

**Shri Dinen Bhattacharya:** May I know whether this Delegation found anything contrary to the quality that is produced here and whether they have made any suggestions regarding the improvement of quality?

**Shri S. V. Ramaswamy:** They have made various suggestions. One of the objects of the Delegation was to receive complaints with regard to quality. With regard to that they have suggested some remedial action.

**Shri Dinen Bhattacharya:** May I know whether they have made any recommendation regarding the cost structure of goods produced here?

**Shri S. V. Ramaswamy:** The cost structure was not within their purview. They were mainly concerned with the market.

**Dr. Saradish Roy:** May I know the foreign exchange spent on this delegation?

**Shri S. V. Ramaswamy:** I am sorry. I do not have that figure with me.

**Shri Sheo Narain:** May I know the composition of this Delegation? Was there any Member of Parliament in it?

**Shri S. V. Ramaswamy:** There was no Member of Parliament in that Delegation, which consisted of five members including the leader.

**Dr. L. M. Singhvi:** Has this Delegation any suggestions to make in respect of the nature of competition offered in the international market for our jute goods and the steps we could take to see that we are able to operate effectively in spite of the competition offered by various countries?

**Shri S. V. Ramaswamy:** Yes, Sir. They have made various suggestions. There is a relentless pursuit for substitute goods for jute as packing materials. It is on this that the Delegation has made very many suggestions.

**Shri Ramaswami Tanti:** May I know whether it is a fact that the export of our jute goods has gone

up by Rs. 15 crores to 20 crores in spite of the incentives given by the Pakistan Government for their jute exports? If so, what are the reasons for that?

**Shri Manubhai Shah:** The reasons are that there is a shortage of good crop both in India and in Pakistan. So, we hope the Member's estimate will prove correct.

**Shri Lhadhar Kotaki:** May I know whether this Delegation in the course of their tours came across articles manufactured from jute but goods that are different from what we are manufacturing here that have got a better market and, if so, what steps have been taken to manufacture such articles from jute in our country also?

**Shri S. V. Ramaswamy:** For instance, cement is mostly packed in paper bags in place of jute bags which were used formerly. Similarly, sugar is being packed in polythylene sheets. For jute carpet-packing they are trying to find a substitute in plastics. All these cases are being studied.

#### Small Car Project

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Dr. L. M. Singhvi:  
Shri M. L. Dwivedi:  
Shrimati Savitri Nigam:  
Shri S. C. Samanta:  
Shri Subodh Hanada:  
Shri Onkar Lal Berwa:  
\*267. Shri Daljit Singh:  
Shri P. K. Deo:  
Shri P. C. Borooah:  
Shri M. L. Jadhav:  
Shri B. Barua:  
Shri D. D. Mantri:  
Shri E. Madhusudan Rao:

Will the Minister of Industry and Supply be pleased to state:

(a) whether any decision has been taken regarding the production of small economic car in the country.

(b) whether any action is proposed to be taken to reduce the prices of available cars;

(c) if so, in what way; and

(d) whether any import facilities are being extended to enable an increase in the manufacturing capacity in the country?

**The Minister of Heavy Engineering in the Ministry of Industry and Supply (Shri T. N. Singh):** (a) There has been no change in the decision of Government as stated in the House on the 9th August, 1962.

(b) and (c). At current levels of production in each of the three passenger car factories, it may not be possible to secure any material reduction in the price of cars to the consumers, which includes also the incidence of duties. In the long run, the main possibility of achieving substantial economies is to maximise the scale of production. Certain alternatives to achieve this objective are being examined.

(d) No facilities have been extended so far to existing car manufacturers to increase their manufacturing capacity.

**Dr. L. M. Singhvi:** May I know whether a proper appraisal of the idle capacity in the existing manufacturing units and the various components of prices has been made by the Government in this respect and whether Government is willing to say that more than 50 per cent of the capacity for manufacture in the country today is idle and that more than 50 per cent of the cost of production is in the form of direct and indirect taxes levied by the Government?

**Shri T. N. Singh:** The capacities and production are being constantly examined and we are also having constant discussions with the producers.

**Shri A. P. Jain:** Only discussion.

**Shri T. N. Singh:** The only way to reduce the price is by having larger production on assembly-line basis. The existing plants, as they are today, cannot undertake such large-scale production.

**Dr. L. M. Singhvi:** Sir, the question has not been answered. Has the Government made, or propose to make, any study of the extent of idle capacity and the various components of prices and there is 50 per cent taxation?

**Shri T. N. Singh:** Sir, I do not accept that proposition. We have licensed each unit for a particular number of cars and they were expected to equip themselves for that. They are being given licences in the shape of foreign exchange only for that level of production.

**Shri A. P. Jain:** That is no answer. The question has not been answered.

**Mr. Speaker:** Yes, for those two points no direct answer has been given.

**Shri T. N. Singh:** There is no question of evasion. I have stated that we do not accept the contention that there is 50 per cent idle capacity.

**Shri A. P. Jain:** You have to accept it; it is there.

**Dr. L. M. Singhvi:** That is a fact.

**Mr. Speaker:** If he does not accept it, I cannot force him to do so. I can only ask him to answer the question.

**Shri Surendranath Dwivedy:** Does he mean to say that there is no idle capacity?

**Shri T. N. Singh:** The fact is that, according to us, unless there is large-scale economy, the cost of cars cannot be reduced. They are not producing, what are called, assembly-line production. Unless that is done—and for that they do not possess the equipment

and plant, that is, for carrying on that large-scale continuous assembly production—it is not possible. That is what I was explaining.

**Dr. L. M. Singhvi:** Would the hon. Minister say that if a full measure of foreign exchange were permitted, the production of cars in this country could be increased by as much as 100 per cent at the very least and if raw materials could be made available at cheap prices, car production in the country could be augmented? I would like the hon. Minister to say very clearly as to what are those steps and alternatives which are being considered by the Government instead of giving a circuitous reply.

**Shri T. N. Singh:** If by 'foreign exchange' is meant, foreign exchange to import plant and machinery, of course, that has not been made available.

**Dr. L. M. Singhvi:** Raw materials.

**Shri T. N. Singh:** If by 'foreign exchange' is meant, necessary package for augmenting the production numbers of cars, has been allowed, then I would only submit that these factories have been licensed for a certain number of cars which they are expected to manufacture in a year and all the foreign exchange necessary for that number is being given.

**Dr. L. M. Singhvi:** On a point of order, Mr. Speaker. I quite appreciate that you can only ask him to answer a question. We only want to know whether, if full foreign exchange was permitted as required by the manufacturing units, they could produce 100 per cent more than the capacity of the existing manufacturing units. We want a straight answer rather than a roundabout answer.

**Mr. Speaker:** That is hypothetical.

**श्री म० ला० द्विवेदी :** क्या यह सच नहीं है कि जर्मनी में इससे भी बेहतर कार तीन हजार में मिल जाती है और टोकियो

में भी इससे बेहतर कार तीन चार हजार में मिल जाती है और उस पर इम्पोर्ट ड्यूटी भी दे दी जाए तो सात घाट हजार में यहाँ मिल सकती है ? यदि यह सच है तो यहाँ पर इंडिजिनस कार जो है उसके सोलह सतरह हजार में मिलने का क्या कारण है ?

**श्री त्रि० ना० सिंह :** यहाँ कार के दाम बहुत अधिक हैं, इसके बहुत से कारण हैं जो कि मैं बता सकता हूँ, अगर आप मुझे आज्ञा दें तो ।

**श्री म० ला० द्विवेदी :** प्रोडक्शन कम क्यों है ? ( इन्टरप्राज )  
He is giving evasive replies.

**Shri Bhagwat Jha Azad:** And he is laughing also.

**श्री गुलशन :** कारण इनको बतलाने दीजिये । ( इन्टरप्राज )

**अध्यक्ष महोदय :** मिनिस्टर साहब देखते हैं कि सभी मੈम्बर जो हैं, वे प्रार्थीकितव वायर्ज हैं ।

**Shri M. L. Dwivedi:** The entire country is a prospective buyer.

**श्री त्रि० ना० सिंह :** अगर आप चाहें तो मैं कारण बता सकता हूँ । बात यह है कि इस वक्त जो उन लोगों की प्रोडक्शन कैपेसिटी है और जो तरीके हैं, अगर ऊन्हीं पर चल करके मैनूफैक्चर होगा तो नतीजा यह होगा कि कास्ट जैसी की तैसी रहेगी । इस वक्त पैक्स मंगा लेते हैं और बाकी असेम्बल कर लेते हैं । जब तक यहाँ टोटल असेम्बली लाइन का प्रोडक्शन नहीं होगा, हर एक लाइन का नहीं होगा और उसके लिए करीब पचास हजार प्रोडक्शन होना चाहिये, तब तक इकोनोमी ग्राफ स्केल नहीं हो सकता है ।

**Shrimati Savitri Nigam:** How far is it correct that Government's policy itself is responsible for creating scarcity, on the one side, and

increasing the price, on the other, because during the last three years the manufacturers have not been allowed to import those parts which are necessary for the assembly of cars in that quantum which was accepted originally?

**Shri T. N. Singh:** Our problem has been that today the production of cars is mainly dependent on import of foreign components in a large measure. The policy of the Government has been to go ahead with, what is called, assembly line production for which nobody has come forward up to that measure.

**The Minister of Industry and Supply (Shri Dasappa):** If you permit me, Sir, may I just explain . . .

**Shri J. B. Kripalani:** May I also say something?

**Mr. Speaker:** Let me first give chance to those who have sponsored the Question.

**Shri Dasappa:** There seems to be misunderstanding with regard to the capacity . . . *(Interruptions)*

**Some Hon. Members:** No misunderstanding.

**Shri Raghunath Singh:** We want cheap cars.

**Shri Dasappa:** I am only trying to help them . . .

**Some Hon. Members:** We want cheap cars.

**Mr. Speaker:** They want only cheap cars and no other assistance.

**Shri Dasappa:** Here are some figures . . .

**Shri Jashvant Mehta:** May I know whether the misunderstanding is on the part of the Minister or . . .

**Mr. Speaker:** He may resume his seat.

**Shri Dasappa:** About the idle capacity, there seems to be some information in the possession of the House which, I am afraid, is not fully borne out by the facts. Here are some figures: Hindustan Ambassador Car—licensed capacity is 10,000. In 1960, it produced 9,199 cars; in 1961, it produced 11,256, over and above its capacity; in 1962, it produced 13,000 and odd . . .

**Shri A. P. Jain:** What is the idle capacity?

**Shri Dasappa:** Then, about Fiat Car, 7200 is the capacity; they have produced . . .

**Shri Bhanu Prakash Singh:** On a point of order, Sir. I want to know . . .

**Mr. Speaker:** When the Minister is still making a statement, a point of order arises in between!

**Shri Dasappa:** The demand today is about 40,000. That is what they say. The present demand . . .

**Mr. Speaker:** What they say is this.

**Shri Dasappa:** The capacity is less than what the demand is. *(Interruptions)*.

**Mr. Speaker:** They have asserted that there is idle capacity.

**Shri Dasappa:** I am showing it is not.

**Mr. Speaker:** He has answered that as against whatever has been authorised for production in those factories, the manufacturers are fulfilling those targets. But they want to know whether in spite of that they have the capacity installed which is lying idle. This is what they want. The targets given to them might have been low and they might have still the idle capacity with them at this moment.

**Shri T. N. Singh:** May I explain the position? It is always possible in a factory by importing a large number

of foreign components and parts to step up assembling, production . . .

**Shri A. P. Jain:** He is befooling us.

**Shri T. N. Singh:** But that is only marginal. I do not accept the proposition that they are working at 50 per cent capacity.

**Shri Raghunath Singh:** How many shifts are there?

**An Hon. Member:** You are not calling anybody from this side.

**Mr. Speaker:** I have only allowed two or three questions. Immediately the charge comes that this side has been neglected. Is it justified? First I will call those who have sponsored the Question and then I will see about others. The charge should not be flung at me that this side has been neglected and the other has been favoured.

**Shri Kapur Singh:** It is not a charge.

**Mr. Speaker:** It is a charge.

**Shri J. B. Kripalani:** It is very painful to see that the House is more agitated and more angry at the price of the car; it was not so angry at the rising prices of commodities. I never saw such a confusion.

**Mr. Speaker:** At this time, the relevant question is about cars.

**Shri A. P. Jain:** May I know, if the present three units engaged in the manufacture of cars were to work three shifts, how many cars they will be able to manufacture in a year and, if they were to work two shifts, how many cars they will be able to manufacture in a year and how many they are actually manufacturing today?

**Shri J. B. Kripalani:** How many people use cars?

**Shri A. P. Jain:** My hon. friend himself uses cars.

**Shri T. N. Singh:** I can give the figures in regard to the production up to date, by the various parties. I am giving the latest position up to July, 1964; 8500 Ambassador cars were produced; 2353 Fiat cars were produced and 1977 Standard cars produced. This is the position in regard to production in 1964.

As regards double shift or treble shift, it is very difficult to make a statement offhand.

**Shri A. P. Jain:** I seek your protection, Sir . . .

**Mr. Speaker:** Hon. Members would realise that I cannot go on in this manner during the question Hour. If they are so persistent they might ask for a separate discussion on that.

**Shri M. L. Dwivedi:** The hon. Minister is supposed to have studied the problem. Therefore, he cannot say that he cannot make any statement offhand. The month back, and yet was given one month back, and yet he says that he does know these things.

**Mr. Speaker:** Then, what is the demand? Should I dismiss the hon. Minister?

**Shri Nath Pai:** No, you may admonish him or reprimand him. If you dismiss him we may get a worse one.

**Shri A. S. Saigal:** Our request is only for a discussion for three hours.

**Mr. Speaker:** There is no question of reprimand. The hon. Minister has given the answer. I am suggesting to hon. Members that since so many of them are interested in this, if they ask for a discussion, I shall see that some time is allotted for that discussion.

**Shri A. P. Jain:** I seek your protection, Sir . . .

**Mr. Speaker:** Rather, I should seek protection from hon. Members just at this moment.

**Shri A. P. Jain:** I am too small a person to give you protection, but you can give me protection.

The point is this. I had put a very specific question. Now, there is a whole Ministry with a big paraphernalia of officers, and if the Ministry does not know how many cars the present units can manufacture, if they work two shifts or three shifts, I must say that the answer is just an attempt at befooling us. If they know it, why should they not give us those figures?

**Shri T. N. Singh:** I beg your pardon. I was not allowed to complete the answer which I was giving.

**Mr. Speaker:** I shall allow a discussion on this. Now, let us proceed to the next question.

#### Electric Engines at Chittaranjan

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\*268. { **Shri R. G. Dubey:**  
**Shri Yashpal Singh:**  
**Shri Vishram Prasad:**  
**Shri D. C. Sharma:**  
**Shri Jashvant Mehta:**  
**Shri Gulshan:**

Will the Minister of Railways be pleased to state:

(a) whether it is proposed to expand the production capacity of the electric engines at the Chittaranjan Locomotive Works during the remaining period of the Third Five Year Plan; and

(b) if so, the broad features of the project?

**The Minister of State in the Ministry of Railways (Dr. Ram Subhag Singh):** (a) Yes, sir.

(b) A statement is placed on the Table of the House. [Placed in Library See No. LT-3167/64].

**Shri R. G. Dubey:** May I know the requirements of the country and to what extent the present production is likely to cope with it?

**Dr. Ram Subhag Singh:** The additional requirements in the country are going to be about 215 during the Third Plan and about 612 electric engines in the Fourth Plan.

**Shri R. G. Dubey:** In case the expansion programme will materialise, to what extent will the production increase?

**Dr. Ram Subhag Singh:** The production at present is about 2 electric locomotives per month, and it is going to be 6 per month by the end of the Third Plan, and it will further increase during the Fourth Plan.

**श्री यशपाल सिंह:** क्या मैं जान सकता हूँ कि चितरंजन में इस वक्त कितने कम्पोनेन्ट्स बाहर से मंगाये जाते हैं और कितने यहां पर तैयार होते हैं, और कब तक हम इस मामले में सेल्फ सफिशिएंट हो जायेंगे।

**डा० राम सुभग सिंह:** अभी इसमें सेल्फ सफिशिएंसी की बात ज्यादा नहीं है क्योंकि अधिकतर सामान बाहर से ही आता है।

**श्री यशपाल सिंह:** यहां कितने बनते हैं।

**डा० राम सुभग सिंह:** अभी तो करीब करीब 60 प्रतिशत सामान बाहर से ही आ रहा है।

**Shri D. C. Sharma:** May I know whether the electric locomotives that are being produced in Chittaranjan are of the same high quality as the steam locomotives, and if so, how the quality has been determined?

**Dr. Ram Subhag Singh:** The quality is being determined on the basis of the electric locomotives that are run in foreign countries. So far we have produced 21 D.C. and 9 A.C. locomotives, and their quality compares