

provided succour and relief to the agriculturists and cultivators, and on similar lines they should take up price-support operations for cotton, oilseeds and certain other agricultural produce with this clear-cut understanding that whatever the STC gains out of the sales of industrial raw materials would not be utilised to provide cheap materials at the cost of the cultivators.

SHRI B. R. BHAGAT : That is a suggestion for action.

SHRI RANGA : Let him answer about tobacco.

SHRI B. R. BHAGAT : We have taken steps to clear the stock of last year as also of this year regarding tobacco.

SHRI PILOO MODY : Has he started smoking ?

SHRI B. R. BHAGAT : We have already made arrangements in respect of a number of items, and as soon as people come forward, we shall do the needful, and we hope that.....

SHRI RANGA : Let him satisfy Shri Annasahib Shinde first.

SHRI B. R. BHAGAT : I have to satisfy the hon. Member first.

SHRI RANGA : Shri Annasahib Shinde knows about it very well.

SHRI SHIVAJI RAO S. DESHMUKH : My question has not been replied to. My main question was about cotton.

My question was whether Government would step in for the purchase of raw cotton and oilseeds. It was a specific pointed request for information and not a suggestion.

SHRI VIRENDRAKUMAR SHAH : We have already spent more than 40 minutes on this question.

SHRI B. R. BHAGAT : I am very happy that hon. Members on all sides want the STC to take up more and more operations. We shall consider all this.

SHRI RANGA : We want that the STC should function honestly, efficiently and cheaply.

श्री राम चरण : इम्पोर्ट करने के लिए दो एजेन्सीज हैं : एक एस० टी० सी० और दूसरी प्राइवेट कनसर्न्ज । हमारे देश में मसाले बाहर से आते हैं और हर एक गरीब, अमीर, मजदूर, सभी लोग उनको इस्तेमाल करते हैं । उनमें एक आइटम है लौंग ।

लौंग की कीमत इस समय मार्केट के अन्दर 200 रुपये किलो है, उसको हर गरीब आदमी इस्तेमाल करता है । मैं सरकार से पूछना चाहता हूँ कि जो रोजमर्रा की चीजें हैं, मसाले का, किराने बाजार का जो सामान है जिसको हर गरीब आदमी इस्तेमाल करता है क्या एस० टी० सी० इस तरह का कदम उठायेगी कि वह इनका इम्पोर्ट करके सस्ते-से-सस्ते दाम में हर गरीब आदमी को दे सके और इनका ट्रेड जो मोनो-पलाइज्ड है उसको खत्म करे ?

श्री ब० रा० भगत : जहाँ तक लौंग और ऐसी चीजों का सम्बन्ध है माननीय सदस्य ठीक कहते हैं कि चूँकि लौंग का आयात बन्द है इसलिए उसका दाम बहुत बढ़ा हुआ है और यह हम सोच रहे हैं, फाइनेंस मिनिस्ट्री के पास जाएँगे, फारेन एक्सचेंज मिला तो लौंग और ऐसी चीजें लाएँगे ।

Export of Rail Wagons to U. S. S. R. and others Countries

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- *63. **SHRI D. N. PATODIA :**
SHRI HIMAT SINGKA :
SHRI S. S. KOTHARI :
SHRI K. LAKKAPPA :
SHRI LAKHAN LAL KAPOOR :
SHRI BAIDHAR BEHERA :
SHRI JAI SINGH :
SHRI HARDAYAL DEVGUN :
SHRI BIBHUTI MISHRA :
SHRI SITARAM KESRI :
SHRI CHENGALRAYA NAIDU :
SHRI R. BARUA :
SHRI N. R. LASKAR :

DR. RANEN SEN :

SHRI RAGHUVIR SINGH
SHASTRI :

SHRI Y. A. PRASAD :

SHRI D. C. SHARMA :

SHRI R. R. SINGH DEO :

SHRI PRAKASHVIR SHASTRI :

SHRI N. K. SOMANI :

SHRI E. K. NAYANAR :

Will the Minister of FOREIGN TRADE AND SUPPLY be pleased to state :

(a) whether the negotiations to sell Indian wagons to U. S. S. R. are still continuing; if so, the progress so far made and when the negotiations are likely to be finalised ;

(b) whether the wagon buyers have approved the sample submitted by India and, if not, what further improvements and changes have been suggested by the U.S.S.R. and whether a fresh sample has also been submitted;

(c) whether the prices demanded by India have been accepted by U.S.S.R. and if not, the prices demanded by India and those offered by U.S.S.R. and how Government propose to reconcile the difference; and

(d) the prospects for selling Indian wagons to other countries and how many orders have been received since the 1st January, 1968 and how much more business is likely to be received upto the 31st March, 1970 ?

THE MINISTER OF FOREIGN TRADE AND SUPPLY (SHRI B. R. BHAGAT) :

(a) Yes, Sir. The negotiations are still continuing. Agreement has been reached on a number of points including all technical matters. It is not possible to indicate when the contract will be finalised.

(b) The samples will be manufactured only after the contract is signed.

(c) The negotiations are still continuing.

(d) The prospects for selling Indian wagons to other countries is considered to be bright. Regarding orders received since the 1st January, 1968 and the possibility of more business in the near future, a statement is laid on the Table of the House.

Statement

Details of Railway Coaches and Wagons Orders Secured

(Export orders in hand)	
Countries	Items
1. Burma	14 Bogies and Petrol wagons
2. Ceylon	40 Bogies and Petrol wagons
3. East Africa	45 Cattle wagons and 88 Bogies
4. Poland	500 covered wagons
5. Taiwan	120 covered wagons
6. Thailand	45 Bogies
7. Hungary	1000 wagons
8. Sudan	120 wagons 40 under frames
9. Taiwan (Under Negotiation)	100 Bogies
10. Nigeria	400 covered wagons and 120 under-frames
11. Iraq	38 coaches
12. New Zealand	12 coaches 4 buffet cars 4 power cars.

SHRI D.N. PATODIA : About 17 months ago, in February 1968, when Mr. Kosygin came to India, he agreed to buy as many as 54,000 Indian wagons for Russia. This was given a big splash of publicity in all newspapers and a lot of fanfare was there indicating that it would revive our economy and help our industry. Thereafter, one of their Ministers, Mr. Petolichiev, announced that agreement would be signed "within a few days". Now after 19 months, we are here to listen to the hon. Minister that negotiations are still continuing, prices are still being negotiated and samples are to be submitted. Nobody knows when it will be done, how it will be done and where it will be done. Is it a fact that the prices quoted by India were in the neighbourhood of Rs. 1,00,000 per wagon whereas the Russians are prepared to pay only about Rs. 54,000 per wagon ? Also for making these wagons, would India need many special types of steel to be imported ? If so, what will be the quantum of steel to be imported per wagon as against the price per wagon offered by the Russians ? Also what would be the amount of subsidy the Government of India will have to offer to the wagon builders if the price offered by the Russians

is accepted, and compared to the price that India is getting or is likely to get from Russia, what is the price she is getting from other countries of the world ?

SHRI B. R. BHAGAT : Many of the things that the hon. Member has said are true. It is true it is taking a longer time than we anticipated.

SHRI PILOO MODY : Why ?

SHRI B. R. BHAGAT : The hon. member should realise that it is a very big deal, 54,000 wagons, over a period of 8-10 years. It is a long-term deal. The wagon specifications are of a unique kind. So far we have mostly been exporting four-wheelers. These are eight-wheelers. The technical details of the specifications have to be gone into. I am glad to inform the House that most of these are cleared.

As for the other points, how much will be the subsidy, what will be the quantum of import of steel etc. that will only be finalised after the contract is signed.

SHRI PILOO MODY : He would fix the price after the contract is signed ?

SHRI B. R. BHAGAT : Let me complete my answer and then he can shoot questions. I am prepared to answer them.

As for the price, I would not like to go into details as it is not in public interest.

SHRI D. N. PATODIA : Why ?

SHRI PILOO MODY : First 'public interest' has to be defined.

SHRI B. R. BHAGAT : The main point is this : we say our price is internationally competitive. They have been putting their point of view. I am glad to inform the House that they have agreed to send a technical team to India in the near future to settle this question.

We hope that the pending matters in respect of this deal will also be settled amicably before the contract is signed.

SHRI D. N. PATODIA : What is the import content in these special wagons and how does it compare with the price offered by them.

SHRI B. R. BHAGAT : As I said some special steels will be required but unless the samples are finally approved and the contract is signed it is difficult to give all the

details at this stage; it is also not proper to do so because we give our costs to the whole world. The House should know that there are others also competing and we should not give out our cost to the whole world. The hon. member knows about the commercial deals ; these are not given out.

SHRI D. N. PATODIA : These wagons are a special type of wagons which can be used only at one place all over the world and that is Siberia. Therefore the question of competition does not arise. Secondly, he himself has said that the technical specifications had been finalised. What is the import content in the manufacture of the wagons ? How do they compare with the price offered ?

SHRI B. R. BHAGAT : I maintain that it is not in our interest to give out the details because the contract is not signed.

SHRI BALRAJ MADHOK : It is not strategic material. We should like to know what is the national interest involved ?

SHRI D. N. PATODIA : The hon. Minister has said that it was a big deal and it was taking time as the specifications were of a complicated nature. Is it true that the bigness of the deal has been discovered after 17 months. Why was it announced in all the newspapers that an agreement would be signed within a few weeks in February 1968 ? (*Interruptions*). Is it true that this delay is caused by the Russians as a deliberate attempt to influence India politically and they are trying to see that India buys aircraft from Russia and secondly that India is prepared to co-ordinate its planning with that of the Soviet Union ? Is it true that Russia is not going to accept this deal unless the Indian Government agrees to their proposal ? Is it also true that while purchasing wagons from other countries the Soviet Union has paid a much higher price than what they are offering India now ?

SHRI B. R. BHAGAT : I do not know about the latter because they do not disclose the prices of what they purchase. There is no question of any political pressurising involved either in this or in other matters. We are examining it on a commercial basis from our national interest. Whatever may be the intention on the other side, even on larger questions I can assure the House that this Government has a record of not being

pressurised by others. (*Interruptions*).

SHRI RANGA : His question has not been fully answered, Is it true that Soviet Russia has been paying more to other countries for almost similar imports than what it has been offering to us ? They should be having that information.

SHRI B. R. BHAGAT : They do not disclose their prices. We may get some other information from some other source but that should not be disclosed because they are not precise and we do not have any official information from them; they may not like it to be disclosed.

SHRI D. N. PATODIA : He has said that he is not prepared to disclose it and that he is not aware of it.

May I quote from the newspaper a statement made by the STC representative ? (*Interruption*).

MR. DEPUTY-SPEAKER : Order, order.

SHRI D. N. PATODIA : It says that according to the spokesman, the price quoted by India was definitely cheaper than that quoted in the international market. He has said that India got recent orders for railway wagons from Iran, etc., etc. So, a categorical statement has been made by the STC representative that the prices quoted by India to Russia are cheaper compared to the prices offered by any other country in the world. I want to know whether it is correct or not.

SHRI B. R. BHAGAT : I am sorry the hon. Member is mixing up the issues. It is true we are competitive, and that is what we are maintaining. In international prices, we are competitive, and in our tenders with Iran or some other country, we are competitive, and that is what we are maintaining. But the hon. Member himself says that these are very special type of wagons, which is true, and therefore, to compare them with some other wagons which may have been supplied is not proper; now he wants me to say whether it is right or wrong; that is not proper.

SHRI PILOO MODY : Sir, is this a relevant answer to the question ?

MR. DEPUTY-SPEAKER : The question of relevancy is left to the Chair.

SHRI PILOO MODY : Yes, but I think he should be made aware of his not being

relevant.

SHRI HIMATSINGKA : In view of the fact that there is dearth of orders with the coach-builders, will the Government consider the desirability of asking the railways to place advance orders so that the factories may go on producing and especially in view of the fact that about the Russian orders there is no certainty ?

SHRI B. R. BHAGAT : About the railways, I will draw the attention of my colleague to whatever orders can be placed. But as I said, I have given a statement. More and more orders for the wagons have come and we are trying to get more and more orders from other countries. If the hon. Member would look into the statement, he will find that the orders are progressively increasing.

SHRI S. S. KOTHARI : It is a sorry story.

MR. DEPUTY-SPEAKER : There are a number of names here : about 21. I will not permit a long preface. Come directly to the question. Otherwise, the others will be deprived of the opportunity of participating in the question.

SHRI S. S. KOTHARI : After allowing about 10 minutes to the first questioner, you are asking me to be brief.

MR. DEPUTY-SPEAKER : If you go on prefacing your question, I will call the next Member. Come to the question.

SHRI S. S. KOTHARI : I will follow your direction. Keeping in view, firstly the manner in which Russian influence is increasing in this country, secondly, these orders are likely to materialise after the recession is over; and thirdly, the prices offered by Russia are far below what they should be. So may I know whether the Minister will consider my suggestion that the whole deal should be called off or scrapped ? (*Interruption*).

SHRI B. R. BHAGAT : I may tell the hon. Member that it will not be in our interests to call off the whole deal. It is a big export. If we get it on a price which is commensurate with our needs, we should go ahead with this deal.

SOME HON. MEMBERS rose - (*Interruption*).

Mr. DEPUTY-SPEAKER : Order, order. Shri Lakkappa.

SHRI K. LAKKAPPA : Mr. Deputy-Speaker, I do not know the great secret and the controversies and the implications of it. But the question is very simple. Russia has placed an order and India has to send the wagons and the negotiations are afoot. The question is, the Indian Government has not organised it and has no quality production of wagons, and it is all in the hands of the bureaucracy in India. The other point is, they have not organised it in such a way as to create a healthy atmosphere and to push our trade in the foreign countries. I do not know. I would like to put a specific question; the negotiations have been going on. I got a credible information that the American lobby is working through the syndicate of our Government, and our leadership has been split into two groups and so, so far as the negotiations so far are concerned, and our progress is concerned, it is hampered. Therefore, I want to know whether it is not a fact that the Government of India has not taken a decision, or has failed to take a decision to place the orders and also conduct negotiations at once because of the internal difficulties and the bickerings and also because the syndicate is influencing this Government not to proceed to negotiate with Russia? I want an answer. It is not that I am having any political motive. The Minister has said that there has been delay, and he has not explained it. Let him say whether it is a fact or not.

SHRI B. R. BHAGAT : Sir, the hon. Member had his say. I only appeal to him that he should have better respect for himself if he wants others to respect us (*Interruption*).

SHRI K. LAKKAPPA : Sir, the facts have been disclosed. Still the negotiations are going on. The delay has not been explained. If he is a prudent Minister he should have explained the delay. The reason for the delay is that he has been motivated and, also, he has been influenced by the 'syndicate'...

MR. DEPUTY-SPEAKER : Mr. Lakkappa in your own way you have tried with insinuation to explain the delay.

SHRI K. LAKKAPPA : I do not make any insinuation.

MR. DEPUTY-SPEAKER : Now to expect the Minister to say anything is too much, I cannot compel the Minister.

SHRI K. LAKKAPPA : Let him say 'yes' or 'no' to my question. My question is about the delay. I will repeat my question in simple English. We have to build up trade relationship with other countries and see that our trade with other countries flourishes. But there has been delay in negotiation over the wagon business. Therefore, I would like to know... (*Interruptions*).

MR. DEPUTY-SPEAKER : Mr. Lakkappa, Please resume your seat. I cannot compel the Minister to reply.

SHRI K. LAKKAPPA : Sir, I have a right to get a reply...

Mr. DEPUTY-SPEAKER : Nothing will go on record.

SHRI K. LAKKAPPA : **

श्री लखनलाल कपूर : रेल के डिब्बे बनाने के काम में टेन्साइल-स्टील, जो कि बहुत कीमती स्टील होता है, की जरूरत पड़ती है। क्या यह सही है कि इस स्टील को हिन्दुस्तान के बाहर से मंगाना पड़ता है तथा डालर व पीड खर्च कर के इसे भारत सरकार बाहर से मंगती है? मैं जानता चाहता हूँ कि इसमें कितनी कीमत का यह स्टील लगेगा तथा भारत सरकार इसे रूस की तरफ से क्यों इम्पोर्ट नहीं करती है? रूस भारत सरकार को टेन्साइल स्टील दे और हम उससे उनको डिब्बे बनाकर दें, अन्यथा इस में भारत सरकार को काफी घाटा उठाना पड़ सकता है?

श्री ब० रा० भगत : जहाँ तक इसमें स्पेशल स्टील का सम्बन्ध है, जो यहाँ नहीं बनता है, वह रूस से आयेगा। लेकिन जहाँ तक वेगनों का सवाल है, जब तक काट्रेक्ट साइन न हो जाय, इसकी तफसील बताना कि कितना लगेगा, मुश्किल है।