

As regards plant and machinery, first priority was given to this factory in the second batch of 7 plants to be delivered by the consortiums. As regards Central assistance, a provision of Rs. 10 lakhs has been made in the current years' budget and the State Government advised to send specific proposals in this behalf.

Shri Panigrahi: May I know the year in which this sugar factory was sanctioned and also how many co-operative sugar factories have been established since then?

Shri B. S. Murthy: The total target for the Second Five Year Plan is 32 out of which 22 have been so far licensed. Orissa was given two but licence for this Aska Sugar Factory has been given.

Mr. Speaker: The hon. Member wanted to know how many have been installed?

Shri B. S. Murthy: I require notice.

Mr. Speaker: I thought the hon. Minister must have all this information.

The Minister of Community Development and Co-operation (Shri Dey): May I give the information? Actually, 22 licences have been issued during the Second Five Year Plan; and there were 16 licences issued during the First Five Year Plan. There are now 21 factories under production. The number of factories under erection is 6. The number of factories to obtain machinery from consortiums is 11.

Mr. Speaker: Out of 38, 21 are now under production.

An Hon. Member: It does not improve matters in any way.

Shri Panigrahi: May I know what amount of foreign exchange was required for this sugar factory in Orissa and what were the difficulties in not allotting it to this sugar factory when this was given priority?

Shri B. S. Murthy: Foreign exchange for the sugar factories has been

exhausted. Therefore, we have taken to the manufacture of this machinery through consortiums. That is why the delay has occurred.

Diesel and Electric Locomotives

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Shri R. C. Majhi:
Shri Subodh Hansda:
Shri S. C. Samanta:
Shri Ram Krishan Gupta:
Shri S. M. Banerjee:
Shri D. C. Sharma:
 *547. **Shri Sarju Pandey:**
Shrimati Maftida Ahmed:
Shri Daljit Singh:
Shri Goray:
Shri A. K. Gopalan:
Shri Kunhan:
Shrimati Renuka Ray:
Shri Tangamani:

Will the Minister of Railways be pleased to refer to the reply given to Starred Question No. 208 on the 7th August, 1959 and state:

(a) whether Government have since considered and scrutinised proposals received from the three firms for the manufacture of diesel locomotives;

(b) whether any proposal has been accepted;

(c) if so, the main features thereof; and

(d) the progress made in the direction of inviting global tenders for the supply of electric locomotives with their progressive manufacture at Chittaranjan?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) Yes.

(b) Yes; proposals from each of the three firms have been accepted.

(c) The main features involved in each of these schemes submitted by the firms involve the gradual build-up of indigenous capacity for manufacture of the vehicle portion and engines in the country.

(d) Global tenders, for the supply and progressive manufacture of 42 Nos. 25 kV, 50 cycles A.C. freight type locos in India in Chittaranjan Locomotive Works, have been invited in August last. The last date for receipt of tenders is 11th January, 1960.

Shri S. M. Banerjee: In reply to a previous question—and now also—the hon. Minister said that three firms—I believe the Telcos, the National Engineering Industries and Texmaco—have submitted proposals and they have been scrutinised. May I know whether orders are being placed on all the 3 concerns or on a particular concern and what the proposals are?

Shri Shahnawaz Khan: The orders are being placed on all the three firms—on Telco for metre gauge 1400 h.p.; National Engineering, 20 broad gauge, 2400 h.p.; and Texmaco, 20 broad gauge, 2800 h.p.

Shri S. M. Banerjee: I want to know the terms of agreement. What are the main features of the agreement and what is the cost?

Mr. Speaker: There may be many details in the agreement. What does he want?

Shri S. M. Banerjee: The price.

Shri Shahnawaz Khan: We have not worked out the exact price yet.

Shri S. M. Banerjee: You remember, Sir, in the Telcos we are already having arbitration. My fear is we may not enter into an agreement which again goes to arbitration.

Mr. Speaker: All that the hon. Member wants is that no agreement shall be entered into in an inchoate manner and later on fix the price. The price must be fixed first.

The Minister of Railways (Shri Jagjivan Ram): I may inform the House that we have grown wiser by the Telco agreement; and we are not likely to commit that mistake again.

Shri C. E. Pattabhi Raman: May I know the exact position regarding metre gauge locomotives?

Shri Shahnawaz Khan: I said the Telcos would be charged with the manufacture of 50 metre gauge engines.

Shri Jagjivan Ram: I may clarify further. Though we have scrutinised the offers of these three firms, no firm order has yet been placed with the firms. That is still under consideration.

Mr. Speaker: Will that be done only after the prices are fixed?

Shri Jagjivan Ram: All these details have to be worked out before a firm order is placed.

Shri Goray: May I know whether the Telcos have offered engines at the price of Rs. 7,50,000 each and the other two factories at Rs. 12 lakhs and Rs. 15 lakhs?

Shri Jagjivan Ram: It is not comparable. I am not talking of the present engines that Telcos are producing. The Telcos are prepared to take the manufacture of metre gauge engines whereas the other two firms are to be given broad gauge. So, the prices are not to be compared.

Shri Goray: I am not saying that they should be compared. I want to know whether these figures are correct because these have appeared in the Press. I want to draw your attention to this that while we are being given this information now, all has appeared in the Press a long time ago and the details have come.

Shri Jagjivan Ram: That we cannot help when we have to negotiate with so many firms. As I have said offers have been scrutinised; it has been discussed with them. But the final decision of placing orders on them—firm orders have not yet been formally placed—is still under the consideration of Government.

Raja Mahendra Pratap: Has the Government any proposals to utilise the technical institutions in India to manufacture parts of Diesel engines and engines in general? We have a technical institute at Brindaban and we can manufacture many of the parts. The energy of our students is wasted because they make only such things which are never used.

Shri Jagjivan Ram: Perhaps, the House is aware that the railways do not manufacture all their requirements themselves. We have a cell in the various railway administrations to advise the indigenous manufacturers and to see if the items which the railways are importing can be produced indigenously. So, the hon. Member may approach the railway concerned and he will be advised of the items that can be taken up by his institution.

Shri D. C. Sharma: What are the total requirements of electric locomotives upto the end of the Second Five Year Plan? Will these people be able to manufacture the required number?

Shri Shahnawaz Khan: I shall require a separate notice.

Shri Damani: May I know the number of locomotives for which a provisional order has been placed and the price they have asked for them? How do they compare with our imported prices?

Mr. Speaker: All that has been answered.

Shri Shahnawaz Khan: The hon. Minister has just now clarified that we have not yet placed any firm orders. These are our intentions. I would also like to add that the Telcos originally offered to manufacture the vehicle portion as well as the diesel engine portion in collaboration with two different firms from Germany—Krauss Maffel for the vehicle portion and Daimler Benz for the engine

portion. They have withdrawn their offer regarding the engine portion.

Shri Hem Barna: On a previous occasion it was said that Telco, Texmaco and National Engineering Industries have secured foreign collaboration? May I know what is the percentage of this foreign collaboration and what are the foreign countries that are involved in this deal?

Shri Shahnawaz Khan: The foreign exchange involved in the beginning would be something like 80 per cent. but gradually it will be brought down to 20 per cent. by the end of the Plan period. The countries concerned are Germany, America (Alco's) and Holland. There is one firm from Austria and another firm Davie Paxman of the United Kingdom.

Shri Goray: I would like to know whether Chittaranjan has made a success and if so why is it that all the three types of engines have been entrusted to the private sector and not to be public sector?

Shri Jagjivan Ram: Perhaps, on a former occasion I informed the House that the idea was to undertake the manufacture of electric loco-motives in Chittaranjan so that Chittaranjan will have the steam locomotives and electric locomotives and to give the diesel to the private sector where the diesel engines can be utilised for purposes other than the railways also. That was the main reason for that.

Saw Mill in Andaman Islands

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*543. { Shri S. C. Samanta:
Shri Subodh Hansda:
Pandit D. N. Tiwary:
Shri A. K. Gopalan:
Shri Vasudevan Nair:
Shri Amjad Ali:

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

(a) whether there is any proposal to close down the Circular Saw Mill in the Andaman Islands;