

[Shri Surendranath Dwivedy]

In this connection, I want to refer to this aspect. After all, they have the Company Law Administration to administer all these powers which have been taken by this Government and this executive. Now, there is a history behind the company law administration itself which is known as the Company Law Board or something like that. For 20 years they have discussed as to what will be the powers etc. of this body, and they have wasted time—it was under the Commerce Ministry. It was again transferred to the Commerce and Industry Ministry, after it was taken over by the Finance Ministry for some time. Now, it has again come back to the Finance Ministry. One does not know whether this is the final thing or again they are going to transfer it to some other Ministry or not. But what is the record of this Company Law Administration? It is very disappointing indeed. It is not that these things have not come to the notice of the Company Law Administration. It is not that reports of malpractices in respect of various companies have not been brought to the notice of this administration or the Government. The point is they have always hesitated to take action. Even in the case of the "Mundra deal", I would respectfully submit, it is not the Company Law Administration that unearthed it.

Mr. Speaker: Is the hon. Member going to conclude his speech in a few minutes?

Shri Surendranath Dwivedy: No, Sir: I have just begun.

Mr. Speaker: Then he may continue next time. We have to take up another item now.

16 hrs.

DISCUSSION RE: MANUFACTURE,
CONSUMPTION AND PRICE OF
CARS—Contd.

Mr. Speaker: The House will now take up the discussion under Rule

193, the discussion on manufacture, consumption and price of cars. We had originally allotted two hours for this discussion. About twelve hon. Members have already spoken on this. I have a list of 18 others, besides those who might try to catch my eye.

Shri Hari Vishnu Kamath (Hoshangabad): It may be extended by one hour.

Mr. Speaker: That one hour we are having today.

Shri A. P. Jain (Tumkur): Let it be exclusive of the Minister's reply.

Mr. Speaker: Even if I extend it by another hour I cannot accommodate such a large number.

Shri M. L. Dwivedi (Hamirpur): Let it be two hours more.

Mr. Speaker: Then too, if I give ten minutes to each hon. Member it means that I require three hours for 18 hon. Members whose names are here. Besides those 18, there would be others also who have not given their names, but are anxious to speak.

The Minister of Finance (Shri T. T. Krishnamachari): Cars are very interesting, and if I am a layman I would also like to speak.

Mr. Speaker: I would also like that hon. Members have a free expression of their views. What does the Minister say?

The Minister of Heavy Engineering in the Ministry of Industry and Supply (Shri T. N. Singh): I am unable to say anything. As has been the experience, it may not be possible for the House to continue after 5.00 because there may be lack of quorum. Therefore, my suggestion is that if possible we may finish this discussion today instead of dragging on this debate for more than two days. But I cannot advise you as to how you will manage such a large number of speakers. I do not want any hon. Member to be deprived of his say.

Shri A. P. Jain: It is not a question of two days. On the last day we had only two hours and today we are to have one hour.

Shri T. N. Singh: What I meant was that the discussin was spread over two days.

Mr. Speaker: Then it is my misfortune that I shall have to disappoint many.

Shri Hari Vishnu Kamath: Select some.

Mr. Speaker: That is the difficulty. If Shri Kamath could help me I would put him in the Chair.

Shri Hari Vishnu Kamath: Please spare me that.

Shri S. M. Banerjee (Kanpur): The Minister can reply tomorrow.

Shri Joachim Alva (Kanara): Sir, I would suggest that we give two more hours.....

Mr. Speaker: All right. Shri Alva may speak now. But I would request hon. Members to condense their remarks in a shorter time than even ten minutes.

Shri Joachim Alva: Mr. Speaker, Sir, I would like to ask the hon. Minister, right at the outset, what was the Planning Commission doing in regard to the manufacture of cars, in regard to this high priority of industrial development, namely the manufacture and sale of cars. The hon. Minister was in charge of the transport section of the Planning Commission. What were the directives that he was pleased to issue? What were the instructions that he gave to the Ministry and however the plans drawn up and what were the priorities that were given?

Sir, we have three manufacturers who hold the country to ransom, who have almost blackmailed the country

in regard to the prices of cars, in regard to the production of cars and in regard to the development of motor car industry. I have been into the automobile factories of the Soviet Union, China, Poland and Germany and the aircraft factories of Europe. I want to know whether these three motor car factories set up in India can be overnight made into war machines. We are on the eve of a great war with China. We have allowed these three companies in the private sector to blackmail us. They cannot produce aeroplanes. The Hindustan Aircraft Factory which was started for the manufacture of motor car was overnight turned into a great instrument of war. These three factories, at the behest of three capitalists or a group of capitalists, are robbing the profits of the companies, manipulating the losses, not pursuing good causes and playing shuttlecock with the peoples, money.

When the General Manager of the Hindustan Aircraft Factory put forward a proposal that he could produce a car for just Rs. 5,000,—many of us have sat in that car—when he has got a scheme by which the country can be divided into four parts and motor cars can be manufactured for Rs. 5,000; that proposal was torpedoed by these industrialists. Today the car is a toy of the rich man, it is the toy of the very rich class. It cannot be bought even by a person in the salary scale of Rs. 500 to 1,500. He has to go to Government, ask for a loan, take the money and then buy a car. It is beyond the reach of an ordinary man.

I will narrate a small incident here. Some years back, when our late Prime Minister was alive, I had a second-hand or third-hand Buick car for which I had paid only Rs. 3,000. I used it quite frequently and during the election campaign it was of tremendous use to me. When I invited the Prime Minister to travel in that car, he said "I could not travel in such a big car, because the people will say that 'you are a

[Shri Joachim Alva]
Congressman and you are travelling in such a big car'. And, mind you, it was a second hand or third hand car which would have been thrown away as junks in the United States. When the hon. Prime Minister of our country chose to travel in such a small car, the industrialists and Maharajas of this land want big Limosines, which we cannot afford, and they change their cars every six months. When our revered ex-Prime Minister, Shri Jawaharlal Nehru could travel in a small car, not because he could not afford big cars or big cars were not available but just to set an example to the common man of India, when he could say that he could not travel in a big car, why could our industrial friends not follow him? And remember that the car which is used here would be treated as scrap in America, because the second hand or third hand car for which here we pay Rs. 30,000 or 40,000 is a junk there.

We must take the production of cars from the hands of these three capitalists if they cannot tackle the problem of production of cheap cars. We must take it out of their hands and start producing them ourselves. Is the hon. Minister ready to do it? What did he do in the matter when he was in charge of the Transport Section in the Planning Commission? I want to know his views in the matter. It is no use tinkering with the problem. 17 years have passed and we have not produced a car which is within the reach of the common man which can be put on the road.

Only two years ago Rs. 20 crores were allotted to Mahindra and Mahindra as loan for the production of jeeps in thousands. The Chinese carried away 11,000 jeeps from NEFA. They were thieves and they carried them away, including the medicines and hospital equipment. We must produce jeeps which can be used by poor men in the country. Now they cost not less than Rs. 3,000 or 4,000.

Now the Birla Brothers do not want to leave out anything for other folks. Tatas do not want to leave out anything to anybody. All the capitalists of India are taking the same position. Unless the Government control them, they will not allow enterprises meant for the small people in the country. What is the result? The cars are left to take care of themselves and God has to take care of the nation. It is time that this Parliament, the sovereign Parliament, elected by the people of India, take things in their own hands.

China is a menace to the whole of South East Asia, including India. Mr. Mao Tse-tung can take the whole of South-East Asia by putting through six telephone calls. When that is the position, we are exposed to the rackets of these people. I am speaking with the whole moral fervour at my command. It is only the rich people that these capitalists are serving. They allow the profits to go on increasing within their coffers and scuttle the objects of our industrial policy. Here is a test for our social welfare aims. Unless the cars are meant and produced for the poor or common people, we have no future.

The total revenue collected by the Government of India in one form or another in 1964 on account of automobiles was Rs. 231 crores. Every time these companies increase their production targets, they increase their prices. Though their profits are increasing, they manipulate them; their losses alone are shown to the Company Law Department to bamboozle and fool them.

These are rackets which must be curbed. The enemy is within us, not outside. Do not be afraid of China; there is nothing to be afraid of China. But the enemy is within our soul, within our body politic and unless we curb this enemy, these dangerous elements inside our system, we cannot march forward nor can we defend our country. The saboteurs are inside

our economy, inside our industry, inside the progressive movement of the people and unless we go forward with a spirit of defiance against reaction, we cannot take our country forward nor can we leave a legacy for the future.

The sales income of nine companies manufacturing ancillary parts rose from Rs. 116.6 crores in 1962-63 to Rs. 122.6 crores in 1963-64. The manufacturers of ancillary parts want to export ancillary parts out of India. That is the situation. When we are producing ancillary parts into profusion, what is the difficulty the cars are faced with? One car is.....

Mr. Speaker: The hon. Member's time is up.

Shri Joachim Alva: Give me five minutes more, Sir.

Mr. Speaker: I cannot give. I will have to enforce strictly the ten minutes limit.

Shri Joachim Alva: I will finish now. There are three giant American companies.

Mr. Speaker: He looks either to his right or to his left but never to the front.

Shri Joachim Alva: I have looked at you all the time.

There are three giant companies in America. The budget of the General Motors alone is 50 per cent above that of the Government of India. They can buy us over. But we are an inventive race; but not a disciplined race yet. We can invent and manufacture every part of the car. We can put up any factory. We have put up the Hindustan Aircraft Factory and the Hindustan Machine Tools. Amul butter and Amul cheese are the best in the world. If we are able to take care of things from milk and butter right up to machines which go into the aircraft, are we not able to produce a car? But we are under the

mighty pulverising influence of these capitalists. We have to cut this Gordian knot.

Rs. 25 crores worth of foreign exchange has recently been released to the automobile manufacturers for the import of capital equipment to enable them to expand production to 60,000 cars. China has produced only in one year 60,000 trucks with Russian aid about four or five years ago. They did not produce any cars for their ministers and their wives; they had to take to buses. But here I must have my limousine model changed every three months. My model must be the latest from General Motors. If that is the situation, we cannot improve the race.

Mr. Speaker: The hon. Member must conclude now.

Shri Joachim Alva: I am sorry, Sir, you are not allowing me. I am grateful to you but I must say.....

Mr. Speaker: Order, order, Shri Kashi Ram Gupta.

Shri Joachim Alva: Unless we produce a cent per cent car by our own efforts and a cheap one too, we cannot achieve anything.

Mr. Speaker: Shri Kashi Ram Gupta.

श्री काशीराम गुप्त (अलवर) : अध्यक्ष महोदय, पिछली बार भी बहुत से माननीय सदस्यों ने इस विषय पर अपने विचार प्रकट किये थे और मैं समझता हूँ कि मैं अपने विचार प्रकट करके बहुत से माननीय सदस्यों को निराश करूँगा। एक तरफ तो हम योजनाबद्ध विकास में विश्वास करते हैं और उस में प्राथमिकताओं को रखते हैं और दूसरी तरफ हम सस्ती कार चाहते हैं। जो लॉग इम का दावा करते हर वक्त यह दलील देते हैं कि उनके ब्याल से एक हजार रुपये से अधिक किमी की ग्रामदनी न हो उनको तो कार की मांग करने का सवाल ही पैदा नहीं होता है, उनके केस में कार का तो प्रश्न ही नहीं पैदा होता है।

[श्री काशी राम गुप्त]

इस देश में एक हजार रुपया पाने वाले आदमी कार रख ही नहीं सकते हैं। अब प्रश्न उठता रह जाता है जो इससे अधिक पाते हैं या पार्लियामेंट के जो मੈम्बर हैं और जो जनता में बड़ा प्रभाव रखते हैं और जनता से चन्दा ला कर खर्चों को चलाते हैं। वे कार रखने की सामर्थ्य रख सकते हैं दूसरे नहीं रख सकते हैं।

अब रहा यह सवाल कि किन लोगों के लिए इन कारों की आवश्यकता है? कौन हैं वे लोग जो कार रखना चाहते हैं? मैं समझता हूँ कि यदि हम को सस्ती कार बनानी है तो वह बहुत बड़ी तादाद में बनानी होगी और उस में जो पेट्रोल आदि का खर्चा होगा, उसका अंदाजा लगाना होगा और उसको लगाने के बाद जो उसकी खपत होगी उसके लिहाज से फारें एक्सचेंज का अंदाजा लगाना होगा और उसका प्रबन्ध करना होगा। जब इन सब बातों को हम देखते हैं तो मुझे याद आता है वह व्याज जो यहाँ पर भूतपूर्व मंत्री महोदय ने दिया था कि उन्होंने क्यों इस कार के विचार को छोड़ा है। उन्होंने बहुत महत्व की बात कही थी। किन्तु इसका तात्पर्य यह नहीं है कि आज जो दशा चल रही है वह चलती रहे। आज हालत यह है कि तीन कम्पनियाँ कारें बना रही हैं और पैसे भी वे खूब ले रही हैं। हो सकता है कि सरकार की दृष्टि से उनका मुनाफा कम हो जिस के बारे में मैं आगे कहूँगा। किन्तु जितना पैसा उनको दिया जा रहा है, उसके मुताबिक जो माल वे बना कर देती हैं वह निह्णायत घटिया दर्जे का होता है। इसलिए सब को यह शिकायत है कि कार बहुत घटिया किस्म की होती है। जब भी देश में कोई कारों का तथा इनके दामों का सवाल करता है तो वह यही कहता है कि विदेशी कार अगर वह इससे आधी कीमत की भी हो तो ज्यादा अच्छी होती है, लेकिन यह उतनी अच्छी नहीं होती है। यह जो विचार फैला हुआ है या तो इसका निवारण होना चाहिये

या फिर कम्पनियों को ठीक करवाया जाना चाहिये, सरकार को इन कारों की क्वालिटी को अच्छी करवाना चाहिये अन्यथा सरकार को इन कम्पनियों को अपने हाथ में ले लेना चाहिये। उस अवस्था में कम्पनियों की कोई जवाबदारी नहीं रह जायेगी और सरकार की सीधी जवाबदेही हो जायेगी।

वर्तमान में कारों में ब्लैकमार्किट चल रहा है। यह क्यों है, इसको भी देखा जाना चाहिये। यह इस कारण से है कि जितनी देश में कारों की मांग है उस अनुपात में कारों का निर्माण नहीं हो रहा है, कारें नहीं बन रही हैं या उतनी तादाद में हम तैयार होने नहीं देते हैं। सरकार कह देती है कि हमें विदेशी मुद्रा नहीं मिलती है, इस वास्ते कम्पनियों की उत्पादन क्षमता को बढ़ाया नहीं जा सकता है। उस अवस्था में सरकार का फर्ज है इसके बारे में फैसला करना और इस सदन को बतलाना कि वह किस तरह से इस ब्लैकमार्किट को रोकना चाहती है। क्यों वह जानबूझकर इस ब्लैकमार्किट को चला रही है। जब बीस हजार कारें बनती हैं और चालीस हजार कारों की मांग है और लोगों की ऋय-शक्ति इतनी है कि वे कारें खरीद सकें तो फिर चालीस हजार कारें न बनने देने का क्या कारण है? क्यों नहीं चालीस हजार कारें बनने दी जाती हैं, क्यों नहीं इतनी कारें बनवाने का प्रबन्ध किया जाता है? अगर चालीस हजार बनने देंगे तो फिर यह प्रश्न पैदा होगा क्या इतनी और बनने दी जायें ताकि कार सस्ती हो जाए? मैं समझता हूँ कि पहला काम यह होना चाहिये कि वर्तमान में जो ब्लैकमार्किट कारों में चल रहा है यह खत्म हो। यह तभी खत्म हो सकता है जब कि आज जो मांग है उसको पूरा किया जाए। अगर यह नहीं किया जाता है तो फिर सख्ती से काम लें और यह फैसला कर दें कि किन को कार की आवश्यकता है और किन को नहीं है? इसका विश्लेषण कर दें कि ऐसे लोगों की कार की आवश्यकतायें

पूरी की जायें, ऐसों को नहीं की जायें, प्रोफ़े-
शनलज की आवश्यकतायें पूरी की जायेंगी,
जन सेवकों की की जायेंगी या किन्हीं और
लागों की की जायेगी। आज हालत यह है कि
कोई भी आदमी दो हजार रुपये अगर बैंक
में जमा करा देता है और बैंक उसके लिए
गारन्टी दे देता है तो उसको कार मिल
जाएगी। कोई यह देखने वाला नहीं
है कि उस कार का इस्तेमाल किस
तरह से वह करेगा। यही कारण है कि
ब्लैकमार्किट बढ़ती जा रही है।

हमको इस सम्बन्ध में यह सोचना चाहिये
कि किस तरह से यह जो कारों की समस्या है
यह हल हो। हमको न केवल यह ध्यान में
रखना है कि एक बार कारों का मसला
आया था और सस्ती कार बनाने की बात
सरकार ने उठाई थी, इसलिए हम को बराबर
सस्ती कार बनाने पर जोर देना है बल्कि इसके
लिए पूरी जांच भी करनी होगी और अगले
पांच वर्षों में, चौथी पंचवर्षीय योजना में यह
भी फैसला करना होगा कि सस्ती कार की
बात प्राथमिकताओं में आती है या नहीं।
अगर यह सस्ती कार प्राथमिकताओं में आती
है तो इसको अवश्य बनाया जाना चाहिये
और अगर नहीं आती है तो हमारे मंत्री
महोदय जो स्वयं प्लानिंग कमिशन के मੈम्बर
रह चुके हैं, इसलिए वह इसको अच्छी तरह
से जानते होंगे और उनको यह बात साफ
तौर से सदन को बतलानी चाहिये। उनको
बतलाना चाहिये कि अगर यह योजना में
आती है तो इसको बनाने में क्या क्या रुकावटें
हैं और उनको किस तरह से दूर वह करेंगे।
वे रुकावटें तब अवश्य दूर होनी चाहियें।
अगर नहीं आती है तो इसकी भी स्पष्ट
घोषणा उनको करनी चाहिये और सरकार
की नीति को स्पष्ट तौर से बतलाना चाहिये।
उनको यह भी बतलाना चाहिये कि प्राथमिकता
के आधार पर किस प्रकार की कार अगले
पांच वर्षों में बनेगी, किस तादाद में बनेगी
और जहां तक इन तीन कम्पनियों का सम्बन्ध

है, इनके बारे में भी कोई फैसला अन्तिम रूप
से हो जाना चाहिये। मैं नहीं समझता हूँ कि
कोई पसन्द करेगा कि रोज़ाना उनके ऊपर
उंगली उठती रहे। सरकार को उनको अपने
हाथ में ले लेना चाहिये जिससे यह प्रश्न ही न
रहे कि वे बड़ा मुनाफा कमा रही हैं। सरकार
स्वयं कहती है कि वह उनके मुनाफे को कंट्रोल
करती है अधिक मुनाफा नहीं होने देती है।
लेकिन जब अधिक कीमत की बात होती है
तो इसका मतलब यह है कि सरकार जानबूझ
कर या तो गलती कर रही है या फिर वह
गलतफहमी में है या फिर सरकार को बहकाया
जा रहा है। इस स्थिति को चलते रहने देने
से तथा इसकी चर्चा सदन में चलाते रहने से
समस्या हल नहीं हो सकती है। इसको अगर
आपको हल करना है तो कुछ काम करने होंगे।
पहली बात तो यह है कि जो कीमत ली जा
रही है उस कीमत में जो इतनी रद्दी कार दी
जा रही है, यह कैसे ठीक हो, इसका उपाय
करना होगा : दूसरा निर्णय हम को यह लेना
होगा कि किस तादाद में कारें बनें अगले
दो तीन बरसों में और अगली पंचवर्षीय
योजना में उसका क्या स्वरूप हो। माननीय
सदस्य इस सदन के तथा बाहर के लोग भी जो
जानते हों कि किस तरह से सस्ती कार बन
सकती है और उसका स्वरूप क्या हो उनको
अपने सुझाव देने चाहिये। सरकार को विदेशी
मुद्रा के सवाल को, पेट्रोल आदि की जो
खपत बढ़ेगी, उसका असर क्या पड़ेगा, उसको
तथा जो प्राथमिकतायें हैं, उनको ध्यान में
रखते हुए ठंडे दिमाग से विचार करना चाहिये।
अगर ऐसा किया गया तो मैं समझता हूँ कि
अगले पांच वर्षों में जो रूप इसका होगा वह
कुछ भिन्न होगा। उसका रूप यह होना
चाहिये कि क्वालिटी ठीक हो और उसके बाद
दामों को देख कर कारों का उत्पादन बढ़े।

Shri P. R. Patel (Patan): Mr. Speaker, Sir, I would not be sentimental and take the support of slogans. Let us see the facts and value the things. If by abusing some manufacturers or calling them racketeers or

[Shri P. R. Patel]

musketees we can get cheap cars, well, I think I will be very happy. But the fact is otherwise. If we look at page 476 of the Third Year Plan, we find that our target in respect of passenger cars was 30,000 and that in respect of jeeps and station wagons was 10,000.

An hon. Member: What is the achievement?

Shri P. R. Patel: After setting out the targets, what does that plan say? It says:

"Investment designed to increase the indigenous content has to take precedence over investment in establishing new units or expanding existing capacity."

Then it has been stated that Rs. 40 crores exchange has to be given on capital account and Rs. 175 crores on maintenance account. I would ask the hon. Minister whether these exchange facilities have been given, and if not, the reasons therefor.

I know that the present production of cars is 23,000. So, we are deficit by 7,000 in relation to the target. The capacity of these companies, if they could be given certain facilities, is to produce 40,000 cars. I would like to know why this capacity is not utilise.

Then, it is said that these companies are making huge profits. Every company and every individual wants to make profit, and is for profit, but no company should be allowed to make more than a reasonable profit. I would point out that the price of cars was fixed by Government in 1957. The Tariff Commission is also there, and they had gone into the matter and it was decided that whatever additions in the prices could be made would be on account of the taxes. After 1957, however, certain changes have taken place. Firstly, the manufacturers are required to get certain ancillary parts from outside, that is, the indigenous

parts. The prices of these indigenous parts have increase in certain cases by 100 or 200 per cent. Irrespective of whether the prices of these indigenous ancillary parts has gone high or not, irrespective of the fact whether the wages have gone high, or not or the dearness allowance has gone up or not, if we still say that there is an increase, is to right to make such statement? After all, what is the increase which has taken place during these five or six years? Despite increases in other items, the increase in the prices of the cars is only because of taxes and nothing more. So, how can we charge these manufacturers with the accusation that they are making huge money?

Then, I would like to refer to the report of the Jha Committee on the automobile industry, of 1960. That report says:

"We consider it legitimate that the price fixation policy should be such as to enable a reasonable return to be made to the investor in the automobile industry provided the unit works efficiently and economically. It is an industry which does need a large investment to be economic and successful and as the less important industries are making good profits the investment in the automobile industry deserves some incentives."

I would request Government to lay the latest report of the Costs Accounts Officer on the Table of the House so that we may know what that report has to say. Let us be fair to the manufacturers. If they are facing some difficulties, let us try to solve them. At the same time, if they are making more profits, let the matter be referred to the Tariff Commission. But what is the sense in maligning these manufacturers and talking of some new cars?

Shri Kashi Ram Gupta: What about the quality?

Shri P. R. Patel: If they are found to be deficient in the matter of quality, it is for the Government to ask the manufacturers to improve the quality, I would not come in the way.

Shri M. L. Dwivedi: Why should the manufacturers not see to it?

Shri P. R. Patel: I am not able to understand this talk that we must have a people's car. In fact, I would be very happy if the poor farmer could get a car and have a ride in it. But then to call it a people's car, I would submit, is a misuse of the term 'people'.

Shri M. L. Dwivedi: The farmer sells his produce at low prices, while the cars are sold at high prices.

Shri P. R. Patel: Who are the people who can have these cars? It is only those who can spend about Rs. 2000 on the maintenance of the car. Only those who have an income of not less than Rs. 10,000 or Rs. 12,000 would be able to have these cars. How many of us in the country have an income of more than Rs. 10,000 a year? So, how can it be called a people's car?

My hon. friends are talking all the time of having a cheap car. But what about cheap tractors, cheap ploughs, and cheap fertilisers? Nobody talks about them. Everybody wants to approach the upper middle class only. They want to win the affection and sentiments of the upper middle class and so they are talking of cheap car. Otherwise, cheap car has nothing to do with the poor people or the common people of the country.

I would point out one other thing. When the Planning Commission fixed the target and also the investment, the hon. Minister who is now in charge of this Department was himself in the Planning Commission. I want to know from him whether he has fulfilled the responsibility of Government in giving certain facilities or

whether we are deficit with regard to that, and if so what are the reasons. In 1962, Government was at the point of giving assistance to this industry to produce more, but the emergency came and it was not given.

Looking to the facts as they are, if you only abuse the manufacturers, abuse the capitalists because they are capitalists, it is not proper. Let a commission be constituted to inquire into the whole thing, whether these companies have gained anything or made a profit, if so, what profit, by producing Fiat, Ambassador and Standard, leaving other things they produce. I would as the Minister to do this. They are not able to give dividends.

Shri M. L. Dwivedi: They should abandon manufacture.

Shri P. R. Patel: It is very easy to say because you are not a capitalist, you have not invested any money.

Shri Bhagwat Jha Azad (Bhagalpur): You are?

Shri P. R. Patel: I am more concerned with the industry of the country?

Some people want cheap popularity. They do that by calling themselves socialists and abusing the capitalists. If that popularity is to be gained at the cost of the industry of the country and prosperity of the country, let them be happy.

Shri Alvares (Panjim): The issue of the small car project is one that has been turned out of its context and there have been accusations and counter-lobbying. But if it is looked at from its essentials, I am sure we shall be able to discuss it dispassionately and arrive at an understanding as to whether the small car project is a viable proposition or not.

The small car project was meant to provide cheap mobility for a section of our community that was marginally

[Shri Alvares]

able to afford it. I use the words 'marginally able' for this reason, that I am not talking of those people who go in for the more expensive cars, but there is a range of income groups which I am going to prove are sufficiently large, to justify the setting up of a project to manufacture this small car. It is also not a question of competition, as Dr. Lohia put it, between trucks and buses for the common man between the three models being produced in the country and the small car project. All these three serve their respective spheres and they are vital in their own spheres. There is certainly no competition between trucks and buses. They can be produced to any quantity as long as the economy gives them the opportunity to do so.

It may be argued that there would be competition between the three models produced in the country and the small car project. But if one looks at the market, if one scrutinises the price range of these cars, Standard, Fiat and Ambassador, if one looks at the market prices ruling today, the seller's market prices, one will understand that there is a wide range of prospective buyers who want to buy this car but do not get the opportunity to do so. At the same time, there are a vast number of people who have to do without this car. From the statistics I have culled out from the Economic Survey presented at the time of the last budget, I find that in the fixed salary income groups in the range Rs. 20,000—25,000 there are 7,500 tax payers. If we can estimate what is the total number of those in this salary range all over India in the private sector, I think we shall have come across a phenomenal figure of a section of our community who are not able to buy these three models at the present moment because of income-tax and other circumstances, but who will surely be able to buy a small car which will serve their needs. Therefore the question of providing cars is not a question of competing either with

the three models or with the trucks and buses. If the economy can afford it, it should be produced. I am a believer in an expanding economy, not a restrictive one, and if there is a range of economic operations which will be accelerated by the setting up of a small car project with its ancillary industries, I think the project will be well justified.

The question of the small car project is one where Government indecision and procrastination has almost killed it. The L. K. Jha report and the Pandey report—the second one has not seen the light of day—have made certain recommendations. But what curious arguments they use in opposing the small car project! They had three considerations, they say. Firstly, the Indian weather is not suitable for a small car. It is a fantastic argument. Then they say that the size of the Indian family is so big that they will not be able to squeeze themselves in a small car. And the third argument is that the roads in India are bad. I think that any committee charged with the serious task of examining such a project should not indulge in such hilarious suggestions, and therefore, the small car should be considered on its own merits.

In the present circumstances, faced as we are with foreign exchange difficulties, is it justifiable that so much money should be spared for the small car project, or that this section of the community should be provided for? This is surely a point for consideration. But, in our present economic set-up we cater to all economic ranges. We cater, in textiles, from the ordinary khadi or the cotton drill to the most fantastic silks and other things. In the scheme of housing also, we have wide ranges to accommodate all sections of our community. In other consumer goods also, there is a range that caters to the very poor and to the very rich. Therefore, I do not see any reason why, if there is a range

in our community who are able to afford a small car, we should not provide for it, for, essentially it means that we are generating economic activity in a section which will be perfectly viable.

Therefore, I think that this small car project should receive the serious consideration of Government. As the project develops, its ancillary requirements also will catch up. If the roads are inadequate, I am sure the roads will be built up. Shri Masani, I think, was the President of the Indian Road Transport Organisation, and he will bear me out that because of the pressure of road transport, road development had to catch up with it. I am sure that just as roads will catch up with the number of small cars that are put on them, so also the size of the families will be such as to accommodate them within a small car. And as for the weather, that is also changing. So, I recommend that Government gives serious thought to the setting up of the small car project.

श्री म० ला० द्विवेदी : अध्यक्ष महोदय, इस अवसर पर मुझे एक कविता याद आ जाती है जो कि इस प्रकार है :—

“सिखाये पूत दरबार नहीं जाते”

मुझे आश्चर्य है कि हम में से कुछ लोग ऐसे हैं जो कि यहाँ के कार निर्माताओं के ठेकेदार बन कर हमारे बीच में आये हैं और वे यह भूल जाते हैं

Mr. Speaker: No motives should be attributed to any hon. Member. That is not fair.

श्री म० ला० द्विवेदी : मैं यह बात वापिस लेता हूँ ।

श्री भागवत झा आजाद : बाहर से बहुत से लोग आये हैं उन को इन्होंने ठेकेदार कहा है, सदन वालों को नहीं कहा ।

अध्यक्ष महोदय : आजाद साहब, मैं ने यहाँ के समझा जो कि स्पीच दे रहे हैं, उन की

बात उन्होंने कही । माननीय सदस्य को ऐसा नहीं कहना चाहिए ।

श्री भागवत झा आजाद : वे यहाँ के लिए नहीं कह रहे हैं ।

श्री म० ला० द्विवेदी : मेरा कहना यह है कि बड़ी कारों की चर्चा यहाँ पर नहीं चलाई गई है बल्कि यह जो चर्चा उठायी गयी और आज फिर चल रही है यह डिस्कशन छोटी कार पर है लेकिन यहाँ पर कुछ लोगों द्वारा तर्क बड़ी कारों के निर्माण के सम्बन्ध में दिये गये हैं । इसलिए मैं चाहता हूँ कि हमें छोटी कार के निर्माण के ऊपर ही बात करना चाहिए जिनकी कि देश को आवश्यकता है । छोटी कारों के निर्माण के लिए सरकार ने कई कमेटियाँ भी बनाई थीं । पांडे कमेटी ने भी यह सिफारिश की थी कि छोटी कार बनाई जायें और अन्य कमेटियों ने भी यह सिफारिश की थी कि देश में छोटी कारें बनाई जायें जिनकी कि उसे बहुत आवश्यकता है ।

यह तो जाहिर ही है कि देश की खाद्यान्न की समस्या पर ज्यादा जोर दिया जाना चाहिए, कार बनाने पर उतना नहीं । लेकिन जब मैं देखता हूँ कि किसान का गल्ला अभी हमारी सरकार सस्ते गल्ले की दुकानों में 16 रुपये मन बेच रही है जिसका कि मतलब यह हुआ कि जो गल्ला अब से कुछ साल पहले तक रुपये का दस सेर मिला करता था अब वह रुपये का ढाई सेर मिलता है अर्थात् गल्ले के दाम तब की अपेक्षा अभी चार गुना अधिक बढ़ गये हैं तो अगर कार निर्माण का खर्च बढ़ भी गया है तो उस हिसाब से भी कार के दाम भी चार गुने से अधिक नहीं बढ़ने चाहिए थे लेकिन वे तो आठ गुने और दस गुने तक बढ़े हुए हैं ।

अध्यक्ष महोदय, मैंने देखा है और आप ने भी यह देखा होगा कि सन् 1940 से पेश्टर 2500 रुपये में बढ़िया बड़ा फोर्ड कार और

[श्री म० ला० द्विवेदी]

बड़ी शैवरलैट कार मिलती थीं तो उस के हिसाब से बेचार गुने से अधिक बढ़े हुए दामों पर नहीं मिलनी चाहिए। उनके दाम दस हजार से नीचे ही रहने चाहिए, 5000 या 6000 से ज्यादा नहीं होने चाहिए लेकिन ऐसी बात है नहीं। दाम बढ़ने के लिए तर्क यह दिया जाता है कि साहब निर्माण का खर्च बढ़ गया है तो क्या वह सिर्फ यहीं ही बढ़ा है, अन्य देशों में क्या वह नहीं बढ़ा है जो ऐम्बेसेडर और फिएट कार हालांकि यह बड़ी कार नहीं है, छोटी कार है, लेकिन वह 16000 और 15000 में बिक रही है? जर्मनी में इस से छोटी कारों में डी० के० डब्ल्यू० 900 से 1200 और आस्टिन 500 से 1000 रुपये तक है। इस के अलावा जर्मनी में इन हमारी कारों से बड़िया कार केवल 4000 में मिलती है। जो पीपुल्स कार कहलाती है, जो जनता कार कहलाती है वह जर्मनी की बोक्स वैन 4000 में इस वक्त वहां पर मिलती है और आस्ट्रेलिया में वही कार अपने यहां बनाना शुरू कर दिया है और वह 5000 रुपये में आस्ट्रेलिया में मिलती है। मैं वहां से होकर आया हूँ। इसी तरह जापान की निशान कार 4000 में वहां पर मिलती है। दरअसल कार निर्माण की मोनोपली कुछ बड़ी बड़ी कंपनियों के ही हाथ में है और वे सरकार से मनचाहा मूल्य मुकदर करवा लेते हैं क्योंकि उन कुछ उद्योगपतियों का सरकार और टैरिफ कमिशन सब जगह पर प्रभाव है और इन कार निर्माताओं के ठेकेदार वहां मौजूद रहते हैं जो कि मनचाहे दाम सरकार से मुकदर करवा लेते हैं। कार निर्माण पर खर्च अधिक आता है यह उनका तर्क हमारे गले के नीचे नहीं उतरता है जब हम देखते हैं कि हमारे देश के चारों तरफ जो अन्य देश है वहां पर ऐसी कारों का दाम 4000, और 5000 के और 6000 के बीच में है। इसलिए यह तर्क कि यहां के हमारे कार निर्माताओं को लागत ज्यादा बैठती है यह ठीक नहीं जंचता है। इसलिए मैं चाहता हूँ कि सरकार उनका मूल्य

निश्चित करते समय खूब मोच समझ कर फैसला करे और दुनिया के दूसरे देशों के कार निर्माण को ध्यान में रख कर उनके मूल्य निश्चित करे और इन कार निर्माताओं की बात न मानी जाय बल्कि जनता की बात मानी जाय।

मैं सरकार को यकीन दिलाना चाहता हूँ कि अगर यह उनकी मोनोपली तोड़ दी जाय और कार निर्माण के लिए छूट दे दी जाय तो प्राइवेट कंपनी वाले 4000, 4000 की कार बेचेंगे और आपको ऐक्साइज भी देंगे लेकिन चूकि अब इस तरह की कार निर्माण की सब को छूट नहीं देना चाहते हैं इसलिए यह मांग काम गड़बड़ चलता है।

यह छोटी कार के निर्माण का पिछले कई सालों से क्रिस्ता चल रहा है लेकिन मैं आपको बतलाऊं कि एक फ्रेंच कंपनी रैनान्ट ने छोटी कार बनाने के लिए अफिर दिया और उसने कहा कि हम रुपये में पैसे देगे, पृग विदेशी विनिमय देंगे विदेश में बनायेंगे और हम 6000 में कार बना कर बेचेंगे लेकिन आप छूट नहीं देना चाहते हैं। इसी प्रकार से एक और कंपनी छोटी कार के निर्माण के लिए तैयार थी लेकिन सरकार ने किसी की बात नहीं मानी। आखिर इस का क्या कारण है? इसका कारण सीधा सादा यही है कि जिन लोगों को कारों का ठेका दिया गया है उनका असर सरकार पर पड़ता है। यही कारण है कि बिड़ला टाटा और डालमिया की कारें हम देखते हैं कि 16000, 16000 में बिकती हैं। ऐक्साइज ड्यूटी लगा कर ऐम्बेसेडर कार 16000 में बिकती है और फिएट कार 15000 में बिकती है। इसी तरीके से स्टैन्डर्ड के दाम हैं। अब ऐम्बेसेडर कार की हालत यह है कि वह महीने भर ठीक से नहीं चल पाती, खड़खड़ बोलती है, स्टीयरिंग बिगड़ जाता है, पत्तियां जो लगाते हैं वह घासलेट के टिन की पतली चावर की लगाते

है जो कि बहुत जल्दी खराब हो जाती है। जब इस तरह की कुछ उद्योगपतियों द्वारा नुट चला रही हो तो सरकार इन कारखानों को बन्द करने का निर्णय करे अथवा सरकार इनका नियन्त्रण स्वयं अपने हाथ में ले और अगर सरकार खुद कार निर्माण नहीं करना चाहती है तो प्राइवेट सैक्टर को छूट दे दी जाय ताकि जो भी कार बनाना चाहे, वह बना सके। ओपन कम्पटीटिव मार्केट में विड़ला, टाटा आ जाय और अगर वह सस्ती कार बना कर नहीं दे सकते हैं तो वह बेचने के लिए न आयें और अपने कारखाने बंद कर दें।

अभी जैसा कि श्री अल्वा कह रहे थे और मंत्री जी मुस्कुरा रहे थे और मेरी बात पर भी अभी वे मुस्कुरा रहे हैं, वे इस मामले को देखें क्योंकि वे तो जनता के आदमी हैं और मैं चाहूंगा कि वे उन बड़े बड़े लोगों के प्रभाव में न आकर सही निर्णय करें।

यह भी देखना चाहिए कि जब इस देश में ख़ाद्यांत्रों के भाव चौगुने बढ़े हैं तो यह कारों के दाम आठ गुने और दस गुने क्यों हो गये? इस बात पर उन्हें गम्भीरतापूर्वक विचार करना चाहिए। अगर वह कारों के मौजूदा दाम माकूल समझते हैं तो उसी हिसाब से किसानों का उपज के दाम भी बढ़ायें। अब बाज़ार में जब हम सब्जी खरीदने जाते हैं तो सब्जी वाला कहता है कि बिड़ला और टाटा तो अपनी अपनी कारें आठ गुनी और दस गुनी कीमत पर बेचें तो हम आलू अगर पहले चार आने सेर मिलता था उसे अगर सवा रुपये में बेचें तो क्या हर्ज है? किसान या बनिया जिसने कि पहले गेहूँ 12 रुपये और 14 रुपये मन बेचा है वही अगर अपने गेहूँ को अब 32 रुपये मन बेचना चाहता है तो सरकार की तरफ से ऐलान होता है कि गल्ला सस्ता होगा लेकिन हमने देखा कि गेहूँ के दाम 15 दिन के अन्दर बढ़ गये। वह 23 रुपये से बढ़ कर 32 रुपये प्रति मन हो गया।

कोई रोक नहीं हो पाती है। कारण यह है कि हमारी सरकार में कुछ ऐसे लोग हैं जो कि नियन्त्रण लगाने में मजबूती में और सस्ती से क्रम नहीं उठाते हैं और यही कारण है कि सब चीज़ों के दाम बढ़ते जा रहे हैं। इसलिए मेरी मंत्री जी से विनय है कि आप सस्ती से काम लीजिये, जनता की भावनाओं पर ध्यान दीजिये, वही जनता आपको चुन कर भेजती है। वह चाहती है कि कारों के दाम गिरें और यह जो बड़े बड़े मुनाफेखोर हैं उनकी बात मत सुनी जाय। पब्लिक सैक्टर में हो चाहे वह प्राइवेट सैक्टर में हो मोनोपली को बंद किया जाये। अगर सरकार इस तरह से एक सस्ती और निश्चय के साथ इस मामले को चलायेगी तो मुझे विश्वास है कि कारें ठीक और उचित व सस्ते मूल्य पर बन सकेंगी और जनता उनका स्वागत करेगी। इन शब्दों के साथ, अध्यक्ष महोदय, मैं आप को धन्यवाद देता हूँ जो आप ने मुझे बोलने का समय दिया।

Shri N. Dandekar (Gonda): Mr. Speaker, Sir, I must confess that for once I support the hon. Member who spoke earlier in regard to his desire that the car industry should be thrown open to competitive forces in this country because we in the Swatantra party so firmly believe in the benefits of competition. So, I am glad to hear that my hon. friend over there is equally supporting full competition and free economy, because only in that way will you eventually get low prices and good quality for the goods that the consumers desire. (*Interruption*).

Mr. Speaker: Order, order. Let him go on in his own way.

Shri N. Dandekar: If we have to achieve our objectives in regard to motor cars we have got to get down to the facts of life. The facts of life, first of all, in regard to the existing cars can be grouped under two headings: firstly what is the position quan-

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tatively? And, next, what is the position price-wise?

Quantitatively, the facts are very brief and very simple. The Third Plan target for the cars that are being manufactured now is 30,000 per annum. The present installed capacity, on double-shift working, is 40,000 per annum. I do not think there would be any reason to quarrel with these figures. The actual production, as against the 40,000 double-shift installed capacity, is today running at something like 23,000 to 24,000 cars per annum, but it is expected that in about six months' time, when the manufacturers have made arrangements for making 90 per cent of the components in this country,—by about the middle of next year,—the production will be running at approximately 30,000 per annum which again should be satisfactory, purely number-wise, because that is the target that is put down in the Third Five Year Plan. That is the position as regards numbers.

But even here the question that does arise is this. Although the industry has got, on double-shift working, the capacity to produce 40,000 cars, why is it that the industry is, unfortunately, today producing only at the rate of about 23,000 per annum or, at the most, next year it will produce at the rate of 30,000 per annum? That, obviously for anyone who knows anything about the industry, is wasteful utilisation of the installed capacity. The facts are again quite simple as regards that situation. In the first place, quite properly—I am not here in any way blaming the Government—they have been pressurising the manufacturers to have more and more indigenous components and parts. The target now is 90 per cent indigenous component parts. That, obviously, is going to take sometime before the indigenous industry that is outside these three units, as well as the production of indigenous parts within these three units, can catch up with the requirements. But the

major fact is not only the difficulties in the supply of indigenous components but also, in particular, difficulties in regard to foreign exchange for those components which have still to be imported. These, Sir, are the facts. Again, in this particular context, I am not blaming anybody. The foreign exchange situation, as is well known, is very confused.

Shri Harish Chandra Mathur (Jalore): Why is it that importing of components...

Mr. Speaker: Order, order. Let him proceed.

Shri N. Dandekar: I am trying to give the answer. The position today is this. As a matter of fact, the foreign exchange situation is so difficult that now the Government,—I assume for right reasons,—are thinking of imposing further cuts of something like 0 to 12-1/2 per cent of the foreign exchange allotted to this industry.

I assert that that is the factual position even though unfortunately many of us here may not like to face these facts of life that the industry has to contend with. Along with this, there has occurred during the last couple of years, shortly after the Chinese war,—again quite understandably,—a considerable spurt in the demand for motor cars by various public authorities; those, in particular, connected directly or indirectly with the growth of the defence forces, with the growth of defence production, with the growth of defence organisation and all that goes with it. Consequently, the present position is, on the one hand, we have the capacity, and on the other, we are unable to produce to full capacity for the reasons I have already stated; and,—if one had a third hand,—on the third, there is this fact that the demand for cars, particularly by public authorities in recent years has increased very considerably and quite rightly;—again I am not blaming anybody and I am

merely stating the facts. That being the case, there remains a tremendous volume of unsatisfied demand.

The next question would be about price. A good deal has been talked, quite loosely, about the prices of these cars made in India.

In this connection, the first proposition that, I think, the House ought to appreciate is that today there is included in the price of every car a tremendous load of imposts of one kind or another, from one government authority or another. There is such a thing, for instance, as import duty and surcharges on import duty on imported components, excise duty and surcharges on excise duty on locally produced components or raw materials, there is also sales tax on those components and raw materials; then there is excise duty on the built-up product and there is, also sales tax on the built-up product. The various types of cars now produced in this country bear a load of something between Rs. 4,000 to Rs. 5,000 per car for these imposts, and I do not know how anybody is going to produce any other car more cheaply, either this car or that car. It is quite impossible to sell any car at Rs 5,000 because, quite obviously, what they are suggesting is the absurd proposition that a car can be sold only for the customs duties, excise duties and other imposts levied by the Government. Moreover, I find on a comparison of the Indian car prices exclusive of these imposts, that the position is that the Indian costs only about 12½ per cent more than the cost of the corresponding car ex-works in the countries from which these models have been taken manufacture like, for instance, the Standard's—U.K. price, the Ambassador's—U.K. price, and Fiat's—Italian price.

So much about the price question though I would like to add one more comment. Apart from these imposts there are, after all, such things as that the production cost varies with the scale of operations; it varies also

with the differential between the actual production and installed capacity, because then you get a heavy load of unabsorbed overheads, then you have inherent marginal inefficiencies and things like that, when we are embarking upon production of cars only over the last fifteen years compared with no production of cars pre-war.

Finally, on this question of price, I do not know whether hon. Members are aware that since 1957 the prices of cars are controlled. On several occasions the controlled price has been gone into. As I understand it, the only increase allowed over the controlled price fixed in 1957 or 1958 have been for the changes in these government imposts, no allowance being made for the rise in manufacturing costs that has taken place over the years with which we are all familiar.

Sir, I would like to devote my remaining four minutes to the question of small cars.

Mr. Speaker: Three minutes.

Shri N. Dandekar: Sir, I am as anxious as anybody else that the availability of cars, availability of cheap cars, cars that can run on the Indian roads, and not just cars that can run in Delhi or in Bombay or in Lucknow where you have first-class macadam roads, should be there. I am with everyone on the proposition that we should have, if possible, a small car. But wishing for things is one thing, and realities of life are another. The facts of the case are these. The Jha Committee Report, to which so many hon. Members have referred but which very few have apparently read, has gone into this question with great thoroughness. They have sounded all kinds of notes of warning. I do not want to go into the details of the question of making this, that or another model of small car. The point is, they have said that with the best estimate they could make then, it was possible that, perhaps, a small car of the kind that was then

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envisaged might possibly be produced at Rs. 6,000 or Rs. 6,500 exclusive of these government taxes, the taxes and imposts that I have referred to earlier. They said, however, that this question could not be considered in a vacuum, that is to say, by merely asking, shall we or shall we not have a small car? As if all the other problems hanging over head were already completely resolved, and, as if, the moment you say that you want a small car, it will be done. The economic size of a plant for small car, I imagine, is something like Rs. 50,000 units or at least 30,000; nothing less than that. What would be the foreign exchange required and what would be the technical personnel required? Have we got a surplus of all these? Have we got a surplus of foreign exchange? Have we got a surplus in terms of rupee resources? Have we got a surplus of technical manpower? Having regard to the fact that we must have very considerable regard to priorities in these matters as in all other matters, is it going to benefit the country to divert to the small car project whatever little scrapings we have out of our foreign exchange resources, whatever we can get of our capital market, whatever we can get by way of technical, managerial and other manpower? Or should we not put them to use in the existing industry, so that that industry may produce to capacity? Let us first get the benefits of scale operations out of existing installed capacity. Then only can the next question arise about a new small car project.

I shall conclude by saying there was a very sensible remark made by Dr. Lohia in this connection. He said that even supposing, in this particular case, we were able to spare all the foreign exchange required for an independent project for producing a small car, would it not be worthwhile putting that money into increasing manufacture of commercial vehicles for the economic growth of

this country? More particularly, he had in mind in this way to have more buses on the road, so that the real common man might travel about freely, and not first a few of us trotting around in cars.

Shri P. C. Borooah (Sibsagar): Mr. Speaker, Sir, I am grateful to you for giving me an opportunity to take part in this debate. Shri Dandekar has already said many things that I wanted to say. Ours is a country in which we are dedicated to build a Socialist Society in a welfare State. In a welfare State the common man must be brought to the forefront and the actions of the Government must be in that direction. It is no doubt true that in this country the car is used only by a few people. The other day Dr. Lohia said that the production of cars should be stopped to give way to the production of buses and trucks. I do not want to go to that extent. But I say that along with the manufacture of car, let there be proportionate increase in the manufacture of buses, auto-rickshaws and scooters. The overall production should be evenly distributed so that the common man can also get the benefit.

So far as the manufacture of cars in the country is concerned, what are the difficulties or handicaps? The discontent or rather anger or criticism have been on three points, namely, non-availability, high prices and inferior quality. These are the three aspects. It is not as if we are producing less cars now than we did in the past. But we must remember that we are 450 million people living in the days of speed and more speed—and our is a growing economy. So, naturally, there will be increasing requirements which we cannot meet. Therefore intending buyers will have to stand in queues for years to come. That is obvious.

What is the solution? The solution is increased production. How can we

increase production? There are two alternatives—either have more units or expand the existing units. The Planning Commission have decided in principle that, as far as possible, there should be expansion of the existing units rather than the setting up of new units, because new units will require a lot of foreign exchange. When we have already foreign exchange difficulties, it is not advisable to fritter away our limited resources in establishing new units.

Therefore, the only alternative is to expand the existing units. There are three units producing cars and their initial capacity was 40,000 cars. The target for the Fourth Plan is 50,000 cars. So, the production of 10,000 more cars will not be difficult by expansion of the existing units, without investing too much of additional foreign exchange. So, this is a practical solution.

We had already made a mistake previously. There ought not to have been three units; there should have been only one unit and that too in the public sector. It should have been a big unit equipped with automation and like things to produce good cars at cheaper cost. That opportunity has gone. The work has gone to the three units and we cannot go back on it. Instead of allowing the spare capacity of the three units to be idle, we should give them help so that they can produce 50,000 cars a year. In this way we can solve the problem of availability of cars.

As regards high prices, in the 1930s cars were available for Rs. 2,000; in 1958 for about Rs. 10,000 and now for about Rs. 16,000. Everybody has said that the price of car at Rs. 16,000 is very high, but actually, the cost minus the the taxes is Rs. 11,000 to Rs. 12,000. If a comparison is made with foreign car, the difference will be found to be not 1916 (Ai) LS—8

high. With the Morris of the UK, the difference is only Rs. 1,700 in the case of Ambassador and only Rs. 300 to Rs. 400 in the case of Fiat. What is responsible for this difference? Is our compelling the producers to purchase at high cost the steel produced in India as well as the components produced in India. That is why the difference is Rs. 1,700; otherwise, there is no difference. Many things are said here but can anybody say that the Morris car is available for less than Rs. 14,000 which, of course comes to Rs. 9,000, minus the taxes. So in comparison, there is not so much of difference in price of our cars with foreign ones.

About the quality the less said the better. In the very first month of purchasing a car the steering wheel begins to give sound. In the third month of purchasing the car, all the parts start giving sound except the horn. In the first year of purchase, the garage bills extend to several thousand rupees. That is really very unfortunate. I made an enquiry. I went to the agent of a producer and wanted to know why the cars are so bad. We said that the producers have been making extensive use of sub-standard components of Indian make and they have no alternative but to purchase because of Government Compulsion. In the Ambassador cars the Indian component is of the order of 82 per cent. At the same time, the prices are also high. Government to encourage small industries is having no price control or quality control on their produce. It is high time that it is done and if that is done, I do not see why we should not have quality components. The use of quality components will naturally improve the quality and standard of our cars.

Lastly, along with the manufacture of cars, I again say that there should be proportionate increased production of scooters, auto-rickshaws and buses

[Shri P. C. Borooah]

so that people of all standards can enjoy or have vehicular advantage.

Shri U. M. Trivedi (Mandsaur): Mr. Speaker, Sir, the problem before us relates mostly to the price at which the small car is available for sale. That is one thing which strikes us the most. We have never been able to understand as to why when labour in India, man to man, is cheaper than anywhere else in any other part of the world, the price of small cars, car to car, is higher in India than anywhere else in the world. In Malaysia, Volkswagen car is available for sale for 3,900 dollars, that is, Rs. 6,000. It is easily available in Germany for only Rs. 4,000. Its engine is available for exchange only for Rs. 700. If Volkswagen can be available at that price, I cannot understand why a small car of the kind of Fiat or Ambassador should cost us Rs. 12,000 and Rs. 15,000 respectively. I never understand this part of the economics. The imposts may be there. The labour is there. Why should our labour cost more than the labour there? Why should the cost of production be more than the cost of production there? The taxation is at all places. I do not understand the method of dealing that we have in India.

17 hrs.

We are always talking of foreign exchange. We have never calculated another method, that is, without spending foreign exchange, can we not have import of cars, can we not have cheaper cars and can we not save some money out of these cars? Why should we go in just to help capitalists becoming richer and richer? The thing that is going on and that has become visible even today to any observer, in a cursory manner, is that we are being exploited and we are being exploited because of monopolistic trade. If this monopoly goes, we will be happier in the market. Whether

the monopoly is with the Government or with the big capitalist, both work in the same manner and they have got this satisfaction, "I must make the hay while the sun shines." He will go on increasing the price. One feels very jealous about this. When this Volkswagen car is available at so much price at so many other places in the world, why is it not available to us? I remember an instance when a Volkswagen car was brought from across Africa into India as a present to the friend of mine here. That was not allowed to be kept even after it was presented. What type of foreign exchange was involved in it? What is this nonsense about this foreign exchange? I have not understood it. It was brought here, it was presented...

Shri R. S. Pandey (Guna): Then everybody will present everybody with a car.

Shri U. M. Trivedi: To you, not to me. Don't worry.

Shri R. S. Pandey: I will present it to you if someone presents it to me.

Shri U. M. Trivedi: It will not come to me, Mr. Pandey. What I am telling is....

Mr. Speaker: Let that remain with the Speaker. Don't fight on that.

Shri U. M. Trivedi: If there are so many people who want to make presents to all Indians, let them make it. Even then, there will be no harm in that. But I do not believe any such story which appears on the face of it to be absurd.

Sir, the position of the manufacture of cars has been calling the attention of not only this House but also of the whole country for a number of years now. A big joke came to my notice recently. One medical officer, a very senior man, a very busy consultant, a very famous physician in Ahmedabad, applied for a Fiat car because his old car had gone very very old. He wanted a change of the car and he applied for a Fiat car.

He received a letter from the dealers saying, "Sir, your name has been registered. You will get it only after 121 months." The figure of 121 months was a fine thing. I do not know why he did not multiply it by so many days and hours. He came to me and told me, "This is 121 months. That means I will have to wait for 10 years to get a car." It is this position which is ridiculous in our country. How long can we go on waiting for these rich people to shower cars upon our heads? Is there no other method? With all these big schemes that we are having, with all the heavy industries in which we are making progress, is it not possible to increase the production capacity of these cars at least with in one year or within six months? Are we at a stand-still that we shall always remain where we are and we will not move further? Every time we are having this explanation that the number has increased from 22,000 to 23,000. What is this 23,000 when the demand is for 50,000? Why this increase from 22,000 to 23,000? It passes my comprehension. Whenever a demand is made for something we find that it is in short supply. I have never understood why the public is always kept on tenterhooks, but unfortunately this is what is going on in our country, and that is what I am feeling.

I am not an economist. There are many economists and professors who can deliver lectures upon this subject. But I as a layman, as a man in the street, feel that there is something radically wrong with the administration and with its efficiency as a result of which we are unable to have cheaper cars, cheaper according to the ordinary methods of a common man in the street. A cheap car is what we want, and I would submit that let us have a cheaper car made in India, if we can; if not, let us have it imported and let the people have the imported one.

अध्यक्ष महोदय : श्री प्रकाशवीर शास्त्री कुछ प्रश्न पूछना चाहते हैं। वे अब पूछ सकते हैं।

श्री प्रकाशवीर शास्त्री (विजानोर) : अध्यक्ष महोदय, मेरे केवल दो प्रश्न हैं। मेरा पहला प्रश्न इस प्रकार है इस चर्चा के सम्बन्ध में जो यहाँ पर छोटी कारों के सम्बन्ध में हो रही है। यह तीनों कम्पनियाँ मिल कर साल में लगभग 23 या 24 हजार कारों का निर्माण करनी हैं, और देश में जो खपत है, अथवा मांग है, वह 40 से ले कर 45 हजार कारों के बीच में है। मैं सम्बद्ध मंत्री महोदय से, जो कि इस समय हाउस में नहीं है, जानना चाहता हूँ.....

अध्यक्ष महोदय : 5 वजे उन की कैंबिनेट मीटिंग थी इसलिये वे मुझ से पूछ कर चले गये हैं। चूँकि आप को समय देना था इस लिये इस चर्चा को इतना बढ़ा दिया गया है।

श्री प्रकाशवीर शास्त्री : एक प्रश्न तो मैं यह पूछना चाहता हूँ कि यह जो तीन कम्पनियाँ इस समय भारतवर्ष में चल रही हैं, क्या उन तीनों कम्पनियों की क्षमता इतनी है, अथवा नहीं है, कि वे 40, 45 हजार कारों का उत्पादन साल में कर सकें, अगर उन को आवश्यक सुविधायें मुहैया कर दी जायें। यदि आवश्यक सुविधायें मुहैया कर देने पर यह तीनों फैक्ट्रियाँ 40, 45 हजार कारों तैयार कर सकती हैं, जो कि देश की आवश्यकता है, तो सरकार को कौन सी विशेष कठिनाई आ रही है जिस के कारण यह आवश्यक सुविधायें नहीं प्रदान की जाती।

मेरा दूसरा प्रश्न यह है, जैसी कि कई सदस्यों ने यहाँ मांग की है, कि चूँकि यह तीनों कम्पनियाँ कारों की मांग पूरी करने में असमर्थ हैं इसलिये पब्लिक सेक्टर में कोई कारखाना स्थापित किया जाये, तो अगर पब्लिक सेक्टर में कोई ऐसा कारखाना स्थापित किया जाये जो प्रतिवर्ष 40 या 45 हजार कारों तैयार कर सके तो उस के लिये भारत सरकार को कितनी राशि निकालनी पड़ेगी। और वर्तमान परिस्थितियों को देखते हुए इस प्रकार की राशि

[श्री प्रकाशवीर शास्त्री]

हमारे बजट में से देना उचित भी है या नहीं।
मेरे यही दो प्रश्न हैं।

अध्यक्ष महोदय : मैं श्री गांधी को भाषण देने की इजाजत तो नहीं दे सकता लेकिन अगर वे कुछ प्रश्न पूछना चाहें तो पूछ सकते हैं।

Shri V. B. Gandhi (Bombay Central South): I would like to make a speech.

Mr. Speaker: He can put a question or two. He cannot make any speech now. Would he like to put a question or two?

Shri V. B. Gandhi: I shall have to frame my questions.

Mr. Speaker: There is no time for that now.

Now, the debate is closed, and the hon. Minister would reply some time next week.

17.06 hrs.

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DEVELOPMENT OF HILL AREAS

Shri Hem Raj (Kangra): On the 1st December, 1964, I had tabled an unstarred question, namely Unstarred Question No. 745 which was replied to by the hon. Deputy Minister of Food and Agriculture. The question was:

"Whether the working group of the Central Hill Development Committee has since submitted its report and if so, the broad features thereof?"

The answer given was that the submission of the report by the Working Group will take some time.

This reply of the hon. Deputy Minister was most indefinite, vague and unsatisfactory, judged from the point of view of the urgency of the problem.

17.07 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

In order to give a background of these hills, I may be permitted to give a brief description of these areas. The main chains in the hill areas in India are as follows; one is the Himalayan area which extends right from NEFA up to Ladakh border; then comes the Vindhya hills and then come the Nilgiris. No doubt, some of these hill regions were developed during the British time by the Britishers for their summer resorts etc. but nothing tangible was done for their amelioration or for the proper development of those regions.

After independence, some effort was made by Government, but it was not commensurate with the size of the problem that these hill areas posed. It was only after the Chinese aggression that this problem came to the fore and it was last year that the Central Government woke up and thought that there must be some integrated approach for the development of these areas in a coordinated way. Consequently, the Indian Council of Agricultural Research held a seminar in April at Simla. It was inaugurated by the then Minister of Food and Agriculture, Shri S. K. Patil, and was presided over by the then Minister of Agriculture, the dynamic Dr. Ram Subhag Singh. At that time, there was a message from the late Prime Minister. I may be permitted to quote it in extense as that will give you the magnitude of this problem:

"I am glad to learn that the Indian Council of Agricultural Research have organised a seminar on Hill Development. It is very important for us to pay particular attention to the development of these areas. That importance has grown since

*Half-An-Hour Discussion.