

(b) if so, the terms of the agreement ; and

(c) to which other countries India exports railway equipment and how much foreign exchange is earned thereby annually ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) No, Sir.

(b) Does not arise.

(c) During 1966-67, India exported railway wagons and equipment worth Rs. 82.5 lakhs to Kenya, Burma and U.K.

SHORTFALL IN PRODUCTION IN BASIC INDUSTRIES

*565. SHRI RAM KISHAN GUPTA : Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether it is a fact that there have been persisted shortfalls in production in some of the basic industries, for example Cement, Fertilizer etc., during the successive Plan periods ;

(b) if so, the reasons therefor ; and

(c) the steps taken to check the shortfalls ?

THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI F. A. AHMED) : (a) and (b). There is no shortfall in cement production during the successive Plan periods. However as regards the fertiliser there have been shortfalls mainly due to unexpected delays in execution of projects licensed during the Plan periods and also due to the time taken by the industrialists to finalise their foreign collaboration terms.

(c) As regards the shortfall in fertilizer industry, the following measures have been taken to check the fall in production :

- (1) All fertilizer factories licensed before 31-12-1967 will be free to fix prices of their products and to organise their own distribution for a period of seven years from the commencement of commercial production subject to the condition that they sell to Government upto 30% of their products at a price to be

mutually settled. This has been done mainly to invite foreign participation in this industry.

- (2) Fertilizers are now put up under I.D.A. Assistance priority group for maximising production in these units.

- (3) Government have also taken steps to minimise dependence on imported sulphur by planning the production of part of the phosphatic fertilizers based on (i) sulphuric acid based on pyrites (indigenous or imported) and sulphurous gases available from smelter plants of non-ferrous metal projects (ii) nitric acid (iii) hydrochloric acid and (iv) imported phosphoric acid.

EXPORT OF IRON ORE

*566. SHRI S. R. DAMANI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that agreements have been concluded by MMTC with some foreign countries for the supply of iron ore this year ; and

(b) if so, the main features thereof and how the price agreed to compares with the price of such supplies before the devaluation ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) Yes, Sir.

(b) Sale contracts for the export of about 8 million tonnes of iron ore during the current year are under implementation by the M.M.T.C. In all contracts with Japan and West European countries the prices are fixed in shillings/Dollars. In case of the contracts with East European countries, our prices are expressed in Indian rupees. As a result of devaluation the prices in our contracts with these countries have been marked up by 57.5%. These prices, compare favourably with the pre-devaluation prices.