

cent to 35 per cent. This concession has been given with the intention that its benefit should reach the consumer also. I would like to know whether the two-wheeler manufacturers have passed on a portion of this concession to the buyers and if not, are the Government contemplating to effect a cut in the prices which have been increased arbitrarily?

[English]

SHRI M ARUNACHALAM : This is reduced very recently. The intention of the Government is that the benefits should go to the consumers.

(Interruptions)

SHRI MADAN PANDEY : Some problems are there. Have some steps been taken to monitor this fact whether the consumers are taking advantage of this or not.

SHRI M ARUNACHALAM : Just now we have announced the concessions. We have to wait and see.

DR. G.S. RAJHANS : A few years ago, a number of two-wheeler industries were set up in Bihar. I am told that the Bihar Government wanted some assistance in this regard. The same was not given to them. These industries have now vanished into the thin air. May I know the reasons for the same?

SHRI J VENGALA RAO : The Government has already given licences for the excess capacity. For two-wheelers, scooters, mopeds and motor-cycles more than 40 lakhs capacity licences have been given. In 1985-86, the total production was 121 lakhs. In 1986-87 in respect of scooters the target is 7,50,000, mopeds 5 lakhs; motor-cycles 3,50,000 and the total is 16 lakhs. The target of the Seventh Plan is 17 lakhs. The production is now in excess.

DR. G.S. RAJHANS. I am talking about Bihar. What is the position?

SHRI J. VENGALA RAO : I am not saying about Bihar but I am saying about the entire country.

MR. SPEAKER : Shri Hussain Dalwai. Not present. Shri Chintamani Jena.

SHRI CHINTAMANI JENA : Q No. 420.

[Translation]

MR SPEAKER : It is a very dangerous question.

Demand of Commercial Vehicles

*420 SHRI CHINTAMANI JENA :
SHRI MOHANBHAI PATEL :

Will the Minister of INDUSTRY be pleased to state :

(a) the names of the companies which are manufacturing commercial vehicles in the country and their annual production,

(b) whether the demand of commercial vehicles in the country is decreasing year after year;

(c) if so, the reasons therefor;

(d) whether there is a demand of Indian commercial vehicles in foreign countries; and

(e) if so, what steps are being taken in this direction?

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

STATEMENT

(a) The names of the major commercial vehicle manufacturers in the country and their production during 1986-87 are indicated below.

S. No.	Name of the Manufacturer	Production
1.	M/s. TELCO	49242
2.	M/s. Ashok Leyland Ltd.	15138
3.	M/s. Hindustan Motors Ltd.	2031
4.	M/s. Mahindra & Mahindra Ltd.	10423
5.	M/s. Bajaj Tempo Ltd.	13249
6.	M/s. Standard Motor Products of India Ltd.	2292
7.	M/s. DCM-Toyota Ltd.	2714
8.	M/s. Swaraj Mazda Ltd.	1502
9.	M/s. Eicher Motors Ltd.	1148
10.	M/s. Allwyn Nissan Ltd	1149
11.	M/s. Maruti Udyog Ltd.	21185

(b) and (c) The sale of commercial vehicles is somewhat less than anticipated on account of their high cost of production resulting in high prices as well as the improved performance of Railways

(d) and (e) The Indian commercial vehicle manufacturers have already entered into the export market. Government is providing a variety of incentives for encouraging export production including financial and fiscal incentives, reduction of input costs, and technological upgradation.

SHRI CHINTAMANI JENA : Out of eleven such manufacturers of commercial vehicles in our country, how many are public undertakings, what is their production and what is the percentage of production by the public undertakings of such commercial vehicles in 1986-87 and the anticipated production in 1987-88? Besides the reasons for less indigenous demand which have been given by the hon. Minister in this statement another important reason for less demand of commercial vehicles in our country is that our commercial vehicles

are consuming more fuel because of which the persons intending to purchase are not tempted to purchase. May I know from the hon. Minister whether there is any proposal with the Government to import modern latest technology so that the fuel consumption of such commercial vehicles could be less and if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGALA RAO): The answer to the first part of the supplementary is, the public undertakings are Maruti Udyog Ltd., and in the State sector Allwyn Nissan Ltd. in Andhra Pradesh. The others are all private entrepreneurs. For the light commercial vehicles, there is a reduction in customs duty from 50 per cent to 35 per cent; the excise duty was reduced from 30 per cent to 10 per cent.

SHRI CHINTAMANI JENA : My question has not been answered by the hon. Minister. I have asked about the number of

commercial vehicles manufactured by the public undertakings and the difference in the prices between the vehicles produced by the private sector and the vehicles produced by the public sector. Besides, I have also put a question about the import of modern technology for less fuel consumption.

SHRI J. VENGALA RAO : Almost all the vehicles are with foreign collaboration, with Germany and Japan—most of the vehicles with Japanese collaboration. We have laid on the Table of the House information about production each year by each company. We are giving incentive only for fuel-efficient vehicles.

MR. SPEAKER: Is it only for foreign made or also for indigenous manufacturers?

SHRI J. VENGALA RAO : It is collaboration with foreign company. Upto 60 per cent it is indigenous and the remaining 40 per cent, they are importing. We are pressing them to indigenise a hundred per cent.

SHRI CHINTAMANI JENA : My second supplementary is this. While answering the last part of the question, the hon. Minister has stated that the Indian commercial vehicle manufacturers have already entered into the export market. May I know from the hon. Minister which are the countries to which we are exporting our commercial vehicles and the number of such vehicles exported to these countries in 1986-87 and the anticipated export in the current year and also the amount of foreign exchange earned by export?

SHRI J. VENGALA RAO : I cannot say about the actual amount. Ashok Leyland are exporting to U.K. for Cab and Hino and Japan for engine; Bajaj Tempo Ltd. to West Germany; Hindustan Motors to Isuzu Ltd, Japan; Mahindra and Mahindra to Peugeot Automobiles, France. We are exporting to some countries—not so much.

SHRI P. NAMGYAL : As the Minister has stated the sale of commercial vehicle is somewhat less than anticipated. As you

know, Sir, the demand for most of the Tata vehicles are from the hilly areas and hilly States like Jammu and Kashmir and Himachal Pradesh. Whether it is a fact that there has been a complaint about the higher charges of prices for these chassis particularly by a dealer in Kashmir valley. May I know whether the Government has received any such complaint and, if so, what action has been taken and, if not, whether the Government will look into it.

SHRI M. ARUNACHALAM : We have not received any complaint. If any complaint is there, we will look into it.

SHRI C. MADHAV REDDI : The hon. Minister replied that certain concessions had been given in respect of Customs Duty for lot of commercial vehicles. I understand, his Customs Duty is related to CKD kits. May I know whether the Government has received any representation from the Allwyn Nissan for considering further concessions in the Customs Duty in view of the fact that vehicles manufactured there are not being sold being of high cost?

SHRI J. VENGALA RAO: We have no information. It is with the Finance Department.

SHRI C. MADHAV REDDI: But yours is the administrative department.

SHRI J. VENGALA RAO: We have recommended the case to the Finance Department. It is not with us.

[*Translation*]

MR. SPEAKER: Tulsiramji, you also want to ask some question, perhaps, about scooters.

SHRI V. TULSIRAM: No, Sir. A few questions have already been replied since I raised my hand. I had prepared myself for those questions and I wanted to put supplementary questions on them. The hon. Member, Shri Hussain Dalwai, was neither present yesterday nor he is present today.

Some of his questions were very important which had been replied and I had come fully prepared after studying them. I would like to know from the hon. Minister whether he has received reports to the effect that vehicles of some of the companies are not sold?

MR. SPEAKER: They are standing unsold?

SHRI V. TULSIRAM: Yes, they are.

MR. SPEAKER: If it is so, why do they not give them to us?

SHRI V. TULSIRAM: I want to know what is the problem being faced by those companies, why their vehicles are standing unsold and what steps are proposed to be taken to facilitate sale of those vehicles, so that the vehicle manufacturing companies could get over their difficulties and are able to increase their production? What steps Government is contemplating in this direction?

[English]

SHRI J. VENGALA RAO: Sir, the companies are facing trouble. At the time of collaboration, we emphasised this rule. Now Nissan and all these vehicles are facing trouble because the prices have gone up.

Indepth Study of Heavy Engineering Corporation

*421. SHRI PRAKASH V. PATIL: Will the Minister of INDUSTRY be pleased to state:

(a) whether as a post-lock out review of the situation prevailing in the Heavy Engineering Corporation, Ranchi, Government propose to examine indepth the reasons for continuing losses;

(b) if so, when this examination is to be done and with what terms of reference;

(c) whether earlier reports on the work-

ing of the Undertaking suggested certain remedial measures; and

(d) if so, the action taken on them and the results thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGALA RAO): (a) and (b). Government has been seized of the overall circumstances leading to continuing losses of Heavy Engineering Corporation. There is no proposal to conduct a fresh examination in this regard.

(c) Yes, Sir.

(d) Action on various reports has been taken as considered necessary and expedient. As a result, there has been improvement in the performance of the company.

[Translation]

SHRI PRAKASH V. PATIL: Mr. Speaker, Sir, I want to know from the hon. Minister as to what was the maximum target of production of the Heavy Engineering Corporation situated at Ranchi during the last three years and how much manpower was required for this purpose and whether any study was conducted in this regard? If so, how much manpower has been found in excess of the production target and what is its percentage in comparison to the production target?

[English]

SHRI J. VENGALA RAO: Sir, as the Hon. member has pointed out, really the manpower of 20,000 is in excess. This unit is very old unit. It was established in 1958. Its efficiency is very low and its loss is running to nearly Rs. 570 crores. Recently it was on lock-out for nearly 70 days. Now it is working.

Its cash losses were, in 1980-81 Rs. 28.28 crores, 1981-82 Rs. 14.72 crores, 1982-83 Rs. 39.54 crores, 1983-84 Rs. 36.41 crores, 1984-85 Rs. 34.27 crores, 1985-86 Rs. 26.69 crores and 1986-87 Rs. 11.8 crores. Now we want to reduce the losses. But due to all