

man starts preparations for his godown and all that; after sometime on some enquiries a letter comes saying that his agency is cancelled. I would like to know from the Minister whether before releasing the letter all the enquiries are conducted and not satisfied or what are the reasons that after investigating everything the letter of rejection comes. There are instances I can quote.

SHRI BRAHMA DUTT. Of course, it has happened in a few cases. the system is that the Ministry has nothing to do with cancelling or allotting an agency. There is an independent autonomous Selection Board. A tyer fulfilling all the requirements they issue the letter of intent through the concerned oil company. But sometimes after issuing a letter of intent, certain complaints are received. And those complaints are forwarded by our Hon. colleagues in this House and the other House also and some other important people. Then we send it back to the OSB. If those complaints are found to be correct, only in those cases the letters of intent are cancelled. It may be one or two in a thousand.

Tyre price

*294. SHRI CHINTAMANI JENA: Will the Minister of INDUSTRY be pleased to state:

(a) the names of major companies which are producing tyres in the country;

(b) whether these companies enjoy the monopoly position in tyre production;

(c) whether Government have been warning the tyre manufacturers to desist from increasing tyre prices; if so, whether the warning was heeded by the manufacturers and if not, the reasons for not complying with the warning and the action taken by Govern-

ment;

(d) whether the Technical Committee on Automobile Tyres and Tubes recommended "permanent marking" of essential information on tyres;

(e) whether the commercial transport operators all over the country have decided to take their vehicles off the road from midnight of 31st March, 1988 to protest against the continuing rise in tyre prices; and

(f) if so, the action contemplated by Government?

THE MINISTER STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b). A statement of the major tyre manufacturers and their production of bus and truck tyres in the given below.

(c) Government have been urging the tyre manufacturers from time to time not to increase the prices of bus and truck tyres. The tyre manufacturers have last increased the net dealer prices of tyres by about 7% in July 1987 on the ground that there has been a steep increase in the costs of major inputs.

(d) Yes, Sir.

(e) and (f). All India Motor Transport Congress has issued a Press Note stating that transport vehicles shall be withdrawn from the roads indefinitely from the midnight of 31st March, 1988 unless their demands are met. One of the issues raised by them is the increase in the prices of truck and bus tyres. Government are in constant touch with the tyre manufacturers in order to ensure adequate availability of bus and truck tyres in the market through maximisation of production. Government would also consider allowing import of tyres if the need arises.

STATEMENT

List of Major Tyre Companies and Production of Bus and Truck Tyres during the Year 1987.

<i>S. No.</i>	<i>Name of the Company</i>	<i>Production of bus and truck tyres during the year 1987.</i>
1.	Apollo Tyres Ltd.	319616
2.	Bombay Tyres International Ltd.	— (was under lock out during 1987)
3.	Ceat Tyres of India Ltd.	599405
4.	Dunlop India Ltd.	542725
5.	Goodyear India Ltd.	245675
6.	J.K. Industries Ltd.	416415
7.	MRF Ltd.	515683
8.	Modi Rubber Ltd.	842547
9.	Vikrant	337707
10.	Premier	119916
Total:		39,39,689

Source: Automotive Transport Manufacturers Association (ATMA).

SHRI CHINTAMANI JENA: I solicit your protection Sir. My question in Part (c) was whether the commercial transport operators all over the country have decided to take their vehicles off the road from midnight of 31st March, 1988 to protest against the continuing rise in tyre prices. But the Hon. Minister in his statement — you may kindly go through it — has answered that Government are in constant touch with the tyre manufacturers in order to ensure adequate availability of bus and truck tyres in the market through maximisation of production, etc. May I know from the hon. Minister what

is the outcome of the discussion with the tyre manufacturers and what is the reaction of the Government so that these types of things may not happen within a fortnight. 31st March is only a fortnight ahead when all the vehicles will be off the road.

SHRI M. ARUNACHALAM: Sir, the Motor Transport Congress Association has made some demands. They have given a notice that they may off-take their vehicles on 31st March if those demands are not fulfilled. The demands of the Congress are:

- 1 Rationalisation of prices of high speed diesel,
2. Reducing burden of central and State taxes,
3. Rolling back of prices of tyres on the basis of BICP report,
4. Import of tyres on OGL, and
5. Permanent embossing of prices on tyres.

We have taken up with the tyre manufacturers to reduce the prices. Prices had come down in January 1988 by the Rs. 200 to Rs. 300. The prices are still below the net dealer's price plus 5% dealer's commission. The price has slightly increased this month but it is not as alarming as it was in the last year.

As regards labelling of prices on the tyres we have given instructions to the tyre manufacturers. I hope the Motor Transport Congress people will be satisfied with the efforts made by the Government.

SHRI CHINTAMANI JENA: May I know whether Government is aware of the recommendations made by the Satya Pal Committee on this issue which recommended certain aspects to improve the manufacture of tyres in our country? if so, what are those recommendations and what is the view of the Government on each of those recommendations especially regarding modernisation of tyre industry and also putting ISI mark on tyres and indicating the price on each tyre?

MR. SPEAKER: Now let the Minister reply to this.

SHRI CHINTAMANI JENA: I would also like to know whether it is a fact that due to monopoly the tyre manufacturers are in-

creasing the tyre prices on the plea of rise in the price of inputs? May I know whether this monopoly is going to be broken by establishing tyre industry in the public sector?

MR. SPEAKER: Disallowed.

SHRI CHINTAMANI JENA: My supplementary may be replied.

[Translation]

SHRI BALKAVI BAIRAGI: Mr. Speaker, Sir, through you, I would like to present to the hon. Minister there. I had put almost the same question as a supplementary during the monsoon session last year as Shri Chintamani Jena has asked now. The Minister had replied that he would see that the Tyre Manufacturers abide by the Government instructions within two months. But 7 months have passed since then. I would like to know the present stand of the government in this regard. Prices go on increasing constant by and tyres are not available in the market as there is a lot of inconvenience to the public. What action the Government propose to take to this regard?

[English]

SHRI M. ARUNACHALAM: Yes, Sir; on 8th February, we had a meeting with the Tyre Manufacturers' Association. They have promised that they will be increasing the production. Government are of the view that the only long term and permanent solution to the problem of tyre prices and distribution is to allow a free play of market forces. With this object in view, the Government have liberally sanctioned fresh capacity for this industry in spite of the fact that adequate capacity already exists.

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): At present, as the member has mentioned, it is in the hands of 10

monopoly houses. they are dictating their terms to the Government and the consumers also. The Government issued fresh licences for extra capacities. The Government is also thinking to allow the import of tyres by the Road Transport Corporation in all the States so that we decrease the prices in the domestic market.

LPG Agencies in Orissa

*299 SHRI SOMNATH RATH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether in view of industrialisation and growth of population, Government propose to allot new LPG agencies in Orissa;

(b) if so, the details thereof;

(c) whether Government propose to have dual dealerships for supply of LPG in municipalities and big towns in Orissa;

(d) whether complaints have been received that LPG licences have been obtained by fraud in Berhampur District of Orissa; and

(e) if so, whether such complaints have been enquired into and action taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT): (a) and (b). With a view to meeting the increasing demand for LPG in Orissa, the oil industry is in the process of setting up 22 more distributorships in the State. The details are given in the statement below.

(c) Depending upon the potential for economically viable operations, new distributorships are being established in existing markets also;

(d) Yes, Sir;

(e) Investigation conducted by Oil Selection Board (East) has established that there is no substance in the complaint.

STATEMENT

<i>S.No.</i>	<i>Location</i>	<i>District</i>
1	2	3
1.	Berhampur	Ganjam
2.	Rourkela	Sundergarh
3.	Bhubaneswar	Puri
4.	Burla	Sambalpur
5.	Sambalpur	Sambalpur
6.	Cuttack	Cuttack
7.	Cuttack	Cuttack
8.	Parlakhemundi	Ganjam
9.	Jharsuguda	Sambalpur
10.	Chowdwar	Cuttack
11.	Talchar	Dhenkanal
12.	Joda	Keonjhar
13.	Bhubaneswar	Puri
14.	Nowrangpur	Koraput
15.	berhampur	Ganjam
16.	Khurda	Puri
17.	Puri	Puri
18.	Devagarh	Sambalpur
19.	Bhubaneswar	Puri