

possible. In respect of industries which require licenses, consideration is given to backward areas in issuing letters of intent.

### **Export of Maruti Cars to Yugoslavia**

1200. SHRI VIJAY KUMAR YADAV:  
SHRI BALRAJ PASSI:  
SHRI BARE LAL JATAV:  
SHRI RAMKRISHNA  
KUSMARIA:  
SHRI SANTOSH KUMAR  
GANGWAR:  
SHRI PRABHU DAYAL  
KATHERIA:  
SHRIMATI GIRIJA DEVI:  
SHRI RAM BADAN:  
SHRI DEVENDRA PRASAD  
YADAV:

Will the PRIME MINISTER be pleased to state:

(a) whether the attention of the Government has been drawn to the news item captioned 'Maruti, Kamane Aur Gawane Ki Kahani' appearing in Hindi Daily Jansatta dated January 27, 1992;

(b) whether 125 left hand driven Maruti cars were sent to Kandla port for shipment to Yugoslavia in 1989 without any letter of credit from Yugoslavia;

(c) if so, the reasons therefor;

(d) whether these cars were damaged due to poor handling at Kandla and later sold to Hungary without any foreign exchange;

(e) if so, the details thereof and the reasons therefor;

(f) whether the speedometers imported from Hungary in lieu of these cars were faulty;

(g) whether the Union Government have conducted any inquiry in this regard;

(h) if so, the details thereof; and

(i) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI P.K. THUNGON) (a) Yes, Sir.

(b) and (c). A contract for the export of 300 Left hand Drive cars was signed by Maruti Udyog Ltd. (MUL) with M/s. Balkanija in Yugoslavia on 7-4-89. M/s. Balkanija in Yugoslavia on 7-4-89. M/s. Balkanija had desired that shipment of cars be made in the period May-June 1989, and had promised to open the letter of credit. In order to meet the shipment schedule production of vehicles was taken up and despatch of vehicles to the port was started. However, despatches were stopped on 19-5-89 when 120 cars had been sent to Kandla because it then appeared that Balkanija would not open the letter of credit. The production of these cars, and despatch to Kandla, was started in good faith assuming that Balkanija would open the letter of credit.

(d) and (e). There was no serious damage to the cars, and subsequently these cars were exported to Hungary, on payment of the full price in foreign exchange.

(f) The speedometers are being imported to Hungary, as a part of the Frame Agreement signed with that country, and only those speedometers, which meet with specifications, are accepted and paid for by Maruti Udyog Limited.

(g) to (i). Do not arise.