

have been sold and how many are still in stock?

**Shri Kanungo:** The tyres are imported by S.T.C. and the whole lot of them have been allotted.

**Shri Vidya Charan Shukla:** How many have been sold?

**Mr. Speaker:** That does not arise. The question refers to the import of tyres.

**Shri Kanungo:** They have been allotted.

**Shri Punnoose:** May I know whether these tyres were ordered after the samples were examined; and is it the point that the supply stuff does not tally with the sample?

**Shri Kanungo:** As I have said, we are now investigating into the complaint whether it is due to manufacturing defects or to accidents.

#### **Increased Production of Ambassador and Fiat Cars**

+  
\*1363. { **Shri P. R. Patel:**  
**Shri K. U. Parmar:**  
**Shri Fatehsinh Ghodasar:**

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

(a) whether Hindustan Motors Ltd. and Premier Automobiles Ltd. have been asked to produce more Ambassador and Fiat Cars to reduce scarcity; and

(b) whether these companies have written to Government offering to reduce the price of their cars if they are allowed to increase their production capacity?

**The Minister of Industry (Shri Manubhai Shah):** (a) and (b). A statement is laid on the Table of the Sabha. [See Appendix III, annexure No. 56.]

**Shri P. R. Patel:** What is the production capacity of these three concerns mentioned in the statement?

**Shri Manubhai Shah:** They can go up gradually to double the present production. But this year, as I have stated in the statement, in the past three months there has been a record production not so far achieved.

**Shri P. R. Patel:** Is it because of inadequate provision for foreign exchange that they are not able to produce to capacity?

**Shri Manubhai Shah:** No. The plant and equipment and machinery required for more production have been ordered out by the firms and as soon as they come the necessary foreign exchange will be utilised for more production.

**Shri S. M. Banerjee:** From the statement it is seen that Ambassadors and also Jeeps have reached a record production in March, 1960. I want to know whether the prices are likely to be reduced because of more production, because more production generally means less cost of production?

**Shri Manubhai Shah:** If during a particular month the production goes up or there is this type of increase, it does not lead to that type of production.

**Shri Tangamani:** During the first three months of this year 6,399 cars have been manufactured. May I know whether Government will be able to tell us how many cars will be manufactured within the three months following, that is from April to June?

**Shri Manubhai Shah:** It is very difficult to assess, but the rate is likely to be maintained and also increased.

**Shri S. M. Banerjee:** May I know whether it is a fact that all the components of the Ambassador and Fiat are still not being manufactured either by Premier Automobiles or Hindustan Motors, and in what year they are likely to reach the target of self-sufficiency manufacture of all the components?

**Shri Manubhai Shah:** I have had the privilege of placing the statements

repeatedly several times before the House, and the percentages are fairly well known now. The Hindustan Ambassador has reached 71 per cent., Fiat has reached a percentage of about 58, and Standard about 37 per cent. Efforts are being made, and according to the phased programme, by the end of the Second Plan period, all of them are likely to reach 80 to 85 per cent., which is the maximum indigenous content of automobiles practically.

**Shri P. R. Patel:** May I know whether the Premier Automobiles have written to Government that if they are allowed to produce small cars, they could sell them in the market at Rs. 8,500?

**Shri Manubhai Shah:** They have never written like that, and there is nothing to prevent anybody from increasing more production. As a matter of fact, this increased production, which as far as Fiat is concerned is twice the previous year's level, is due to our giving them more assistance. And the more sheet metal and pressing plant, for which they are now enquiring about, and other things are produced, the greater will be the production.

**Shri Vidya Charan Shukla:** May I know if any special licence has been given to Premier Automobiles to manufacture 200 units of Plymouth cars and, if so, what would be the indigenous component of these cars?

**Shri Manubhai Shah:** As the House is aware, we discontinued the manufacture of big cars, because it is neither paying in capital cost nor in manufacturing cost. This was for the Department of Tourism, where to attract foreign tourists and to provide them with long distance transport, as a special case, 200 big cars were allowed to be imported, and assembled more or less. There is no question of saving any foreign exchange on any components.

**Shri Joachim Alva:** Is it not true that all these three car manufacturers and also the jeep manufac-

turers are being pampered at the cost of the consumer, and the car production is not sufficient and all the parts are not manufactured here; and the jeep manufacturer alone was allowed a large amount of foreign exchange for import of parts?

**Shri Manubhai Shah:** I have dealt with it. All of them are progressing according to the schedule, and we hope that most of them by the end of the Second Plan period will reach the normal self-sufficiency possible in an automobile industry.

#### Spanish Press Delegation

\*1364. **Shri Aurobindo Ghosal:** Will the Prime Minister be pleased to state:

(a) whether the Spanish Press delegation has recently visited India; and

(b) if so, what for and on whose invitation?

**The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):**

(a) Yes.

(b) A delegation consisting of 4 leading Spanish journalists was invited by the Government of India to visit this country to enable them to have a first-hand knowledge of our development projects and educational and cultural activities.

**Shri Aurobindo Ghosal:** What is the present relationship of our country with Spain?

**Shrimati Lakshmi Menon:** Very friendly, Sir.

**Shri Joachim Alva:** On a former occasion, when a foreign Editors' delegation came here, I had put a question that these delegations are taken in a kind of way outside and none of them is allowed to meet the Journalist-Members from all parts of this House, and the hon. the Speaker was good enough to say that the Ministry would take note of this suggestion and that something would be done. May I know why, when the Spanish Press delegation came, especially in view of