

बने जो डिस्ट्रिक्ट बोर्ड के बचले रहे और जो वह स्कीम की रिक्मेंटेशन हुई है, वह चाहते हैं कि एडवाइजरी कमेटी बनाकर उसके अनुसार काम चलावें।

Prices of Cars

*810. **Shri N. R. Munisamy:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the prices of small cars manufactured in India and also those which are imported, are steadily and rapidly rising; and

(b) if so, the steps taken in the matter to get these cars made available to consumers at reasonable prices?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): (a) and (b). A statement showing the prices in recent years of small cars produced in India is laid on the Table of the Lok Sabha. [See Appendix IV, annexure No. 101] Government do not consider that there has been a steady and rapid rise in their prices. The import of cars in built-up condition is not permitted on a commercial basis.

Shri N. R. Munisamy: From the statement, I find that the margin between the sale price and the net dealer price is about Rs. 1,500. May I know whether any steps will be taken in the first instance to reduce this margin to the barest minimum level, say, two to three per cent., to enable the middle class people to make their purchases, before the prices are restored to the 1955 level?

Shri Satish Chandra: If the hon. Member looks into the statement carefully, he will not see a difference of Rs. 1,500 in any case, as he says.

Shri N. R. Munisamy: We cannot be like *banias* calculating two per cent. and three per cent. here. If it is not Rs. 1,500, it may be Rs. 1,100. I find from the statement that in the case of Hindustan Landmaster, the net dealer price on 1st January, 1955

was Rs. 8,380, whereas the sale price was Rs. 10,475. We see clearly a margin of more than Rs. 1,500 here.

Shri Satish Chandra: The Tariff Commission went into this matter in 1956. I would draw the attention of the hon. Member to the report of the Tariff Commission to find out as to how they fixed the prices after a lot of consideration and after taking into account, the maintenance responsibilities, servicing etc. of the dealers, they have allowed 10 per cent. margin on the cost price. That is the present basis of calculation. So, as the price of the car in every case is about Rs. 10,000, there is enough margin of more than a thousand rupees.

Shrimati Tarkeshwari Sinha: From the statement it appears that while in the case of Fiat '1100' and Standard '10' the prices prevailing since 1955 to date are more or less the same, yet in the case of Hindustan Landmaster, the price that prevailed in 1955 was Rs. 10,475, then it came down to Rs. 9,845 in 1956 and 1957, but in 1958 it has gone up to Rs. 11,161. May I know the reason for this difference in cost and the difference in the retail price?

Shri Satish Chandra: The hon. Member will see from the statement that there has been a rise of Rs. 400 per car in the case of Fiat '1100' from 1955 to 1958. Though the rise in the dealer's price is Rs. 908, as they were allowed a higher margin during the previous years, it has been partially absorbed, and the retail price is not affected to the same extent.

As far as the Hindustan Landmaster is concerned, it was being sold in 1956 at Rs. 9,845, but the Tariff Commission on inquiry found that the Hindustan Landmaster was actually being sold to dealers at below cost price...

Shri Tyagi: Why?

Shri Satish Chandra: Just to push their sales. It was a full inquiry and they fixed a price of Rs. 10,146, and a margin of 10 per cent. was allowed in the retail price like in other cases.

Shri Joachim Alva: How is it that a poor country like India can afford the luxury of having three different kinds of small cars instead of having one simple model?

The Minister of Commerce and Industry (Shri Morarji Desai): That was the past consideration. Now they are there.

Shri Damani: What is the total production of small cars in our country and whether it is sufficient to meet the requirements? If not, what action is being taken to increase the production?

Shri Satish Chandra: The production in 1957 was about 31,000 units of cars, trucks and all other motor vehicles. The estimated demand in 1960-61 is about 65,000 vehicles. But as a percentage of components has to be imported, production has also to be limited in view of the foreign exchange shortage.

Shri Rameshwar Rao: Are Government aware that a certain Indian engineer, an employee of the Government of India, has designed a car which can be produced in India for about Rs. 4,000?

Shri Satish Chandra: I am not personally aware.

Shri Rameshwar Rao: This car was exhibited in the Industrial Exhibition in Hyderabad two years ago. Would Government like to take any further action in the matter?

Shri Morarji Desai: We shall certainly inquire. I do not know of this car myself.

Shri Tyagi: May I take it from the answers of the Deputy Minister that the Hindustan Landmaster was selling at a cheaper price but the Tariff Commission enhanced the price and forced Government to ask the producers to realise more from the consumer than what they were realising?

Shri Morarji Desai: If I may say so, the question is very wrongly put. It is not that the Tariff Commission forced Government to give more price

to the producer who were giving the car at a less price. The point is that they were giving it at a lesser price and they were asking for a higher price because they said that they were put to a loss. Therefore, the matter was examined by the Tariff Commission, and then we came to this conclusion that they were selling at a loss. Therefore, the price was allowed to be enhanced.

Passport Irregularities in Bombay

*811. { **Shri Raghunath Singh:**
Shri Nath Pal:
Shri S. C. Samanta:

Will the Prime Minister be pleased to state:

(a) whether it is a fact that some Police Officers from Bombay have been suspended as a result of what is alleged to be departmental irregularities in the handling of passports; and

(b) if so, the number of Police Officers involved and the particulars of irregularities?

The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan): (a) and (b). Yes, two Inspectors and seven Sub-Inspectors of Special Branch II, Bombay C.I.D., have been suspended with effect from 8th February, 1958 due to gross negligence on their part in the handling of passports at the Santacruz Airport, Bombay.

Shri Raghunath Singh: How many persons have utilised false passports and have gone to foreign countries?

Shri Sadath Ali Khan: So far it has been established that about 100 such passengers have been sent to the U.K. from the Santacruz Airport, Bombay, during the past six months.

Shri Raghunath Singh: May I know whether three gentlemen by name, Huk, Mangatram and Thakurdas, are also involved in these cases?

Shri Sadath Ali Khan: Yes, that is true.