

Statement

- (a) Mirzapur and Mathura (Rampur already provided).
- (b) No, Sir.
- (c) Does not arise.
- (d) At present there is no firm demand at Almora and Pithoragarh. Telex facilities at these places will be planned as and when minimum demand of four subscribers comes up.

[Translation]

SHRI HARISH RAWAT : Mr. Speaker, Sir, Uttar Pradesh is a very backward in the field of tele communication. Uttar Pradesh has the least number of district headquarters which are connected with the telex service. How many district headquarters are you going to connect with the telex service this year ? In this context, will you bear it in mind that in Uttar Pradesh the number of district headquarters possessing telex service is the least.

SHRI VASANT SATHE : It is incorrect that in Uttar Pradesh the number of district headquarters connected with telex service is minimum. Telex facility has been provided in 18 districts of Uttar Pradesh which include districts of Agra, Aligarh, Allahabad, Barreilly, Dehradun, Faizabad, Ghaziabad, Gorakhpur, Jhansi, Kanpur, Lucknow, Moradabad, Meerut, Muzaffarnagar, Raibareilly, Saharanpur, Sitapur and Varanasi. Notional telex has been provided in Shahjahanpur, Haridwar and Rampur. We provide the facility of notional telex provided a demand of at least 4 telex connections is made. In districts where you want this facility, you manage the demand of at least four telex connections and we will provide them this telex facility.

SHRI HARISH RAWAT : I thank the Hon. Minister for his kind gesture and expect the same from him in future too. Will the Hon. Minister provide telex facilities in hilly areas by slightly relaxing the norm from four to two as has been done

with regard to other facilities provided there ?

SHRI VASANT SATHE : It has been reduced from forty to four.

MR. SPEAKER : Lest it should not be reduced less than one.

SHRI HARISH RAWAT : This has been done for all.

SHRI VASANT SATHE : It will be extremely difficult to accept your request for two.

[English]

Manufactures of Tractors

*1028. SHRI JAGANNATH PATNAIK : Will the Minister of INDUSTRY be pleased to state :

(a) whether there is a proposal under consideration of Government to manufacture in collaboration with certain firms, a cheaper type of tractor which will be within the reach of common farmer; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) :

(a) No Sir.

(b) Does not arise.

SHRI JAGANNATH PATNAIK : Sir, this is no answer at all, You know very well that now the agriculturists are seeking tractors with specialised functions and especially having better fuel efficient engines. Apart from the 15 per cent excise duty, because of the bloating cost of steel and tyres, the price of a tractor has increased by 20 per cent. Keeping all these factors in view, I would like to know whether the Government thinks it necessary to update the technology to meet the new requirements.

SHRI M. ARUNACHALAM : As far as the tractor industry in India is concerned, our technology is in no way inferior to that of any of the advanced countries. Our manufacturers have been upgrading their technology. Since 1984, Government have allowed import of technology both for new models as well as for the upgradation of engines of the major manufacturers like the Escorts, Mahindra and Mahindra and HMT.

SHRI JAGANNATH PATTNAIK : May I know from the Hon Minister the progress made about the proposal for the manufacture of combined agricultural tractors and harvestors? A high-level discussion was there for a joint collaboration with the USSR. What is the progress in that regard?

SHRI M. ARUNACHALAM : There is no such proposal pending, as far as the Government is concerned. But all the manufacturers of tractors are permitted to manufacture any range of tractors within their licenced capacity.

SHRI V. SOBHANADREESWARA RAO : Gradually, now, due to several reasons in the agricultural sector, even in the remote villages, the farmers are going in for the tractors. In fact, many a time, they are compelled because of certain economic conditions which are quite different from the situation which was prevalent some decades back. But we find the scenario is usually of big tractors, such as, 55 H.P., 60 H.P., 45 H.P., and so on.

I would like to know from the Hon. Minister as many of the farmers are small and marginal farmers, lower-middle class farmers—whether the Government will take more effective steps for the production of tractors of smaller Horse Power capacity, such as 25 H.P. or 20 H.P., or something like that, and that the rates of these tractors should be within the reach of the lower-middle class farmers by giving some relief on the tax structure which are imposed on these tractors and also on the implements, like row cultivation, inter-cultivation and so on? Many a time, for cotton and some other crops which are planted in rows, the inter-cultivation can be done by the imple-

ments. Many of these implements are now being put to use in Japan and Phillipine. Like that, where there are some holdings, will the Government produce on a larger scale and make available to the lower-middle class farmers of this country, similar types of equipments?

SHRI M. ARUNACHALAM : Most of the leading manufacturers are manufacturing small tractors of 25 H.P., that is 1800 cc. and below. It is about 32 per cent of the total production in the country.

With a view to bring the tractors within the reach of the common farmers, tractors of 1800 cc and below are fully exempted from the levy of Excise Duties.

Small tractors of below 1800 cc engine capacity are commanding about 32 per cent of the market today. I hope the Hon. Member may be...

SHRI V. SOBHANADREESWARA RAO : Still the rates are high. They should be further brought down. You give some concessions.

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) : Complete Excise Duty upto 1800 cc was exempted.

DR. KRUPASINDHU BHOI : The Minister had received a paper from the Secretary that below 1800 cc, they are exempting fully the Excise and Customs Duties. I am happy about that. But it is not being implemented as yet. So basing on the main question of my Hon. friend Shri Pattnaik which he has asked—the new design parameters of fuel efficient machines which are now prevalent in Japan and Phillipines and its cost will be much lower—I would like to know whether the Minister is going to agree to the proposal of any public sector or private sector to accept the double entry of Excise and Customs Duties and the other taxes from the ancillary parts.

They are charging the Excise and Customs Duties and other taxes and at the same time, after the crops are on the rows, they are

charging the same Excise and Customs Duties and other taxes, such as Sales Tax, which are there in different States. I would like to know, whether you are going to take cognizance of it,

There is a feeling in the minds of the farmers that the Department of Industry is giving a stepmotherly treatment to the causes of the farmers. For convincing the farmers, whether the Minister will take a bold step by taking cognizance of Mr. Rao's suggestion of exempting duties on less than 25 H.P. tractors in all fairness and the rate should be within the reach of the farmers *vis-a-vis* foreign technology.

SHRI J. VENGAL RAO : The answer to this question is this. In the last year's budget, the exemption was given upto 1800 cc. engine tractors That means upto 25 HP. That benefit is going to them. *(Interruptions)*

DR. KRUPASINDHU BHOI : What was the cost last year; and what is it now? You can give this information, so that the House may know. We are laymen.

MR. SPEAKER : He is talking about the excise duty, and not about the price.

SHRI J. VENGAL RAO : About the demand in our country, according to the 7th Plan projections, it is 95,000 tractors. Our licensed capacity is 1,95,000. Our installed capacity is 1,15,000 for tractors. *(Interruptions)*.

DR. KRUPASINDHU BHOI : I have not asked for that I have asked about the rates and prices.

MR. SPEAKER : He was asking about the excise duty.

(Interruptions)

**Arbitrary high prices of drugs fixed
by Drug Companies**

*1029. **PROF. K.V. THOMAS :** Will the Minister of INDUSTRY be pleased to state :

(a) whether Government issued Drugs (Prices control) Order in 1979 and several companies got stay orders;

(b) if so, the number of cases pending final decision from the courts;

(c) whether these companies still continue to charge arbitrarily fixed high prices for drugs; and

(d) whether these companies are exempt from payment of income tax on profits earned due to differences in Government price and company price ?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO) : (a) to (d). A statement is given below :

Statement

(a) Some companies had obtained stay orders from various courts against prices fixed for some of their drugs under DPCO, 1979.

(b) and (c). There Writ petitions filed by M/s. Warner Hindustan, M/s. Parke Davis and M/s. Pfizer are still pending decision from the Bombay High Court. In other three cases concerning M/s Sandoz (India) Ltd., M/s Abbott Labs. and M/s Pfizer Ltd., appeals filed by the Government against the judgement of Bombay High Court dated 6.4. 1987 are still pending final decision. The concerned companies are charging their own prices for the formulations involved due to stay granted by the Bombay High Court,

(d) The Ministry is not aware of any such exemption being allowed by the Income Tax Authorities.

PROF. K. V. THOMAS : The multinational and big companies who manufacture drugs in this country are exploiting the poor people. The price of drugs is unilaterally fixed by these companies at a very exorbitant rate. Whenever Government tries to control these companies, they get shelter either in the High Courts or in the Supreme Court. They are worse than the terrorists. If the terrorists are killing people, these