

SHORT NOTICE QUESTIONS AND ANSWERS

Order for 100 Diesel Locomotives

B.N.Q. No. 5. { Shri Narayanankutty
Menon:
Shri A. K. Gopalan:

Will the Minister of Railways be pleased to state:

(a) whether it is a fact that the Railway Board has recently placed a large order for 100 Diesel Electric Locomotives with an American firm;

(b) the name of the firm and the amount of the order;

(c) whether global tenders were invited for the supply of these locomotives;

(d) whether 'deferred payment' was negotiated for the supply of these locomotives and if not, the reasons therefor;

(e) whether it is a fact that certain defects about the Diesel Electric Locomotives on order with the American firm were brought to the notice of the Railway Board by a German firm;

(f) whether anything was done about it;

(g) the reasons why this first order of its kind was not split to enable Government to judge which locomotive would be more suitable for Indian climatic conditions; and

(h) whether it is a fact that at present there is a strike in the American factory where are orders have been placed and whether Government will review the order?

The Minister of Railways (Shri Jagjivan Ram): (a) Yes.

(b) Alco Products Incorporated, New York. The total cost of the order is 22,415,360 dollars, equal to Rs. 10.67 crores approximately.

(c) Yes. Enquiries were addressed to all firms of repute having experience in the manufacture and maintenance of Diesel locomotives of high

power—18 in number—spread over 10 different countries.

(d) Yes, but the firm was not prepared to accept any deferred payments.

(e) Yes.

(f) The firm Alco themselves in their offer had referred to difficulties in the earlier types of locomotives manufactured by them, and enquiries had therefore been initiated even prior to receipt of the report from the German firm. A team of officers who were deputed to the States in another connection, collected information about the performance of various types of diesel locomotives on the American Railways. A further check up was made by deputing a team of two officers to West Pakistan, where locomotives identical to those offered to India, as well as locomotives manufactured by other firms, had been provided in service. The report of the team showed satisfaction in regard to the type of Alco locomotives offered to the Indian Railways, to an even greater extent than the products of other suppliers.

It was nevertheless decided that, in order to ensure complete safeguard in regard to the quality of locomotives offered, additional guarantees should be provided in the contract and this was done.

(g) There was no other suitable competitive offer which was acceptable from the point of view of price and delivery, so that the order could have been shared. There would also have been difficulties in having experiments with different proto-types, apart from difficulties of maintenance and multi-type spares in case more than one type was to be in use. A splitting of the order would also have meant increased expenditure initially as well as in maintenance costs.

(h) No. There was a strike, but it has since been called off.

Shri Narayanankutty Menon: May I know whether the deal has been concluded through any agency or an

individual, and whether any commission has been paid to any agency?

Shri Jagjivan Ram: Not by the railways in any case.

Shri T. B. Vittal Rao: Each locomotive costs something like Rs. 10 lakhs. The Estimates Committee said—

Mr. Speaker: What is your question? Only put a straight question.

Shri T. B. Vittal Rao: I am putting only a very straight question.

Mr. Speaker: What is the preamble? The hon. Member need not say a preamble.

Shri T. B. Vittal Rao: The Estimates Committee pointed out—

Mr. Speaker: It need not be said. What is the question.

Shri T. B. Vittal Rao: The question is that the Estimates Committee had criticised the purchase of locomotives from America at a cost of Rs. 10 lakhs each. But again they are purchasing these locomotives at Rs. 10 lakhs each.

Mr. Speaker: The hon. Member knows English. He might ask: "In view of the fact that the Estimates Committee has recommended that locomotives worth Rs. 10 lakhs each ought not to be purchased from America, why is the Government doing so again?"

Shri T. B. Vittal Rao: Yes, Sir. That is my question.

Shri Jagjivan Ram: I have the answer, and it is very simple. This was the lowest tender quoted by any of the firms.

Shri Narayanankutty Menon: May I know whether the tender submitted by the Alco Products Incorporated, New York, was the lowest?

Shri Jagjivan Ram: That is what I stated.

Shri Tangamani: May I know whether any special officer was sent to the United States of America to complete this deal and, if so, the name of the person and his qualification?

Shri Jagjivan Ram: Nobody was sent to complete the deal in America. Some officers were there. When we heard of certain difficulties in the earlier types of locomotives, the officers were asked to look into that and satisfy themselves. As I have stated in the answer, the deal was not finalised in America. It was finalised in Delhi.

Shri H. N. Mukerjee: May I know if it is a fact that on this occasion, as on previous other occasions, we wanted an accommodation from the World Bank and in return we were put under the obligation of having to accept American offer whether it was good for us or not?

Shri Jagjivan Ram: I repudiate the suggestion emphatically. On this question there was nothing like that. No suggestion was thrown by the World Bank or by anybody from America to this effect.

Shri Dasappa: May I know who were the other tenderers and whether, among them, were the General Motors who have manufactured standard locomotives? What was the difference between their quotation and the present quotation which has been accepted?

Shri Jagjivan Ram: As I have said, there were 18 tenderers from ten different countries, and General Motors was one of them. I have not got the exact quotation of the General Motors, but that was also higher than the one which was accepted.

Shri Dasappa: Were there not certain obvious advantages in the General Motors' locomotives? Were they not better than the ones that have now been ordered?

Shri Jagjivan Ram: From all points of view, the present locomotives were

considered to be the best. From the price point of view they were the cheapest. From the delivery point of view, they were the quickest. As a matter of fact, their delivery starts from August next, which no other tenderer could offer. Also, their performances was considered to be the best.

The question had been put as to whether they were to be tested in the Indian climatic conditions. As I had stated in my reply, Pakistan had been using these locomotives for a number of years and those vehicles have run for millions of miles. Officers were sent there and they found that the performance of these locomotives were quite satisfactory in the Indian conditions. After taking these factors into consideration, it was thought that this was the best course.

Shrimati Parvathi Krishnan: Is it not a fact that the Member (Transport), Railway Board, raised very serious objections to the placing of this order? May I know what were the reasons given?

Shri Jagjivan Ram: My information here in the file is something contrary to what the lady Member has said.

Sugarcane crop in North Bihar

S.N.Q. No. 6. { **Shri Shree Narayan Das:**
Shri Kushwaqt Rai:
Shri Mohan Swarup:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that sugarcane crop is still standing over a very large area in north Bihar;

(b) whether the Government of India have received representations from the cultivators or their associations inviting the attention of Government towards their difficulties in this connection;

(c) the time upto which the sugar mills in north Bihar will continue to work;

(d) the quantity of sugarcane purchased so far by the mills in that area and the approximate quantity still standing in the fields;

(e) whether any decisions have been taken by Government to meet the situation; and

(f) if so, the details thereof?

साथ उपमंत्री (श्री मो० वें कुशवाप्पा):

(क) से (घ) एक विवरण सभा की देखित पर रख दिया गया है। [देखिये परिशिष्ट २, अनुबन्ध संख्या ३३]

Mr. Speaker: The question has been put in English. Let him read the English answer.

Shri M. V. Krishnappa: (a) to (f). A statement is laid on the Table of Lok Sabha. [See Appendix II, annexure No. 33.]

Shri Shree Narayan Das: A short notice question should be answered on the floor of the House here and not in the form of a statement.

Mr. Speaker: Perhaps it is a long statement.

Shri M. V. Krishnappa: I will read it out.

Shri Shree Narayan Das: Will the hon. Deputy Minister state whether all these 17 lakhs maunds of sugarcane lie with the three mills that will continue to work or elsewhere?

Shri M. V. Krishnappa: Our information is that the Bihar Government has taken all possible measures to divert the surplus cane to the deficit areas and they feel that by this time all the cane in Bihar has been crushed. There is no apprehension on the part of the Bihar Government that the cane will be surplus and that the canegrowers will be affected by it.

Shri Shree Narayan Das: May I know whether the Government is