

RAL GAS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BRAHMA DUTT): (a) to (d). No, Sir. The tender has been kept in abeyance as certain proposals for providing better support to indigenous companies and joint ventures are under Government's consideration.

[*Translation*]

SHRI PRAKASH CHANDRA: Mr. Speaker, Sir, may I know from the hon. Minister the number of oil rigs being utilized by the Department, the number out of them taken on hire as well as owned by the O.N.G.C. and the hire charges paid to other countries during the last three years?

SHRI BRAHMA DUTT: Mr. Speaker, Sir, at present we have about 82 rigs on shore. Out of which 78 rigs are our own and 4 rigs have been hired. Out of the rigs off shore, 7 are our own and 13 have been hired. As regards payment of hire-charges to other countries, I want a separate notice.

SHRI PRAKASH CHANDRA: My second question is as to how many of these are jack-up rigs and whether it is economical to have both kinds of rigs and how these are useful for the new drilling technology?

SHRI BRAHMA DUTT: Mr. Speaker, Sir, in my opinion it is desirable to have both kinds of rigs. We cannot afford to purchase all the rigs at a time because heavy amount of money is involved. When we go in for new rigs, we do keep in mind the new technology also.

[*English*]

SHRI LAKSHMAN MALLICK: Sir, the Hon'ble Minister has stated in his reply that certain proposals for providing better support to indigenous companies and joint ventures are under consideration of the Government. I would like to know from the Hon'ble Minister which are the indigenous companies which have submitted the tenders to supply oil rigs. I would also like to

know whether the Government have examined their capability and, if so, what are the steps taken to encourage these indigenous companies and joint ventures?

SHRI BRAHMA DUTT: Sir, for this particular tender, 14 Indian bidders were there. Of course, there is foreign collaboration with all of them. Should I read these 14 names?

MR. SPEAKER: You lay it on the Table of the House.

SHRI BRAHMA DUTT: Seven foreign bidders also gave their tenders. But we feel that enough incentive is not available in the oil field to the service companies. We are talking to the Finance Ministry about it. As soon as the things are settled, we will open them.

SHRI. D.N. REDDY: May I know from the Hon'ble Minister if there have been any middlemen in this transaction?

(*Interruptions*)

SHRI BRAHMA DUTT: I have yet to meet a middleman.

MR. SPEAKER: Shri Radhakanta Digal — not present;

Shri Manik Sanyal — absent;

Shrimati Geeta Mukherjee.

SHRI S. JAIPAL REDDY: The train is moving very fast, Sir.

MR. SPEAKER: It is 'Rajdhani'.

Increase in the prices of truck tyres

*906. SHRIMATI GEETA MUKHERJEE:

SHRI BALWANT SINGH

RAMOOWALIA:

Will the Minister of INDUSTRY be pleased to state:

(a) whether there has been an unprece-

mented rise in the prices of truck tyres in the market recently;

(b) if so, the details thereof;

(c) whether Government had held discussions with the representatives of tyre dealers, the All India Motor Transport Congress and the tyre manufacturers on this problem; and

(d) the outcome of the discussion? -

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNA CHALAM): (a) and (b). There has been an increase in the market prices of truck tyres in recent

months. The details of the price rise in respect of the tyre sizes 1000x20/16PR Nylon and 900x20/16PR Nylon are given in the enclosed Statement I and II. It would be seen therefrom that the price rise is much more in the case of tyres of 1000x20 size.

(c) and (d). Government have discussed the situation with the representatives of the Tyre Manufacturers, All India Motor Transport Congress and the All India Association of State Road Transport Undertakings. The Manufacturers' Association has been asked to rush supplies of tyres of these sizes to markets where the prices are showing an upward trend. The Government are keeping a close watch on the situation.

STATEMENT-I

Price Trend of Truck Tyres

(Reported in 'Wheels of India')

(1000 x 20 - 16 PR - NYLON)

(Figures in Rupees)

Name/brand	July '86	Aug '86	Sept. '86	Oct. '86	Nov. '86	Dec. '86	Jan. '87	Feb. '87	Mar. '87	Apr. '87.
MRF SL	5500	5400	5500	5625	5900	5950	5700	5775	5900	6350
	5325	5300	5400	5575	5610	5900	5700	5770	5775	6075
MODI N 416	5200	5300	5325	5425	5405	5375	5400	5365	5430	5750
	5200	5210	5310	5400	5375	5350	5350	5350	5330	5525
JK Jet Trek	5100	5140	5200	5300	5285	5300	5300	5275	5375	5650
	5075	5100	5160	5220	5240	5285	5250	5260	5300	5400
CEAT HCL 80	5125	5250	5250	5350	5300	5325	5325	5300	5350	5700
	5125	5125	5250	5275	5270	5300	5250	5275	5300	5425
GOOD YEAR SCR Spl.	5200	5275	5275	5350	5350	5350	5300	5275	5375	5650
	5200	5200	5275	5300	5325	5325	5275	5275	5275	5425
APOLLO HERCULES	5260	5260	5300	5375	5400	5400	5350	5375	5400	5800
	5260	5150	5200	5325	5350	5350	5325	5350	5375	5400
VIKRANT EMPEROR	5125	5050	5050	5200	5200	5175	5125	5250	5350	5575
	5000	5000	5050	5100	5100	5125	5125	5250	5250	5400
DUNLOP PLUS 101	5100	5200	5225	5325	5280	5300	5250	5275	5300	5675
	5660	5100	5200	5250	5280	5300	5250	5275	5250	5415

(Top figures denote maximum and bottom figures denote minimum price)

STATEMENT -II

Price Trend of Truck Tyres
(Reported in Wheels of India)

(900 x 20 - 16 PR - NYLON)

(Figures in Rupees)

Name/brand	July '86	Aug '86	Sept. '86	Oct. '86	Nov. '86	Dec. '86	Jan. '87	Feb. '87	Mar. '87	Apr. '87. (Till/24.4.87)
MRF SLEX	4575	4650	4700	4750	4750	4750	4750	4650	4725	5000
	4575	4575	4650	4725	4750	4750	4650	4650	4650	4750
MODI N 416	4575	4600	4620	4650	4650	4650	4650	4550	4650	4900
	4500	4500	4600	4625	4650	4650	4550	4550	4550	4700
CEAT CLT	4525	4575	4600	4600	4625	4625	4600	4575	4625	4825
	4500	4525	4600	4600	4600	4600	4575	4575	4575	4720
APOLLO HERCULES	4500	4525	4525	4525	4525	4525	4525	4525	4575	4750
	4500	4500	4525	4525	4525	4525	4525	4500	4500	4625
DUNLOP PLUS 101	4450	4450	4450	4500	4500	4500	4500	4500	4500	4700
	4425	4425	4450	4500	4500	4500	4500	4500	4500	4600
VIKRANT XL-18	4300	4300	4300	4300	4280	4280	4280	4400	4450	4575
	4200	4300	4300	4300	4280	4280	4280	4400	4400	4525

(Top figures denote maximum and bottom figures denote minimum price)

SHRIMATI GEETA MUKHERJEE: In reply to my question, the Government has made a statement wherein they have admitted that between July 1986 to April 1987, the price of popular brand tyre 1000x20/16PR Nylon has gone up by Rs. 850 per tyre. Sir, so far as my knowledge goes, if you take the period October '84 to April '87, into consideration, the price rise is Rs. 2,000 per tyre.

Is it a fact that the Bureau of Industrial Costs & Prices in its report in 1983 found that while the input cost of tyre of the same type in the minimum range increased by Rs. 153 but the price per tyre increased by Rs. 362, conclusively proving that the manufacturers have a big profit margin?

Is it also a fact that the Government in this situation reduced the excise duty on tyre by 10% in October 1983, benefit of which was not passed on to the consumers?

SHRI M. ARUNACHALAM: Sir, we had asked the opinion of the BICP. The BICP have given its opinion. There is a price rise in the tyre. But the BICP did not study the conversion cost during this period and only the impact of the increase in the prices and raw materials was studied

Sir, as far as Madam's question is concerned, we too agree that prices have increased. We have called the Manufacturers' Association and prices of certain varieties started declining in the month of May. If you want, I will give you the figures.

The price of MRF 1000x20 tyre was Rs. 6350 on 24.4.1987 and it has come down to Rs. 6150 on 1.5.1987. Likewise, the price of MRF 900x20 was Rs. 5000 on 24.4.1987 and it has come down to Rs. 4975 on 1.5.1987.

SHRIMATI GEETA MUKHERJEE. What is the Minister labouring for? Is he trying to say that the increased input cost is commensurate with the increased prices of tyres? What is his contention? You decreased the excise duty by ten per cent in

October 1983, but did this benefit go to the consumers?

SHRI M. ARUNACHALAM: I have already stated that the BICP did not study the conversion cost during that period. We are expecting the second report of the BICP about the price rise effected by the manufacturers during 1985-86.

SHRIMATI GEETA MUKHERJEE: Sir...

MR. SPEAKER: You want to ask a third question. Just like the tyre manufacturers are you going to monopolise this question? All right.

SHRIMATI GEETA MUKHERJEE: In part (b) of my question, I had asked whether the Government met the manufacturers association as also the representatives of the tyre dealers. What steps have they taken? If they met, what were the results? The Government says that they have asked the manufacturers to rush supplies of tyres of this size to the market and the Government are watching the situation very closely. The Public Accounts Committee in its 43rd Report on this subject stated:

"The Committee have expressed their concern that Government finds itself helpless in the face of manufacturers' determination to keep prices of tyres at levels acceptable to them"

I would like to know whether the Government have remained as helpless as ever after the report of the Public Accounts Committee and are only watching the situation, or have they taken any effective steps in this direction.

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): I agree with the hon. Member that there is really a price rise in the case of tyres. There is scarcity also in the market specially of heavy truck tyres. In March there was a sale of 60000 tyres. After discussions with the tyre manufacturers they have agreed to put 77000 more

tyres in the market in the months of May and June. They have also agreed to stop the export for these two months to other countries. That is why, we hope that the prices will come down and there would be no scarcity of tyres.

SHRI BALWANT SINGH RAMOOWALIA: The Goa factory and few other factories have been locked out during the last six months. Secondly, the Minister told us just now that the export is being suspended for two months. As you know, the country is earning a sum of Rs. 50 crores from the export of tyres. Is it a fact that the scarcity of tyres is because of the reason that the dealers are hoarding the tyres? Are you taking any action against the hoarders?

SHRI J. VENGAL RAO: Sir, this tyre-manufacturing industry is in the hands of a four or five big monopoly houses. They are dictating the terms. But now the Government has given licences to various States for manufacturing tyres.

In the meanwhile as the hon. member mentioned, in Goa the MRF Tyres Unit is closed and in Bombay the Modi International is closed because of labour trouble.

The hon. member mentioned about exports also. They are exporting Rs. 50 crores worth of tyres. They will be deferring exports, to the extent possible for these two months. From July onwards, they can again export because the position will be improving.

SHRI BALWANT SINGH RAMOOWALIA: I asked about the hoarding.

(Interruptions)

SHRI J. VENGAL RAO: I told him that these four big business houses are controlling the whole market. That is why, we have already issued a licence to the Government of Punjab for the manufacture of tyres. And in Andhra Pradesh we have

issued licence to the Road Transport Corporation to manufacture tyres.

MR. SPEAKER: You make them understand that they have to abide by the general principles.

(Interruptions)

MR. SPEAKER: He is a very effective man. He will take action.

[Translation]

SHRI BALKAVI BAIRAGI: Mr. Speaker, Sir, I want to ask a simple question from the hon. Minister through you and it is that.....

MR. SPEAKER: Do you think, they were asking knotty questions.

SHRI BALKAVI BAIRAGI: They do not put them in a proper form. My simple question is that in the rural areas, the tyre-dealers are selling bus-tyres in the black market at a premium of Rs. 800. Even cycle-tyres are being sold at a premium of Rs. 25 to Rs. 30. It is not that these are not available in the country and if these are not available, it is for you to see. It is however, very difficult to get tractor, bus or trolley tyres in the rural areas and as such may I know the time by which you will be able to rectify this situation after holding talks with the tyre-dealers?

[English]

SHRI J. VENGAL RAO: This question is about truck tyres and not about tractor tyres. As I said, we know how to tackle these persons.

MR. SPEAKER: Yeah, you know it. They must understand.

SHRI J. VENGAL RAO: We have given them one month's time. If they will not come round, we will tackle them properly.

PROF. MADHU DANDAVATE: Is it a

fact that according to the MODVAT Scheme that you have introduced, the value added price will be on the final product and not on the intermediate products or raw materials? If so, will you, therefore, treat the entire truck as the final product and the tyres only as the input and avoid value added price on the tyre and put it only on the final truck?

SHRI J. VENGAL. RAO: I hope, not including the goods and the driver also.

Perspective Plan for power generation by Neyveli Lignite Corporation

907. DR.V. VENKATESH: Will the Minister of ENERGY be pleased to state:

(a) whether the Neyveli Lignite Corporation has submitted to Government a perspective plan to generate 7120 M.W. power by the turn of this century;

(b) if so, the details thereof; and

(c) Government's reaction thereto?

THE MINISTER OF ENERGY AND MINISTER OF STEEL AND MINES (SHRI VASANT SATHE): (a) and (b): Neyveli Lignite Corporation has tentatively outlined a plan for further power generation capacity additions in the coming years. This envisages an addition of about 5000 MW to the capacity already existing and under execution.

(c) The taking up of new projects would be governed by availability of resources.

DR. V. VENKATESH: Mr. Speaker Sir, I am extremely sorry and I am telling this in deep anguish. I feel, I am helpless in this House. Again and again, I have to tell the same thing. Last time also, the same type of question had appeared. You are not able to protect me...

SHRI P. KOLANDAIVELU: If it were the same question, how can it be repeated again?

MR. SPEAKER: That shows how much we protect him!

DR. V. VENKATESH: My question is not actually this Sir. The original copy of the question is here. I want to read it out.

MR. SPEAKER: Is it a by-product?

DR. V. VENKATESH: "Whether the Government's attention has been drawn to the news item appeared in the Business Standard, Calcutta, dated: 6th April, 1987 under the caption, NLC perspective plan under study by the Government and if so, the facts thereof and the reaction thereto and what further steps being contemplated to ensure that the Neyveli Lignite Corporation Ltd. or its management does not grow with any kind of vested interests?"

This was my original question. But without giving any notice to me, the Ministry has framed a different question and I am not prepared to put any supplementary. For his own convenience, he has done like this. The other day in regard to the same firm, there were lot of things said....

(Interruptions)

Dr. V. VENKATESH: You also observed...

(Interruptions)

MR. SPEAKER: Look here, newspaper based questions are not done like this. It is done according to the Rules.

(Interruptions)

DR. V. VENKATESH: Why are they doing like this? Perhaps there is a vested interest in this, from the Ministry side! Therefore, I am asking if there is a fish in that...

(Interruptions)

DR. V. VENKATESH: That is why I wanted to ask this question. Therefore, I do