

dations of this Seminar are very useful and after their implementation, it will help the States which are facing acute power shortage. Sir, Kerala is one State which is facing acute power shortage. But we are sorry to note that 60% of the hydel power generation capacity of Kerala State has not been utilised where a number of hydel projects are pending for sanction, especially the Silent Valley and a few other projects which are not sanctioned for ecological reasons. There has been a news item recently that some of the exclusive species of the Silent Valley have been burnt because of the wild fire caused in the forest. So the ecological factor and other requirements are also not there. If the scheme for the Silent Valley is approved, it will go a long way in saving Kerala from acute power shortage. The thermal plant power production is costly and in a State where the density of population is very high, in Kerala, it will create environmental problem also. The only possibility is to help the State by sanctioning hydel power project. May I know from the hon. Minister that on the basis of the recommendations, the project proposals submitted by the Kerala Government will be considered favourably.

SHRI VASANT SATHE: As far as Kerala is concerned, it is true that hydel energy is very important and that has been their main source of energy. But I think the House will also appreciate that we will have to take care of the environmental impact particularly of the forests like the Silent Valley because, otherwise, you can have a tremendous environmental damage. So, all these angles will have to be considered while accepting the projects in Kerala, for that matter in any part of the country. Our effort is to see that there is a proper balance, that we have hydel projects, smaller run of the river projects without adversely affecting the environment and also making power available. That is why we have granted two thermal plants for Kerala and they will be coming up. We will take all precautions to see that adequate power supply is made available by all sources of power including nuclear power.

New Car Manufacturing Projects

*373. SHRI SHANTILAL PURSHOTTAMBHAI PATEL:
SHRIMATI BASAVARAJESWARI:

Will the Minister of INDUSTRY be pleased to state:

(a) the number of applications submitted to Union Government for manufacturing new cars;

(b) the decision taken by Government thereon;

(c) the details of new car manufacturing projects sanctioned during 1988-89; and

(d) if no project has been sanctioned, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (d). A statement is given below.

STATEMENT

(a) Since 1985, Government have received 21 applications for industrial licence/foreign collaboration for manufacture of new cars.

(b) No final decision has been taken on these proposals.

(c) Maruti Udyog Ltd. has been permitted to take up a project for the manufacture of a 3-box car with 1000 cc engine. The project envisages an investment of Rs. 97.90 crores and production of 30,000 cars per annum.

(d) Does not arise in view of (c) above.

[*Translation*]

SHRI SHANTILAL PURSHOTTAMBHAI PATEL: Hon. Minister has stated

that he has received 21 applications. I want to know the time by which a decision will be taken about them? He has also stated that manufacture of 30,000 cars has been envisaged may I know as to by what time this production is likely to start?

[English]

SHRI M. ARUNACHALAM: Sir, Maruti Udyog Ltd., will be coming into production of new cars by the end of October 1990. We will start booking for these cars by October 1989. In regard to the applications submitted to the Government, first we have to decide about the policy and then only we will be taking into considerations of their things.

SHRIMATI BASAVARAJESWARI: Sir, may I know from the hon. Minister the total number of cars which have been produced as on today by the three Companies? Will the hon. Minister let me know whether the present demand is being met by these Companies, and whether it has come to the notice of the Government that as on today the cars are being sold at a higher rate? The object of giving licence to the Maruti Udyog is to manufacture the car at a cheaper rate so that the common man can purchase it in the market. I would like to know whether this object has been achieved. If not why should not the Government liberalise the automobile policy and see that more licences are given to foreigners who have applied, so that they are assured that they are going to manufacture cars at a cheaper rate?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): Sir, in 1988-89 the total number of cars produced will be around 1,62,000. Out of these, the share of Maruti Udyog is expected to be one lakh. The other number of 62,000 is the share of Hindustan Motors and Premier. The target for the next year is 1,80,000.

The hon. Member mentioned about the price rise of Maruti Udyog car. This pertains to the excise duty levied by the Finance Ministry in the Budget. What can I do?

SHRIMATI BASAVARAJESWARI: What about the licences, Sir? What is the policy of the Government? What happened to the automobile policy? I asked the Minister to reply categorically. There is going to be a policy. What about the applications which are pending?

SHRI J. VENGAL RAO: Sir, as on today we are not going to allow any new collaboration, we are not going to allow any foreign exchange and there is no question of allowing any new cars being manufactured in this country for the present.

SHRI CHANDRA PRATAP NARAIN SINGH: Sir...(Interruptions)

PROF. MADHU DANDAVATE: What is your point of order?

SHRI CHANDRA PRATAP NARAIN SINGH: It is a question—a corollary to what you tried to mislead the House, on which I would like to clarify.

Sir, in the early Seventies there was a demand for small cars. The then policy was to manufacture a small car, and thanks to Maruti Udyog and thanks to Sanjay Gandhi, a lot of people now have cars. But unfortunately, what is now happening is that Maruti Udyog which is a Government of India public sector project is being stalled from manufacturing more cars. So, that Company should be given the licence to manufacture more cars and also of 1000 cc type instead of private companies being allowed to expand their capacity. Is the Government thinking of that? (Interruptions)

MR. SPEAKER: Order, Please.

(Interruptions)

SHRI CHANDRA PRATAP NARAIN SINGH: Are you against public sector enterprises?

(Interruptions)*

MR. SPEAKER: Why are you denigrating a person who has nothing against you? This is too bad. Nothing goes no record.

*(Interruptions)**

MR. SPEAKER: There is no debate here. I do not know why the hon. Members are unnecessarily wasting the time of the House.

*(Interruptions)**

SHRI PRATAP BHANU SHARMA: Respected Sir, there is no doubt that Maruti Udyog is a prestigious public sector of the country now, and everybody is using this car very successfully. They are also exporting and they are earning foreign exchange. Including Mr. Jaipal Reddy, everybody is using it and he is not accepting it.

Mr. Speaker, In a fast developing country like India, automobile industry plays a very vital role in the growth of the economy as well as in generating employment potential.

I would like to know from the hon. Minister why is granting new licence to expand the manufacturing capacity of passenger cars being delayed. Is the delay due to delay in deciding the automobile policy of the country or there are other reasons for that?

SHRI J. VENGAL RAO: As already stated, due to the constraint of foreign exchange, we are not going to allow any new collaboration, any new manufacturer. We allowed the Maruti Udyog to manufacture 1,000 c.c. cars.

Increase In Bulk Drug Prices

*374. SHRI Y.S. MAHAJAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government have recently decided to increase the prices of certain bulk drugs;

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

(c) how Government would ensure that the essential drugs are made available to the general public at reasonable prices?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c). Statement is given below.

STATEMENT

(a) The prices of Scheduled bulk drugs are revised under the provisions of DPCO, 1987 from time to time.

(b) The details of bulk drugs and its derivatives for which prices have been revised so far under the provisions of Drugs (Prices Control) Order, 1987 are given in the Annexure below. The prices of bulk drugs had been revised due to variation in cost of raw-materials, utilities and cost of production etc.

(c) The DPCO, 1987 envisages that the scheduled bulk drugs are available to the general public at the prices fixed by the Government.