

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:140
ANSWERED ON:24.02.2000
PRICE OF WAGONS
MOINUL HASSAN AHAMED

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Officers' Association of the B.B.U.N.L. has raised objection to the order of the Railway Board regarding reduction in the price of wagons;
- (b) if so, the action taken thereupon by the Government;
- (c) whether the Government would still implement the policy of placing 60% of order for wagons with the P.S.U. units manufacturing wagons; and
- (d) if not, the reasons therefore?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

- (a) & (b) Lower rates for manufacture of wagons were received in new tender opened on 07.12.99. Due to this lower rate, Railway Board have invoked negative Option Clause as per terms of the contracts. As an alternative, the lower rates applicable in the new tender opened on 07.12.99, have been offered to the wagon manufacturers on quantities reduced under the Option Clause to help the wagon industry for continued production. No specific representation has been received for the above reduction in the wagon price. All the firms in Public Sector have accepted the lower rates.
- (c) Order for wagons are decided keeping in view the capacity- cum-performance of the wagon manufacturers, the competitiveness of offers duly according certain purchase preference in Public Sector Units as per policy.
- (d) Does not arise.