in a cheap car. All that it is interested in is in having a small minister occupied in the Ministry.

In view of the fact that Government itself is engaged in the manufacture of vehicles in its ordnance factories, has it gone into the cost structure of vehicles which it manufactures in its own factories and come to the conclusion that in view of its experience of price that is taking place it is not at all possible to make a car at the price indicated by the hon. Minister ? Will he give a clear assurance that in no case the price will go above what he has indicated ?

SHRI BHANU PRAKASH SINGH : This question is regarding the small car and the hon. Member is talking of vehicles which is a different matter. Government does not manufacture a car...*(Interruption)*

SHRI S. K. TAPURIAH : He has no business to say that. He must resign. Is a car not a vehicle ? Does he want a stationary car or a toy car which will not move ?

SHRI N. K. SOMANI : Did you hear his answer, Sir ?

MR. SPEAKER : This question is very much pending for a long time. It came up during the last session also. If names of 13 hon. Members are clubbed together and if I call all the 13 hon. Members, I think, only this one question can be dealt with perhaps in two Question Hours. Therefore I would request the hon. Minister to give a clearcut answer so that there may be no need for further supplementaries and I may be in a position to say that it is a clearcut answer and I will not allow further supplementaries. I would request the hon. Minister to give full details in a very brief reply so that I may disallow all other supplementary questions which arise out of a rather vague answer.

SHRI F. A. AHMED : This question involves the question of price at which this

car will be available, the likely investment in the project, when the decision is going to be taken and whether this project will be accepted in the public sector or not. I have already pointed out that from the proposals available with us it appears that the small car will be available at about Rs. 5,000 to Rs. 6,000 less than what it is available at at present. It is expected that the investment will be about Rs. 20 crores and another Rs. 5 crores to Rs. 6 crores for ancillary industries ; that is, it will mean an investment of Rs. 26 crores to Rs. 27 crores altogether. So far as the decision is concerned, the Ministry has formed its opinion and the matter was sent to the Planning Commission for discussion. The Planning Commission, after discussing it, had asked for certain information which was supplied to them. The planning group had also recommended that there should be an expenditure of about Rs. 15 crores for the manufacture of this car, but the Planning Commission has not yet accepted it because they are finding it difficult to find the resources. Now the whole matter has been referred to the Cabinet for taking a decision.

MR. SPEAKER : There are 13 names here. Why not have a discussion rather than answering 13 supplementaries ? Is there any further need to ask supplementaries ? It is upto you to see.

SHRI RANJEET SINGH : In view of the fact that this Government has established a very elaborate automobile testing station in the country where all the tests that are to be conducted can be conducted, would the Government open the licensing of car production so that anybody may be able to manufacture a small car for himself ? At least at a stage when this Government has become a mini-Government, would they consider of having a mini-car ?

MR. SPEAKER : It is not a question, Shri R. Barua. Is there any need of asking a further question ? I do not think so. Shri Naidu.

SHRI CHENGALRAYA NAIDU : The Industries Department in the Government of India is the most inefficient Department.....

MR. SPEAKER; No speech please.

SHRI CHENGALRAYA NAIDU : They are not able to take a decision about the small car project. How many years will they take to come to a decision ? I want to know it from the Government as to when they will be able to take a decision. Is it a fact that they want to keep the State Governments who are asking for a small car project in suspense ? Is it not a fact that they want to help car manufacturers so that they get some help from them ? It is a fact that they are delaying things because Sahu-Jains are supporting the Prime Minister's son to get a prototype car approved ? How many more years will it take for the Government to come to a decision ? Is it because of these things that they are delaying things ?

MR. SPEAKER : There is no question.

SHRI CHENGALRAYA NAIDU : I want a reply from the Government.

SHRI K. LAKKAPPA : Now we are getting more secrets.

SHRI CHENGALRAYA NAIDU : If there is no reply, may I take it that these allegations are true ?

SHRI V. KRISHNAMOORTHY : For the last so many years, this Government has been saying that they will produce a small cheap car costing Rs. 7,000 or Rs. 7,500 and make it available to the ordinary citizens of the country. Now, the Minister comes and says that the ex-factory price will be Rs. 10,500 added with it another Rs. 5,500 which means it will cost Rs. 16,000. By their delaying tactics and by delaying the production or licensing of small car project, the people of this country are put to a great difficulty. In America, they are planning to ply their cars on the moon whereas here these people are unable even to supply ordinary small cars to the ordinary citizens of the country at cheap price.

May I know from the Government whether they will nationalise the whole car manufacturing industry ? Secondly, will they start on their own a small car project in the public sector to produce cheap cars within the means of ordinary citizens of the country, say, at about Rs. 10,000 a car in all ?

SHRI F. A. AHMED : As I have already replied, so far as the question of nationalisation is concerned, this subject-matter was raised in a talk with the Deputy Chief Minister of West Bengal when the Prime Minister went there. We have recently got some proposals. There is no proposal before us so far as nationalisation is concerned. But so far as the manufacture of car in the public sector is concerned, we are trying to have a project in the public sector which will provide to the consumer a much cheaper car than at the price at which it is available at present.

SHRI V. KRISHNAMOORTHY : You should make up your mind to supply a car for Rs. 10,000 or Rs. 11,000 ; or else, you should resign.

SHRI MAYAVAN : May I know whether any State Government have applied for the manufacture of small car project and if so, whether Union Government has got any intention of handing over this small car project to the State ?

SHRI BHANU PRAKASH SINGH : The Industrial Development Corporation of Mysore has applied for it, but it will depend on the report after considering it on merits.

SHRI MAYAVAN : I have not got the answer properly.

SHRI F. A. AHMED : There is a proposal from the Industrial Development Corporation of Mysore for manufacturing a car and that is also before the Planning Commission and the Government for decision.

SHRI R. BARUA : In view of the present paucity of funds, how is it that the Government of India is thinking of spending Rs. 28 crores at a time for production of small car ? They are also going to produce electrical appliances, refrigerators and other luxury goods. Ultimately the public transport suffers. Will the Government once and for all give an announcement that they are not going to give to the mini-car project any priority till the necessities of common man are satisfied ?

SHRI F. A. AHMED : On the one hand I am pressed that this is one of the

necessities of consumers and has to be given consideration, and on the other hand, the hon. Member is asking that this project should be given up. The Cabinet will take a decision whether we could provide investment for this project or not.

SHRI N. K. SOMANI : There are the very well known views that have been expressed by the Planning Commission from time to time, by a body which has the overall point of view of resources not only for the Fourth Plan but also for the Fifth Plan ; the continued opinion of the Planning Commission is that there is no need to establish another public sector automobile unit in this country ; and these views have been additionally fortified recently by the Chief Economic Adviser of the Indian Institute of Public Administration who has said that the solution to the rising car prices does not lie in setting up an additional car unit in the public sector. I would like to know what is the basis of taking decisions when the Cabinet and the Planning Commission are in direct confrontation with each other. I would also like to know why, if the Cabinet of this truncated Government has to contemptuously treat the Planning Commission, why do they not scrap it altogether ? I would also like to know in what way they would like to base their decision when economically and otherwise it has been established that there is no need for establishing another unit but what is needed is to have economic production from the existing units in the automobile industry.

SHRI F. A. AHMED : It is not correct for the hon. Member to come to the conclusion that the Planning Commission is opposed to the manufacture of cars on merit ; they are opposed because it has not been possible for them to find out the resources ; but they realise that in order to provide a cheaper car, in order to provide a better car, perhaps, it is necessary that there should be another unit for manufacturing car. The only difficulty has been to provide the necessary resources for the purpose of the project.

MR. SPEAKER : His question was a definite question : whether the Government has decided to overrule the advice of the Planning Commission.

SHRI F. A. AHMED : These matters have been discussed with the Planning Commission and their proposal as well as our proposal are before the Cabinet for consideration.

श्री रघुवीर सिंह शास्त्री : श्रीमन्, यह छोटी कार की चर्चा जब शुरू हुई तो सरकार की तरफ से यह बताया गया था कि उसकी कीमत 5000 रुपये होगी। उसके बाद 12000 रुपये पर बात आ गई तो अब इसकी ही क्या गारन्टी है कि वह 12000 रुपये ही बनी रहेगी और यह कि आगे और ज्यादा नहीं बढ़ जायगी? जैसा कि आमतौर पर देश में होता है और गवर्नमेंट ने यह वायदा किया था कि स्कूटर 1800 रुपये में मिला करेगा लेकिन वही स्कूटर 3500 रुपये में मिल रहा है। मैं पूछना चाहता हूँ कि क्या मंत्री महोदय कोई निश्चित वचन दे सकते हैं कि यह छोटी कार 12000 रुपये में मिलेगी और इससे उसका दाम ज्यादा नहीं बढ़ता चला जायगा?

श्री फखरुद्दीन अली अहमद : जो प्रपोजल हमारे पास आयेगे आन दी ऐग्जिस्टिंग प्राइस लेवल के हिसाब से उस ऐक्सपैक्टेड प्राइस में वह कार मिलेगी। अब आयन्दा क्या प्राइसेज का लेवल हो उसकी कौन गारन्टी दे सकता है?

श्री शिव कुमार शास्त्री : श्री रघुवीर सिंह शास्त्री ने निश्चित मूल्य के बारे में मंत्री महोदय से पूछा है लेकिन मैं उनसे इसका निश्चित समय जानना चाहता हूँ।

श्री फखरुद्दीन अली अहमद : इस मामले में जल्दी फैसला किया जायगा।

SHRI S. M. BANERJEE : Sir, now the list is over.

SHRI UMANATA : Now it is his turn.

MR. SPEAKER : I have not satisfied all the 13 names. No. 13 for a small car project is an unlucky number. You make it to 14.

SHRI S. M. BANERJEE : Since it appears that the Government would take some time to arrive at a final decision, may I know from the hon. Minister whether the Government is also considering to nationalise some of the automobile industry owned by the private sector till they have their own?

MR. SPEAKER : He has already answered it. It is not a new question.

Controversies Between Railway Board and Coal Industry over Coal Price Issue.

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- *38. **SHRI D. AMAT :**
SHRI S. P. RAMAMOORTHY :
SHRI C. MUTHUSAMI :
SHRI MEETHA LAL MEENA :
SHRI C. C. DESAI :
SHRI RAM SEWAK YADAV :
SHRI BIBHUTI MISHRA :

Will the Minister of RAILWAYS be pleased to state :

(a) whether there have been fresh controversies between the Railway Board and the Coal Industry over the coal price issue ;

(b) if so, the details of differences between the two parties and whether it is possible for Government to meet the demands of the Coal Industry ; and

(c) if not, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI R. L. CHATURVEDI) : (a) and (b). Agreement has been reached with the coal suppliers that a maximum increase of 70 paise per tonne would be allowed for supplies of all grades of coal purchased by the Railways from 1. 10. 1969 over the prices valid upto 30. 9. 1969.

(c) Does not arise.

श्री भीठालाल भीना : क्या सरकार इस बात का प्राश्वासन देगी कि जैसे और वस्तुओं की कीमतें बढ़ रही हैं उसी के अनुसार कोयले के दाम बढ़ाने के बारे में भी वह सोचेगी ताकि मजदूरों का फायदा हो सके ?