

their supply of billets. It is only done through this Association, and the members of that Association. May I know whether the Government will accept the fact that for the decentralised sector, the supply of billets has to be given priority, because that is creating employment in the rural areas? For this purpose, will the Government take certain steps, so that billets in the original form are supplied which are cheaper than scrap in the market?

**SHRI K. C. PANT :** Sir, there is one difficulty and that is that in the decentralised sector many of these units are licensed as re-rolling units based on the use of scrap. Later on some of them get converted into units based on the use of billets. Now, as far as billets are concerned, there is a gap between demand and supply today and subject to that certainly we can look into the genuine needs of the small industries.

**श्री आर० पी० खेतान :** मंत्री जी, क्या यह बतायेंगे कि यह बिलेट जो है यह एक्सपोर्ट हो रहा है। अगर बिलेट एक्सपोर्ट होता है और अगर बार एंड राड हम लोग एक्सपोर्ट कर सकने हैं, तो बिलेट क्यों एक्सपोर्ट किया जा रहा है।

**श्री के० सी० परत :** जहाँ पहले कमिटमेंट हो गये हैं उन कमिटमेंट्स को पूरा करना है। आगे के लिये कमिटमेंट्स हम चाहते हैं कि न हों।

#### INDIAN WAGONS FOR U.S.S.R.

\*130. **SHRI BANKA BEHARY DAS :** †

**SHRI MULKA GOVINDA REDDY :**

**SHRI SUNDAR SINGH BHANDARI :**

**SHRI N. SRI RAMA REDDY :**

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

(a) whether any final agreement has been reached regarding the purchase of railway wagons by U.S.S.R. from India;

(b) if not, the reasons therefor;

(c) whether there is any sharp difference of opinion regarding the price of those wagons; and

(d) if so, the amount India is charging and that the U.S.S.R. is offering?

**THE MINISTER OF FOREIGN TRADE AND SUPPLY (SHRI B. R. BHAGAT) :**  
(a) No, Sir.

(b) to (d) Negotiations are in progress.

**SHRI BANKA BEHARY DAS :** There is no categorical answer to part (c) of the question. In these two years there has been a lot of propaganda in the country that the USSR is going to place large orders for the purchase of railway wagons and that our wagon producing industry and the ancillary industries will be out of the recession soon. In view of this, may I know from the Minister whether the USSR gave any tentative orders to India, before such propaganda was made on behalf of the Ministry and, if it is known to the Minister, whether any indication of price was made at that time and whether the producers were also asked to produce accordingly?

**SHRI B. R. BHAGAT :** It is well known that a protocol was signed on 13th March, 1968 between the representatives of the State Trading Corporation of India and the Machine Import of the USSR. Now, there was no offer of price at that moment. The agreement included a number of technical points. The specifications had to be gone into. First, it was cleared and there has been agreement on the technical points about these wagons. The commercial and financial points, the terms of payment, delivery and other things, these matters are under active negotiation at the moment.

**SHRI BANKA BEHARY DAS :** May I know from the Minister whether other countries are already purchasing wagons from us and whether the price offered by the USSR—if he is not going to give any direct indication of it—is uneconomical to the wagon producing industry of this country?

**SHRI B. R. BHAGAT :** The price is under negotiation. I am not in a position to indicate the price.

†The question was actually asked on the floor of the House by Shri Banka Behary Das.

**SHRI BANKA BEHARY DAS :** Already some other countries in the world, including Iran and Korea, are purchasing wagons from us.

**SHRI B. R. BHAGAT :** The specification that has been agreed to is so different from the other wagons that they are not comparable.

**SHRI N. SRI RAMA REDDY :** I rise to repeat my disappointment at not having finalised the deal with Russia in the matter of wagon supply. Very high hopes were raised mainly in the engineering sector that recession will be receding on account of the wagon supply, which has not taken place. I am glad that the points on specifications have been cleared. I would like to know what is the quantum of wagons on which the negotiations are being conducted. If the negotiations ultimately succeed, as I hope they will, to what extent recession in the engineering sector will recede ?

**SHRI B. R. BHAGAT :** The deliveries are to be made starting from 2,500 pieces in 1970-71, going up to 9,000 pieces per annum in 1972-73, and further increases later on.

**SHRI A. G. KULKARNI :** May I know whether in this proposal of purchase of wagons by the U.S.S.R. there are various serious doubts being expressed, and may I know whether after Mr. Skachkov's visit to this country there is any truth in the press report that the capacity of the wagon builders in this country is not up to the mark as the Russians expect ? Secondly, may I know whether in this wagons offer to Russia much import content is envisaged for the special type of wagons and that that will involve a great drain in foreign exchange ? In view of this what does the Government of India propose to do on both these counts so that if the offer is not coming through some other offer can be expected ?

**SHRI B. R. BHAGAT :** That question does not arise at the moment. There is no question of any doubt in the capacity of our wagon manufacturers to manufacture to the specifications offered. As I said, there has been a complete agreement on the technical points.

**DR. BHAI MAHAVIR :** Now from the hon. Minister what is the truth in the press reports that some specimen wagons were manufactured by our country and supplied to the U.S.S.R. for approval before a final order could be placed by them ? If it is true that some such specimen wagons have been produced, may I know when they were produced and supplied and what was the total cost of the production ?

**SHRI B. R. BHAGAT :** I wait notice of that question to give a detailed answer.

**SHRI CHITTA BASU :** May I know from the hon. Minister whether there has been of late a reduction in the placement of orders on the wagon manufacturing plants having regard to the fact that there has been delay in finalising the contract with the U.S.S.R. for the selling of wagons ? If so, what steps the Government proposes to take to give sufficient orders to the wagon manufacturing plants in West Bengal and other parts of the country who are suffering a lot because of want of orders ?

**SHRI B. R. BHAGAT :** The latest position is that the Soviet Government has agreed to place orders, to sign the contract only for the first year for supply of 2,500 wagons. As for the succeeding years their contention is that they will sign from year to year.

**SHRI ARJUN ARORA :** May I know at what level the negotiations with the Soviet Union are being conducted at the moment ? Is it at the S.T.C. level or at the Ministerial level, because this is such an important order which is expected to fight recession in the engineering industry ? It cannot be left to a Deputy Director in the S.T.C. At what level are the negotiations being conducted at the moment ?

**SHRI B. R. BHAGAT :** Although the S.T.C. may conduct negotiations with the contracting party, that is the U.S.S.R., I can assure the hon. Member that at the highest level in both places they are in the picture.

**SHRI BABUBHAI M. CHINAI :** May I know whether it is a fact that when the Soviet Government decided to put orders

for these wagons there was great recession in this country and we accepted this offer very gladly ? But afterwards the Soviet Government insisted that their aircraft should be taken by us to which we said 'no'. Therefore, they are cool to this deal. They are unnecessarily wasting time and are not buying from us, so that the wagons which were promised would never come up.

SHRI B. R. BHAGAT : No, Sir.

SHRI M. H. SAMUEL : I understand that in the price negotiations there is a wide margin of difference between our price and the price the Russians quoted. Is the price difference the only matter at issue, or is there any other difficulty affecting the negotiations, even after a high power delegation had gone from here to Moscow and spent more than a week in discussing this matter?

SHRI B. R. BHAGAT : This is one of the matters. There are other matters. As I said, the commercial and financial transactions, the terms of delivery, the terms of payment, exchange variance clause, and various other matters are all under negotiation.

श्री सुन्दर सिंह भंडारी : मैं मंत्री जी से जानना चाहता हूँ कि क्या कम कीमत पर वैगन देने का समझौता भारत और रूस के साधारण व्यापार में वृद्धि करने की नीयत से किया गया है और हम उसके व्यापार का संतुलन बनाये रखें इसलिये कम दाम में भी अपनी चीज वहाँ भेज कर उनके द्वारा आयात की जाने वाली वस्तुओं का किसी प्रकार में तालमेल बिठा सकें ?

श्री बी० आर० भगत : कीमत तो अभी तय नहीं हुई है। कम कीमत का कैसे माननीय सदस्य अनुमान लगाते हैं, यह मेरी समझ में नहीं आता।

श्री सुन्दर सिंह भंडारी : यह तो आश्वासन मिलना चाहिये कि जितना हमको पड़ता है उससे कम नहीं लेंगे।

श्री बी० आर० भगत : यही तो बातचीत चल रही है। कम कीमत पर तो देने का सवाल नहीं उठता।

† 131 [The questioner (Shri J. P. Yadav) was absent. For answer, vide col. 947 infra.]

### विदेशी चाय कम्पनियों का मुनाफा

\* 132. श्री सुन्दर सिंह भंडारी :†

श्री जगदम्बी प्रसाद यादव :

श्री पीताम्बर दास :

क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि पाँच क्षेत्र के देशों से सम्बन्ध रखने वाली चाय कम्पनियों ने 1967-68 के दौरान पांच करोड़ रुपये से अधिक की रकम लाभ के रूप में विदेश को भेजी जबकि 1965-66 तथा 1966-67 में यह राशि तीन करोड़ रुपये से भी कम थी ; और

(ख) यदि हाँ, तो इसके क्या कारण हैं, और इसे रोकने के लिये क्या कदम उठाये गये हैं और उनके क्या परिणाम निकले ?

‡ [PROFITS BY FOREIGN TEA COMPANIES

\* 132. SHRI SUNDAR SINGH BHANDARI :†

SHRI J. P. YADAV :

SHRI PITAMBER DAS :

SHRI MAN SINGH VARMA :

Will the Minister of COMMERCE be pleased to state :

† The question was actually asked on the floor of the House by Shri Sundar Singh Bhandari.

‡ [ English translation. ]