

Indore, like the Swedeshi Cotton mill and others, which have been taken over.

SHRI VISHWANATH PRATAP SINGH : There is no such decision as yet.

**Export of Levy Sugar by
factories**

*143. **SHRI BALASAHEB VIKHE PATIL** : Will the Minister of **COMMERCE AND SUPPLY** be pleased to state :

(a) the quantity of levy sugar exported by factories during 1983-84, State-wise ;

(b) whether targets were fixed for 1984-85 for export of levy sugar ; if so, the details thereof ; and

(c) whether the targets have been achieved and if so, the extent thereof?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : (a) Export of sugar is canalised through the STC. The State Trading Corporation exported 8.135 lakh MTs of sugar, during 1983-84.

(b) and (c). Under the International Sugar Agreement, 1977 India had an export quota of 6.5 lakh MTs for the calendar year 1984. It was originally intended to fulfil this quota. However, after a review of estimates of production, consumption trends, prices and the position regarding the new International Sugar Agreement, it was decided to limit the exports to about 3 lakh MTs during the calendar year 1984. The actual exports during the calendar 1984 was 2.87 lakh MTs. The actual exports during the financial year 1984-85 are expected to be about 1.56 lakh MTs, earning foreign exchange worth Rs. 37.10 crores.

[Translation]

SHRI BALASAHEB VIKHE PATIL : Mr. Deputy Speaker, Sir, the hon. Minister has said that a statement has been laid on the Table. I wanted to know the Statewise figures of sugar exported during 1983-84. But Statewise figures have not been given. Sugar is exported through S.T.C. only after concluding an agreement with every sugar mill. I do not know the difficulty in supplying Statewise figures. The share of Maharashtra in export of sugar is the largest

whereas sugar production in Maharashtra is declining. I want clarification in this regard. I would also like to know the foreign exchange earned by exporting sugar in 1983-84. The sugar exported in 1984-85 was less than the quantity earmarked for that year. What is the reason therefor? As the price of Sugar has been fixed on the lower side in the country, the price paid for sugarcane was also less. The low price of sugarcane has resulted in less production of sugar even today. We are not exporting sugar proportionate to production. I would like to know the quantity of sugar imported and the amount spent thereon.

SHRI VISHWANATH PRATAP SINGH : Sir, in 1983-84, 4.17 lakh tonnes of sugar was procured from the factories in Maharashtra, 1.33 lakh tonnes from Tamilnadu, 1.01 lakh tonnes from Karnataka, 0.85 lakh tonnes from Andhra Pradesh, 0.61 lakh tonnes from Uttar Pradesh and 0.48 lakh tonnes from Gujarat. It is true that the maximum quantity of sugar was procured from the factories in Maharashtra for export. In the year 1983-84, a total of 8.14 lakh tonnes of sugar was exported which yielded Rs. 210.92 crores. Now the question is why we have not further increased the export of sugar. We had proposed to export 6.5 lakh tonnes of sugar in 1984-85, but keeping in view the fact that our total production of sugar was 59 lakh tonnes as against the production of 82 lakh tonnes in the preceding year, we had to give up that proposal because if we had exported more sugar the sugar price would have gone up in the country. Hence, we did not feel the necessity of export. We had concluded contract for only 3 lakh tonnes for which the Government had given permission. A total of 2.51 lakh tonnes of sugar was exported in the year 1984.

SHRI BALASAHEB VIKHE PATIL : I wanted to know about import also.

SHRI VISHWANATH PRATAP SINGH : 4.96 lakh tonnes of sugar were imported during that year.

SHRI BALASAHEB VIKHE PATIL : Secondly, I would like to know this also from the hon. Commerce Minister we used to have import and export of sugar in accordance with the International Sugar Agreement but since this arrangement is no longer in existence, what would be the mode of

import now? What target has been fixed for import of sugar in the Calendar year, 1985 and how much foreign exchange will be spent thereon. Besides, what measures do government propose to adopt to reduce the import and increase the production of sugar in the country?

SHRI VISHWANATH PRATAP SINGH : In so far as the new sugar agreement is concerned, that arrangement is still in existence. But it is a fact that they could not agree among themselves on certain issues; problems arose in the matter of quota etc. and as such the quota could not be fixed. But the new Agreement is still in existence and it will continue in future also. Only distribution of quota could not be agreed upon. So far as the import of sugar in the year 1985 is concerned, I would request the hon. Member not to put any question in this respect because it would affect our international prices. You can take it for granted that we shall not spend more than what is reasonable. The Commerce Ministry and the Agriculture Ministry both are striving to increase the production. If you desire to give any suggestion in this respect, I shall certainly convey it to them.

[*English*]

SHRI V.SOBHANADREESWARA RAO : The hon. Minister, having previously been the hon. Chief Minister of the biggest State in this country, is well versed with the subject. I would like to know whether he will take necessary action through the Ministry of Agriculture so that this country produces enough sugar for our internal consumption as well as to honour our export commitments and see that more sugar is exported and more foreign exchange earned. So, I would like to know whether instead of importing, he will take necessary action through the Agriculture Minister by asking him to announce a remunerative price for sugarcane growers.

SHRI VISHWANATH PRATAP SINGH : I quite agree with the hon. Member.

[*Translation*]

SHRI RAM NAGINA MISHRA : There was shortfall in the production of sugar in 1983-84 and as a result we had to import. The main reason was that remunera-

tive price was not paid for sugarcane. I would like to know from the hon. Minister whether there were other reasons also for the shortfall in sugar production. Do Government propose to import sugar, in view of shortfall in sugar production, in order to ensure that the price of sugar does not increase further in the country.

SHRI VISHWANATH PRATAP SINGH : I have already requested the hon. Member not to insist on knowing the quantum to be imported. Nothing will be done which is in excess of the requirement, whether it is import or export.

[*English*]

SHRI P. KOLA-NDAIVELU : Sir, what is the total production of sugar in India for the year 1984-85? What is the actual price we are getting in the world market? I think, we are getting a low price in the world market. If it is true, is there any proposal of getting more money in the world market by India by selling sugar at an increased price?

Is there any such proposal from the Government?

SHRI VISHWANATH PRATAP SINGH : It is true that our domestic sugar prices are higher than international prices. The main causes are the productivity of the sugarcane and, of our factories. In the world market, they can sell cheaper. That is one problem as to how to get better prices. I think, we have to go in for added value items like refined sugar in package form. This form of added value will give us better prices.

SHRI H.M. PATEL : There is one question that you have not answered. It is felt that because of the prices given to the producers of sugarcane are low that the production is not increasing. Is there any truth in this? I think, this was the original question put.

SHRI VISHWANATH PRATAP SINGH : Sir, I would not be handling areas of other Ministries.

SHRI H. M. PATEL : It is true that it may be with other Ministry. But you are also vitally concerned as the Minister in-charge of exports. I think, it is necessary

because you export sugar and you decide upon the quantum of export with reference to the availability of sugar in the internal market. If it is so, I think, it is incumbent on you to approach the other concerned Ministries and tell them that they must raise the prices to be given to the growers.

SHRI VISHWANATH PRATAP SINGH : Sir, Government have a policy in this regard and they are announcing the prices regarding sugarcane. The States are also ensuring that the prices are paid, remunerative prices are paid to the farmers. That is the general policy of the Government.

But apart from protection, we have to concentrate on the aspect of productivity, and the Ministry of Food is taking steps along with the States to increase the productivity of sugar.

Licences given to lead Banks for opening new branches in West Bengal

*144. **SHRI SAIFUDDIN CHOWDHURY :** Will the Minister of FINANCE be pleased to state :

(a) the number of licences given to lead banks to open new branches in West Bengal during the last three years;

(b) how many of them have been implemented;

(c) the number of licences which remain unutilised ; and

(d) the reasons for the non-implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). A statement is laid on the Table of the House.

Statement

Three Nationalised Banks namely United Bank of India, United Commercial Bank and Central Bank of India have lead responsibilities in West Bengal. The Reserve Bank of India, during the last three years had issued 112 licences to these banks for opening branches in their lead districts of West Bengal. Out of these 112 licences, 10 have been utilised and 102 are pending.

Under the current branch licensing policy covering the period April 1982 to March 1985, the State Governments identify in consultation with the District Consultative Committees centres in rural areas for locating branches. The centres so identified by the State Government are forwarded to Reserve Bank of India for considering allotment among banks for branch opening. Reserve Bank of India has reported that there has been some delay in this process in case of West Bengal with the result that most of authorisations/licences could be issued only in the second half of 1984 or early 1985. The banks are also facing problems like non-availability of suitable premises, clearance from security angle by Police authorities and lack of infrastructure like roads.

SHRI SAIFUDDIN CHOWDHURY :

Sir, the reply given by the Minister gives a distorted picture of neglect and non-performance of lead banks in West Bengal. It says out of 112 licences issued in three years, 10 had been utilised and 102 licences are pending. The reasons for this are quite unconvincing. It says : Non-availability of suitable premises, clearance from security angle by police authorities and lack of infrastructure like roads.

Now, we had seen just some months ago when there was a serious effort to open branches of some banks in a particular district in West Bengal under the active guidance of the previous Finance Minister, nothing stopped him to do that. In fact, it was contrary to the suggestion of the State Government that the branches should not be concentrated in one particular district and they should be rationally distributed to other districts also.

If the clearance from security from police is an important factor, I want to know how many licences are held up due to this reason. Regarding the infrastructure like roads, any person who is travelling in West Bengal will agree that during the last 7 years—unlike the previous years—roads are improved very much and they are jeepable and motorable also, thanks to the State Government and the Panchayats. (*Interruptions*.) So, these are not the actual reasons. I want to know whether there are also other reasons behind this non-implementation. If he says that the delay of the State Govern-