

LOK SABHA DEBATES

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LOK SABHA

Wednesday, March 22, 1972/Chaitra 2,
1894 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

MEMBER SWORN

Shri Giridhar Gomango (Koraput)

ORAL ANSWERS TO QUESTIONS

Issue of Letter of Intent for setting up of
Scooter Project in Hyderabad

*122. SHRI B. K. DASCHOWDHURY :
SHRI K. MALLANNA :

Will the Minister of INDUSTRIAL
DEVELOPMENT be pleased to state :

(a) whether Government have recently
issued a Letter of Intent for sitting up a
private scooter project near Hyderabad ;

(b) if so, the estimated yearly production
of the project ; and

(c) the time by which the production is
likely to start ?

THE DEPUTY MINISTER IN THE
MINISTRY OF INDUSTRIAL DEVELOP-
MENT (SHRI SIDDHESHWAR PRASAD) :
(a) to (c). A statement is laid on the Table
of the House.

Statement

No letter of intent has recently been issued to any private party for setting up a scooter project near Hyderabad. However, letters of intent were issued in October, 1970 valid for a period of one year to two parties, namely, The Andhra Pradesh State Industrial Development Corporation Ltd., and Shri P. V. Ramaniah, Madras for the establishment of scooter manufacturing units in Andhra Pradesh for an annual capacity of 24,000 Nos. each. The locations proposed by these two parties are Hyderabad and Vijayawada respectively. On an application submitted by the Andhra Pradesh State Industrial Development Corporation, the validity of their letter of intent has been extended upto 6/10/1972. The letter of intent granted to Shri P. V. Ramaniah lapsed on 6.10.1971, as he neither fulfilled the conditions of the letter of intent nor applied for its extension. It is not possible to indicate at this stage the time by which the unit to be set up by the Andhra Pradesh State Industrial Development Corporation will go into production.

SHRI B. K. DASCHOWDHURY : From the statement I find that, on an application submitted by the Andhra Pradesh State Industrial Development Corporation, the validity of their letter of intent has been extended upto 6-10-1972. I would like to know from the hon. Minister whether the Ministry scrutinised the whole aspect before issuing and extending the letter of intent from manufacturers' quota to the Andhra Pradesh State Industrial Development Corporation, to the extent as to what will be the price and to what extent components would be required to be imported from foreign countries and their cost.

SHRI SIDDHESHWAR PRASAD : Unless the prototype is produced by the Corporation, we will not know exactly what will be the price of the product.

About the foreign exchange component,

no foreign exchange has been allowed to the party.

SHRI B. K. DASCHOWDHURY : I could not follow the reply, Sir. I wanted to know the price.

MR. SPEAKER : No foreign exchange has been allowed to the party so far. So far as the price is concerned, unless the prototype is produced, they will not be in a position to give the other details.

SHRI B K DASCHOWDHURY : I would like to know whether the Ministry has received a study report from the National Council of Applied Economic Research regarding scooter manufacture in which they have said that, if prices go up, whatever may be the total production, the demand will fall down. In view of this, May I know whether the Ministry has considered fixing up any particular price, as far as possible, whoever may be the scooter manufacturers ?

SHRI SIDDHESHWAR PRASAD : The prices of different scooters which are available in the market are : Bajaj Rs 2,434 ; Lambretta Rs. 2,425 ; Fantabulous, self starter, Rs 3, 200 ; Rajdoot Rs. 3,275.

SHRI B K. DASCHOWDHURY : I want to know whether steps have been taken by the Ministry so that prices may not go up. If the prices go up, the demand will fall down. That was said by the National Council of Applied Economic Research.

MR. SPEAKER : He has given the prices of those which are already produced.

श्री हुकम चन्द कछवाय : स्कूटर की माँग और आज जितना उत्पादन स्कूटर का हो रहा है, हमको देखते हुए क्या सरकार की दृष्टि में यह बात है कि स्कूटर पर बहुत बड़ा ग्लैक चल रहा है। क्या अन्य क्षेत्रों में इसका उत्पादन बढ़ाने के लिए सरकार ने कोई विचार किया है ?

श्री सिद्धेश्वर प्रसाद : स्कूटर बनाने वाली कंपनियों को स्कूटर बनाने की इस समय जितनी अनुमति थी, अब उस से अधिक उत्पादन करने की अनुमति दी गई है। सरकार इस बात पर विचार

कर रही है कि कोई सरकारी कंपनी बनाई जाय जो काफी संख्या में स्कूटर का उत्पादन कर सके तथा इस समय जो स्कूटरों का अभाव है, उसकी पूर्ति कर सके।

घाटे की अर्थव्यवस्था का चौथी योजना पर प्रभाव

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*125. श्री हुकम चन्द कछवाय :
श्री राम रतन शर्मा :

क्या योजना मंत्री यह बताने की कृपा करेंगे कि :

(क) चौथी पंचवर्षीय योजना में कितने घाटे की अर्थव्यवस्था की गई थी और इसकी वर्तमान स्थिति क्या है ;

(ख) उगका योजना तथा देश की आर्थिक स्थिति पर क्या प्रभाव पड़ेगा ; और

(ग) सरकार द्वारा इस बारे में क्या कार्यवाही की जा रही है ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI MOHAN DHARIA) : (a) A Statement is laid on the Table of the House.

(b) It has enabled reasonable step-up in the Plan outlays and also helped in further activating the economy.

(c) The excess demand situation no doubt aggravated the pressure on prices but this could not be regarded as too much considering the inevitable increases in defence expenditure, expenditure on refugees from Bangla Desh, relief for natural calamities and the much needed step-up in the Plan outlays. To moderate the effect of deficit financing on prices and the general economic situation, the Government has taken a number of measures like strict regulation of credit, continuance of physical controls, strengthening of the public distribution system, building up of buffer stocks, suspension of forward trading in gur and certain oilseeds and edible