

Plant Committee. However, for the period October 1970-March 1971 an allocation for 3.75 tonnes of second class rail was made in favour of one unit in Kerala which is the only unit borne on DGTD list for the manufacture of agricultural implements.

SHRI A. K. GOPALAN: The Minister has admitted in the statement that while the actual requirement of Kerala is 50,000 tonnes the supply is less than that. May I know whether the gap between supply and requirement will be narrowed down so that there will be no closure or lay off?

SHRI GHANSHYAM OZA: It is true that supply is not according to the requirement and, as he rightly pointed out, it results, in lay off in certain units. We are making every effort to see that all the units get adequate supplies. But, as the hon. Member very well knows, steel is in short supply. We are trying to meet the demand as much as possible, particularly of the small-scale industries.

SHRI A. K. GOPALAN: During last year in how many factories there was lay off for want of billets and untested rails? Will he take steps to see that it does not recur this year also?

SHRI GHANSHYAM OZA: Up to October 1970 the billets and second class rails were not distributed through DGTD. Now that we have taken it over, we are making every effort to see that the industrial units, particularly in the organised sector, do not suffer. We share the anxiety of the hon. Member and we are doing the utmost within our capacity.

SHRI VAYALAR RAVI: The Minister is saying that he is not aware of the fact that some of the Units were closed. Is he not aware that a memorandum has been submitted to the Prime Minister, the Industries Minister and the Minister of Steel about the difficulties faced by the industries for want of this particular category of steel? If it is not a fact that these industries are suffering because of shortage created deliberately on account of the pressure from the steel rolling mills? What efforts are being made to see that the requirements of

the units, particularly in the small-scale sector, are met?

SHRI GHANSHYAM OZA: We are trying to see that the requirements of the Small-scale industries are fully met. But, as I said earlier, we are dealing with it only from October 1970. We are trying to see that the requirements of the small-scale Industries are fully met.

Demand and Production of Cars

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*1240. **SHRI M. SATYANARAYAN RAO:**
SHRI H. K. L. BHAGAT:

Will the Minister of INDUSTRIAL DEVELOPMENT be pleased to state:

(a) the total annual requirement of passenger cars in the country;

(b) the production capacity and the number of cars manufactured during the last three years, year-wise; and

(c) the reasons for shortfall in production, if any?

THE MINISTER OF INDUSTRIAL DEVELOPMENT (SHRI MOINUL HAQUE CHOUDHURY): (a) The Planning Group for Machinery Industries set up by the Planning Commission has estimated the demand for passenger cars at 75,000 Nos. per annum by 1973-74.

(b) The car manufacturers have given different figures of their production capacity at different times. The actual production has been 37,308 cars in 1968; 35,265 Cars in 1969; and 35,829 in 1970.

(c) The slightly lower production during 1969 and 1970 as compared to 1968 is due to one of the factories having remained closed for some time during each year due to economic and labour problems.

SHRI M. SATYANARAYAN RAO: It appears from the reply that there is a big gap between demand and supply. While the demand is 75,000 per annum the supply is 35,000 or 37,000. In view of this, is there any proposal to set up a unit in the public sector for manufacture of cars and, if so, when will be set up?

SHRI MOINUL HAQUE CHOUDHRY: Yes, there is a proposal for setting up a public sector project for producing cars.

SHRI PILOO MODY: By whom ?

SHRI MOINUL HAQUE CHOUDHURY: By the government. Following this decision we are in negotiation with certain companies. They have also produced their prototype which are under test and as soon as all these details are finalised we will certainly go in for production of cars in public sector.

SHRI M. SATYANARAYAN RAO: Whether the hon. Minister is aware of the poor quality of the cars which are being manufactured in our country. If so, what steps are you going to take to improve the quality ?

SHRI MOINUL HAQUE CHOUDHURY: We are aware of the poor quality of the cars produced in the country and we had repeatedly advised these companies to improve them. We had also issued directives to them but it seems they are almost incorrigible.

SHRI DINEN BHATTACHARYYA: May I know what is the total capacity of the factories which are now manufacturing passenger cars and what are the reasons that the companies are not in a position to fully utilise the rated capacity for the manufacture of the cars ?

SHRI MOINUL HAQUE CHOUDHURY: Sir, the installed capacity of Hindustan Motors is 24,000. As against this in 1970 they produced 23325. The installed capacity of Premier Automobiles is 12,000. As against this in 1970 they produced 12054 cars. So far as Standard is concerned their installed capacity is 3,000 and in 1970 they produced 1406 cars. With regard to the first two the Hindustan Motors and Premier Automobiles they have been more or less utilising their capacity but so far as Standard is concerned because of labour troubles and long closure of the company in the last two years their production is not upto the mark.

SHRI B. S. MURTHY: Arising from the Minister's reply that in spite of warnings and directives they are incorrigible to im-

prove the standard of the manufacture of cars, I would like to know what is the remedy as crores of rupees are being given to the manufacturers ?

SHRI MOINUL HAQUE CHOUDHURY: We fixed their prices keeping in mind the quality of the cars they produce. They had gone to Supreme Court and the Supreme Court suggested appointment of a Commission. The Commission gave an interim report and that came before the Supreme Court. Despite our having contrary views the Supreme Court gave them interim price rise. The matter is still *sub judice* before Supreme Court. As soon as the Supreme Court matter is over—which is expected in the course of next month—we will look into the matter afresh.

SHRI K. LAKKAPPA: The hon. Minister has not cleared certain policies of this Government. Our Government consistently has been at the mercy and the dictates of the Birlas for manufacturing cars. They are defective cars. Passengers have even to carry an umbrella because it is leaking. I want to know whether Government will find a new solution to this malady and not go on telling that the manufacturers of these cars are incorrigible. Will Government take immediate new steps to take over car manufacturing from the Birlas and see that quality cars are manufactured in India to make the travellers happy ?

SHRI MOINUL HAQUE CHOUDHURY: I am not enamoured of taking up these companies the quality of cars of which are really bad, whose technical know-how is old and the quality is poor. In order to solve the problem we are thinking of setting up our own project, with our own money, instead of taking over these dilapidated projects with very bad quality. I want to have a better model produced in this country.

SHRI PILOO MODY: What does he mean by "with our own money" ?

SHRI MOINUL HAQUE CHOUDHURY: For this reason we are at the moment in negotiations with Fiat SPA, Italy, Regio Nationale Des Usines Renault, Nissan Motor Company and Ford Products Company. They have produced their prototypes which are under test.

SHRI DINEN BHATTACHARYYA: Indian or foreigners ?

SHRI MOINUL HAQUE CHOUDHURY: Certainly there will be foreign collaboration for the technical know-how of proven quality cars. These cars are under test about their performance at the Vehicle Research and Development Establishment, Ministry of Defence. As soon as the final negotiation is over, one of these parties will set up the Plant.

SHRI G. VISWANATHAN: Just now the Minister has stated that Government will set up a factory in the public sector for producing quality cars. We have been hearing this for a long time, for about more than a decade. I want to know from the hon. Minister whether he will give an assurance to this House whether this factory will be set up in another years.

SHRI PILOO MODY: We want an assurance whether it will be set up in the next ten years.

SHRI MOINUL HAQUE CHOUDHURY: Although there was a talk going on but the decision was really taken by the Government last year. So, the talk might have been there in the air for a decade or so, the decision was taken last year.

SHRI DINEN BHATTACHARYYA: After the *garibi hatao* government came up.

SHRI MOINUL HAQUE CHOUDHURY: After that expeditious steps have been taken to finalise this matter.

SHRI G. VISWANATHAN: He has not answered the question. My question was when the decision will be taken. It should be within a year. Let him answer whether it will take a decade, five years or ten years.

SHRI MOINUL HAQUE CHOUDHURY: I cannot give a definite date because the tests have been undergone and I expect the report by the end of this month about the performance of these cars. Thereafter we will have to make up our mind as to which variety we will go in for on the result of the test. Then, we will have to negotiate with that company. That negotiation may

take two months, four months or six months. Because of the shortage in the country I cannot be goaded into accepting a bad proposal. I must look to the interests of the Treasury.

Railway Lines over the Farakka Barrage

*1241. **SHRI B. K. DASCHOWDHURY:** Will the Minister of RAILWAYS be pleased to state:

(a) In view of the fact that Farakka Barrage is going to be opened very soon, whether his Ministry has any plan to lay Railway lines over the bridge in order to run trains over the bridge; and

(b) if so, when the work is likely to be undertaken and what is the expenditure involved?

THE MINISTER OF RAILWAYS (SHRI HANUMANTHAIYA): (a) and (b). A Railway bridge has been provided for on the Farakka Barrage. This bridge together with the diversion of track on either end, is expected to be opened for traffic by 1st January, 1972. The entire Railway scheme is estimated to cost about Rs. 8 crores.

SHRI B. K. DASCHOWDHURY: I would like to know from the hon. Minister whether they will start the execution of this Scheme as per plan as announced here and, secondly, whether this Ministry has made any study to what extent this perilous journey by train from Sealdah to New Bongaigaon will be shortened. Have you made any study? With the introduction of the train services from 1st January, 1972, may I know to what extent the perilous journey from Sealdah to New Bongaigaon will be shortened?

SHRI HANUMANTHAIYA: I would like to have notice for that.

SHRI B. K. DASCHOWDHURY: The hon. Minister wants to have notice for that. I would just like to submit whether he will consider over the matter. With the introduction of train services over the Barrage, as stated here, I would like to know whether he will try to apply his mind to have one air-conditioned Express Service from Sealdah to New Bongaigaon at least thrice a week.