

The fair selling price should be fair to the consumers as well as to the manufacturers. The price to the consumer can never be regarded as fair if the quality of the product is below standard. Similarly a price will not be fair to the manufacturer which does not leave him with a reasonable margin of profit after meeting the cost of production. For judging the fairness of the price of a passenger car, therefore, one has to take into account the capital employed in the industry concerned, the quality of its product and the efficiency of its operations as all these factors have an impact on price. Accordingly, the achievable capacity and not the actual volume of production should be the criterion for fixing the price of a car.

The quality and performance of the three passenger cars continue to be poor causing a good deal of consumer dissatisfaction although some attempts have been made to improve their quality. Lack of quality consciousness at various levels of production both on the part of the manufacturers and ancillary producers, want of raw materials of proper specification and poor quality of after sales service by the dealers are contributory factors. Lack of cost and quality consciousness on the part of the manufacturers, ancillary producers and dealers is mainly due to the car industry being in the 'sellers' market.

Most of the dealers' establishments are ill-equipped and service facilities offered to the customers are poor. Customer complaints should be dealt with promptly and adequately. The labour charges arising out of the warranty claims should be borne by the car manufacturers.

The car industry should be brought on the priority list of industries and foreign exchange should be made available to it more liberally for procuring in adequate quantity, such raw materials/components as are not available at present in the country. Applications of the car manufacturers for import licences should be dealt with more expeditiously. The present practice under which consideration of an application is held over till the receipt of applications from all the three manufacturers leads to delay.

The public sector steel plants should be advised to make adequate supply of raw materials of the quality required by the industry. If the car manufacturers are able to substitute imported steel sheets by indigenous supply it would be possible to reduce the cost of manufacture.

Stricter control should be exercised on the quality and the prices of the products of the ancillary suppliers and Government should stop assistance to those ancillary

suppliers whose products are found to be consistently below standard. There can be no rationalisation of car prices unless requisite steps are taken to control the price of the ancillary products. Attempt should be made to develop more than one source of supply in respect of ancillary items which have a single source of supply.

There are also complaints regarding the quality of ancillary items reserved for small-scale sector. Before reserving any item of automobile ancillary for the small scale sector, care should be taken to ensure that the item can be produced in this sector according to the specifications and quantity required.

The incidence of tax on a car is very heavy in as much as it constitutes 46% of the ex-factory price. The car is no longer an item of luxury and under the existing conditions it is fast becoming an item of necessity. That being so, there is a case for giving some relief out of the excise duties and other levies which are, by their nature, multi-point taxes causing hardships.

In order to meet the rising demand for cars, there is a case for expansion of the existing units and also setting up one or two other manufacturing units in private or public sector. This will generate competition and be conducive to efficiency and economy.

SHORTAGE OF POWER

*19. SHRI A. D. MANI : SHRI S. C. ANGRE : DR. BHAI MAHAVIR :
SHRI LAL K. ADVANI: SHRI
SUNDAR SINGH BHAN-
DARI : SHRI J. P.
YADAV :

Will the Minister of IRRIGATION AND POWER

सिंचाई और विद्युत मंत्री :
be pleased to state :

(a) whether it is a fact that power shortage in some regions in the country is mainly due to the lack of transmission lines from the neighbouring surplus regions as per the report of the Power Economy Committee;

(b) if so, what are the regions where the transmission lines are not working satisfactorily;

(c) whether Government are aware that 180 MW of surplus power is available at Satpura but it cannot be utilised in Punjab

Uttar Pradesh and Haryana owing to the lack of transmission lines; and

(d) what are the causes for the inadequacy of transmission lines, and the details of the action proposed to be taken by Government in the matter?

THE MINISTER OF IRRIGATION AND POWER/मिन्सट्री ऑफ़ इरिगेशन अन्ड पावर

(DR. K. L. RAO) : (a) to (d). A statement is laid on the Table of the House.

(a) and (b). Yes, to a small extent. The power shortage experienced in some regions of the country is mainly due to the loads having been built up beyond the firm capacity available and also because of the poor inflows in the reservoirs of Hydro-electric plants in some years. This shortage could have been mitigated to some extent by establishing or strengthening inter-State/inter-Regional transmission lines. By having greater transmission facilities between Uttar Pradesh-Damodar Valley Corporation-Rajasthan-Madhya Pradesh and Uttar Pradesh-Madhya Pradesh, the position could have been improved to some extent. Power Economy Committee, in their report submitted to the Government, have emphasised the need for the development of Regional Grids and mention this as one of the benefits. The areas in which the transmission links are required can be identified only by studies of Regional and inter-Regional integrated operation. A number of such lines which require strengthening or where new circuits are required, have already been identified in all regions of the country by extensive studies. Further processing is being done for these.

(c) At Satpura Power House three machines are being continuously run and fourth machine is being run whenever required. The power generated is utilised

in Madhya Pradesh and Rajasthan who jointly own the power house. The fourth machine can be run fully and energy to the extent of about a million units per day could be given to the neighbouring Bhakra system or Maharashtra State if 220 KV H.T. lines could have been available between these systems.

(d) Inadequacy in transmission net-works has arisen due to allocation of funds for transmission works being disproportionately lower than those for provision of power generation during earlier Plans. Secondly, reluctance on the part of some State Governments to invest funds on construction of transmission lines, intended for catering to the needs of a neighbouring State from within been their plan ceilings have also responsible for the inadequacy of such links.

In the Fourth Plan, the outlay on transmission and distribution has been stepped up to some extent with a view to remove the existing imbalances progressively. The percentage of investment on transmission and distribution in the Fourth Plan is about 60% of that on generation as against 47% at the commencement of the Plan. A provision of Rs. 22.00 crores has been made for constructing a number of inter-State and inter-Regional links under Centrally sponsored schemes being financed out of Central loans.

DOUBLING OF RAILWAY LINES ON SOUTHERN RAILWAY

*20. SHRI B. V- ABDULLA KOYA : will the Minister of RAILWAYS/रेल मन्त्री be pleased to state the details of the programme for doubling of railway lines on the Southern Railway in the near future ?

THE MINISTER OF RAILWAYS/रेल मन्त्री (SHRI K. HANUMANTHAIYA) : A statement giving the information is laid on the Table.

STATEMENT

The following doubling works on the Southern Railway are in progress :—

Section	Gauge	Length Kms.
1. Madukkarai-Kanjikode (On the Podanur-Olavakkot Section).	B.G.	25.00
2. Alwaye-Ernakulam	B.G.	19.50
3. *Dasampatti-Morappur (On Jolarpettai-Salem Section)	B.G.	15.00

*This work has since been completed in Jan., 1971.