

I, therefore, leave it to the Chair entirely to regulate the speed at which we go through questions?

MR. CHAIRMAN: Yes, Mr. Mani.

ORAL ANSWERS TO QUESTIONS

FOREIGN EXCHANGE FOR PURCHASE OF AUSTRALIAN WHEAT

*151. SHRI A. D. MANI: Will the Minister of FOOD AND AGRICULTURE be pleased to state:

(a) whether Rs. 30 crores of free foreign exchange was used to buy 400,000 tonnes of wheat from Australia;

(b) whether this purchase was financed by grants from other countries; and

(c) what are the other details of this purchase?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION (SHRI ANNASAHAB SHINDE): (a) Since the 1st January, 1967 we have purchased against free foreign exchange 258,000 long tons of wheat from Australia. The total cost of this quantity is about Rs. 12 crores.

(b) No, Sir.

(c) The purchases have been made on short term credit of one year. The shipment of the entire quantity is likely to be completed by mid-September, 1967.

SHRI A. D. MANI: Sir, may I ask the Minister at which price was this wheat available for consumers in Australia and at which price was it purchased by us, whether there is any difference between the internal price there and the price we had to pay for these consignments?

SHRI ANNASAHAB SHINDE: Sir, I do not know whether there is any

difference between the two prices, because I do not know the consumer's price in Australia. The information is not available with me. With regard to the purchase prices, since the purchases are on Government-to-Government account, may I say that the prices of Australian wheat would be 'F.O.B.' £ 21 to £ 23 per ton.

SHRI A. D. MANI: May I ask the Minister whether there is any commitment in respect of the carriage of this quantity of Australian wheat on the ships of Australia or are we allowed to engage our own ships for transporting these consignments to India?

SHRI ANNASAHAB SHINDE: Whenever our ships are available, we generally try to give preference but when our ships are not available, we have to charter ships from the sources from which ships are normally available and in these days, Sir, the availability of ships is rather difficult after the Suez crisis.

SHRI P. K. KUMARAN: Sir, the issue is whether there is any condition in the Agreement that such and such portion should be carried by the Australian ships?

SHRI ANNASAHAB SHINDE: I do not think there is any such condition.

SHRI MULKA GOVINDA REDDY: Is there any proposal to have a long-term agreement with Australia in view of the fact that we are short of wheat supply?

SHRI ANNASAHAB SHINDE: Sir, recently the Australian Government made a gift of it to us and we thanked the Australian Government for that. As far as the wider question of long-term agreement is concerned, we make very limited commercial purchases of wheat because foreign exchange is involved in it. Instead of thinking in terms of having long-term agreements in regard to commercial purchases, I think it will be better if we try to emphasise our local production efforts.

SHRIMATI SHAKUNTALA PARANJPYE: I would like to know from the Minister how the prices that he has quoted compare with the prices that we have paid either to the U.S.A. or to Canada or to other countries.

SHRI ANNASAHEB SHINDE: I have not got the comparative figures with me now. I require notice for the same.

*152. [The questioner (Shri K. C. Baghel) was absent. For answer, vide cols. 1328-1329 infra.]

*34. [The questioner (Shri V. M. Chordia) was absent. For answer, vide cols. 1329-1332 infra.]

*153. [Transferred to the 3rd August, 1967.]

*154. [The questioner (Shri Sitaram Jaipuria) was absent. For answer, vide cols. 1332-1333 infra.]

RATNAKAR SHIPPING CO. LTD.

*155 **SHRI M. P. BHARGAVA:** Will the Minister of TRANSPORT AND SHIPPING be pleased to state:

(a) whether any complaints have been received by Government against the working of Ratnakar Shipping Co. Ltd.;

(b) the amount of loan so far sanctioned to this company and what are its terms and guarantee; and

(c) what is the present management of the company?

THE MINISTER OF TRANSPORT AND SHIPPING (PROF. V. K. R. V. RAO): (a) Yes, Sir.

(b) and (c) A statement giving the required information is laid on the Table of the House.

STATEMENT

(b) The total loan sanctioned to this Company so far is Rs. 288.95 lakhs, for the acquisition of 6 ships totalling

70,552 GRT. Some of the more important terms and conditions on which these loans were granted are given below:

(i) The company are required to keep the vessels mortgaged to the Shipping Development Fund Committee insured against marine and war risks and have the relevant policies assigned in favour of the Committee. The Company are also required to keep the vessels entered in a Protection and Indemnity Club.

(ii) The rate of interest is 8 per cent p.a. but if the company pay the interest and principal instalments on the due dates and fulfil all their obligations under the loan agreement, interest at the rate 3 per cent p. a. only is chargeable.

(iii) In the case of all the loans, except that relating to the tanker 'Ratna Jayshree', the security given is the mortgage of the ship itself plus additional bank guarantees, where necessary, so that the total security available at any time does not fall below 133½ per cent. of the outstanding loan. In the case of 'Ratna Jayshree', since the amount of loan represents only 20 per cent. of the price, the ship has not been given in mortgage but a bank guarantee for the entire amount of loan and interest at 8 per cent p.a. has been given.

(iv) The company should accept two nominees of the Shipping Development Fund Committee on their Board of Directors. Shri Y. N. Sukthankar, Government Director on the Board of Directors of Indian Shipping Companies, and Shri S. Venkataraman of the Department of Company Law Board are the two nominees of the Shipping Development Fund Committee on the Ratnakar Shipping Company's Board of Directors.

(v) If the Company commits a breach of any of the terms of the loan agreement, the entire amount of the outstanding loan, together with interest at 8 per cent. p. a., will be-