

LOK SABHA

Friday, December 2, 1966/Agrahayana  
11, 1888 (Saka)

The Lok Sabha met at Eleven of the  
Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Manufacture of Scooters and Auto-  
Cycles

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- \*631. Shri Vasudevan Nair:  
Shri Warrior:  
Shri D. C. Sharma:  
Shri Rajdeo Singh:  
Shri Balkrishna Singh:

Will the Minister of Industry be pleased to refer to the reply given to Starred Question No. 691 on the 26th August, 1966 and state:

(a) whether the applications for the manufacture of scooters and auto-cycles which were found suitable in the preliminary screening have since been finally considered;

(b) if so, the decision taken thereon;

(c) the names of the manufacturers to whom licences are proposed to be granted; and

(d) the target fixed for the manufacture of scooters and auto-cycles during the Fourth Plan period?

The Minister of State in the Ministry of Industry (Shri Bibudhendra Misra): (a) No, Sir.

(b) and (c). Do not arise.

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(d) The Fourth Plan targets for scooters and autocycles have not yet been finalised. The draft Outline of the Fourth Five Year Plan provides for a capacity target of 150,000 Nos. and a production target of 120,000 Nos. per annum by the year 1970-71 for the group of vehicle comprising Motorcycles, Scooters, and Mopeds. No targets have been mentioned in respect of autocycles.

Shri Vasudevan Nair: I should like to know when the applications were invited and when out of the total applications proper selection was made. What is the reason for this undue delay in coming to a final decision about the licences to be given? Is it because even our Fourth Five Year plan is hanging in the balance?

Shri Bibudhendra Misra: Applications were invited by May, 1965. In all, 192 were received. First, these were sent to the Screening Committee to be examined by certain officers of the Ministry. They have recommended about 17 applications. These have to be placed before the Licensing Committee. The target for the Fourth Plan has not been finally fixed. Everything is ready. So far as the auto-cycles are concerned, the licensing will be done in a month or two.

Shri Vasudevan Nair: When we consider the question of manufacture of scooters and autocycles, I should like to know whether there is any proposal for foreign collaboration in any of the projects that are there?

Shri Bibudhendra Misra: In most of the projects, there is a proposal for foreign collaboration.

**Shri Rajdeo Singh:** Are any applications from Eastern UP districts on the list before the Licensing Committee?

**Shri Bibudhendra Misra:** Yes, there are applications.

श्री म० लाल द्विवेदी: जो स्कूटर्स और घाटों साइकल अभी बन रहे हैं, उनके सम्बन्ध में सरकार ने यह निर्धारित किया था कि उनके इम्पोर्ट लाइसेन्स धीरे धीरे कम कर दिये जायेंगे, ताकि वे स्वयं आत्म निर्भर हो जायें। मैं जानना चाहता हूँ कि वेस्पा, लम्ब्रेटा, विकी आदि कौन से ऐसे हैं जो स्वावलम्बी बन गये हैं तथा अब भी कितनों को कितने प्रतिशत इम्पोर्ट लाइसेन्स दिये जा रहे हैं ?

**Shri Bibudhendra Misra:** So far as scooters are concerned, they have reached an indigenous content of more than 91 per cent.

**Shri M. L. Dwivedi:** About Lambretta and Vespa?

**Shri Bibudhendra Misra:** Scooters in general.

**Shri M. L. Dwivedi:** What about the others? There are some which are self-sufficient in this respect. They are not importing anything.

**Mr. Speaker:** There is none that is self-sufficient.

**Dr. L. M. Singhvi:** Have Government taken into consideration the extremely unconsionable gap in the point of time between the application for scooters and autcycles and allotment of the same? If so, may I know what is the gap in point of time now for an ordinary applicant, not a priority applicant, and whether Government are thinking of planning the manufacture of these in consideration of the rising demand for these vehicles by the common man?

**Shri Ranga:** There will be greater delay if they take it up.

**Shri Bibudhendra Misra:** So far as the gap of time is concerned, it will vary from place to place depending on the number of pending applications.

**Dr. L. M. Singhvi:** What is the largest gap of time, and where?

**Shri Bibudhendra Misra:** So far as the Central Government quota is concerned, the gap is about 3 years.

**Dr. L. M. Singhvi:** My question is for an ordinary applicant. The Central Government quota is a very privileged category, most people cannot avail themselves of it.

**Shri Ranga:** The Government of India is only in Delhi and not in other places.

**Mr. Speaker:** Mr. Borooh.

**Dr. L. M. Singhvi:** The answer should come.

**Shri P. C. Borooh:** In order to provide an element of competition to regulate quality and prices of the scooters and autcycles and also to break the monopoly held by a few industrialists, may I know whether Government have in contemplation introducing the public sector into this field by Hindustan Machine Tools; if so, what is the decision thereon?

**Shri Bibudhendra Misra:** There is no proposal of any public sector undertaking.

**Shrimati Savitri Nigam:** In view of the fact that there is such a great shortage that even the old scooters are being sold at black market prices, I would like to know from the hon. Minister how long it will take to take a final decision to license the capacity which may meet the requirements within the fourth plan to the extent that everybody gets a scooter or autcycle as soon as he applies.

**Shri Bibudhendra Misra:** So far as the autcycles are concerned, it is likely that a decision will be taken very soon, in a month or two.

**Shri Jashvant Mehta:** May I know whether the attention of the Government has been drawn to the report in the *Economic Times* of 1st December that no more units for scooter manufacture will be licensed? Is it a fact that the Development Council has taken such a decision? How many applications have Government received? Is it also a fact that due to the present difficulties of foreign exchange position no decision has been taken? Is there any application in which no foreign exchange is involved, or, if involved, is it to be met by the foreigner on a collaborator?

**Shri Bibudendra Misra:** No decision has been taken that there will be no unit. After the target has been fixed, it will be decided whether it can be done by the existing units or new units should come into operation. So far as the proposals before the Government are concerned, many of the applications have said that the indigenous content will be about 90 to 95 per cent.

**Shri Jashvant Mehta:** My question was whether there is any application which involves no foreign exchange.

**Shri Bibudendra Misra:** No.

**Shri Fatehsinrao Gaekwad:** All sorts of quotas are fixed, the Central Government quota, the State Government quota and so on. I want to know from the Minister the percentage of production available to the normal consumer.

**Shri Bibudendra Misra:** The Central Government quota is only 1,060 out of the total production, and the State Government quota is much less, and the rest goes to the normal consumer.

#### Manufacture of Tractors and other Agricultural Implements

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\*632. **Shri H. C. Linga Reddy:**  
**Shri P. R. Chakraverti:**  
**Shrimati Savitri Nigam:**  
**Shri. Vishwa Nath Pandey:**

**Shri Daljit Singh:**  
**Shri P. H. Kheol:**

Will the Minister of Industry be pleased to state:

(a) the facilities made available to manufacture tractors and other improved agricultural implements in the country to avoid import of the same from foreign countries;

(b) the number of tractor and power tiller manufacturing units so far licensed; and

(c) whether any survey has been made as to the number of tractors required in the country and how the demand is likely to be met?

The Minister of State in the Ministry of Industry (Shri Bibudendra Misra): (a) to (c): A statement is laid on the Table of the House.

#### STATEMENT

(a) and (b). Five firms in the private sector are already licensed for the manufacture of agricultural tractors. Two firms have also been granted licences for the manufacture of power tillers. Six more firms have been granted letters of intent for the manufacture of power tillers. Power driven agricultural implements are being manufactured in the country by a number of firms in the large, medium and small-scale sectors.

The Agricultural Tractor Industry has now been included in the list of priority industries and it is being assisted with foreign exchange to the full extent of the installed capacity. With this assistance, the production of agricultural tractors during 1967-68 is expected to increase substantially.

(c) The demand of agricultural tractors by 1970-71 has been assessed as 40,000 Nos. per annum. The combined capacity of the five units in the private sector licensed for the manufacture of agricultural tractors is 30,000 Nos. per annum. To fill the gap between the demand and the capacity already licensed, it is proposed to set up a public sector pro-