

the shape that I will allow half-an-hour discussion.

### Clearance of Pepsico Project

\*5. SHRI G.M.BANATWALLA: †  
SHRI BALASAHEB VIKHE  
PATIL

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Pepsico Project with the Tatas and the Punjab Agro Industries Corporation has been cleared;

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

(c) if not the stage at which the project is being processed, indicating its approval or otherwise by projects Approval Board and the time by which a decision is likely to be taken?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) No, Sir.

(b) Does not arise

(c) The project Approval Board has considered the application. A final decision has not yet been taken by the Government.

[English]

SHRI G.M.BANATWALLA: Mr. Speaker, Sir, the main apprehension with respect to the Pepsico Project is that this project will be a great threat to the indigenous manufacturers of soft drinks. Keeping that in mind, I would like to know from the Government whether there are any features in this Pepsico project which genuinely allay the fears of these indigenous manufacturers. In this connection I would like to have a

specific reply as to what is the total investment involved, what will be the percentage of that investment in the manufacture of soft drinks concentrate..(Interruptions).

MR. SPEAKER : Order Please.

SHRI G.M. BANATWALLA: I think, I must begin again.

MR. SPEAKER: I have followed you but they were interrupting.

SHRI G.M.BANATWALLA: Mr. Speaker, I was saying this.

The main apprehension about this Pepsico project being felt by the indigenous soft drink manufacturers is that it would be a threat to them. I want to know in the Pepsico project, whether there are any features which genuinely allay the fears of these indigenous manufacturers. In this connection, let us know, what is the total investment involved; what would be the percentage of that investment in the manufacture of soft drinks concentrate and what would be the percentage in the manufacture of vegetable and fruit processing units. Would there also be any upper limit as maximum upon the Pepsico project with regard to the manufacture of Pepsico in our country?

SHRI M. ARUNACHALAM: Sir, the Joint venture proposal submitted by the Punjab Agro-Industries Corporation consists of four things:

(1) setting up of agro-research centre with an investment of Rs.65 lakhs;

(2) setting up of potato and grain processing unit with an investment of Rs. 8 crores;

(3) setting up of fruit and vegetable processing unit with an investment of Rs.

7.3 crores.

(4) setting up of a soft drink concentrate unit with an investment of Rs. 5.55 crores. As far as the indigenous angle is concerned, the Members suggestion will be considered when a final decision is taken.

SHRI G.M. BANATWALLA: It will be considered by you. But, right now in their own project is there nothing that can really allay the apprehensions of these manufacturers? I would like to say that may first question has not been fully answered. I hope it will be answered. I will go to the second one also. I believe this Pepsico Project had come up once. It was given up. Why is it being revived now? How far will that be advantageous to Punjab? What would be the percentage of Potato fruit and other things of Punjab which will be absorbed by this Pepsico Project? How far it would give a stable market in this respect to Punjab? Another point would be as to what would be the net foreign exchange gained because of this project? Here let the Government also tell that. There were certain reports about the credentials of this foreign collaborators. Whether that particular aspect has also been considered and what safeguards would be thought of in this particular respect?

SHRI M. ARUNACHALAM: So far, no decision has been taken. The suggestions put forward by the hon. Member will be taken into consideration when a final decision is taken.

[*Translation*]

SHRI BALASAHEB VIKHE PATIL: Mr. Speaker, Sir, I want a categorical reply from the Government in this regard. As a matter of fact, the then Minister of Industry, Shri Virendra Patil had clarified the position in 1985 in reply to Starred Question No. 101 and there-

after in reply to Unstarred question No. 4619 in 1987 and had rejected the proposal of granting licence to any company. Besides this, it was stated by the Government that they do not recognise the non-priority sector. But I do not understand to what is the need of importing technology for any item categorised as luxury goods. There appears to be no justification in importing a technology which is indigenously available. The Government sometime back, granted this licence to a non-resident Indian and there was no mention of foreign exchange and there was no proposal to import any technology. Why does the Government emphasise on this point? Regarding the Government's policy there is a detailed article in the Hindustan Times dated 24th January, wherein cases have been quoted where transfer of technology is needed. Secondly, Kothari Chemicals and fruits Pulp was issued an export licence for the value of Rs. 100 crores under which the company was required to export fruits and vegetable pulp, but they did not make any export whatsoever. Keeping in view this past experience that none of the export oriented projects, both in the priority as well as non-priority sectors, has come out successful why does Government give so much importance to this project? The farmers are not going to be benefited, rather they will suffer losses. May I know whether the Government are aware of all these things and the subject is being considered seriously and if so, will the Government stop this project?

[*English*]

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): Sir, the Government has not taken any decision on this project. It is still under the consideration of the Government.

(*Interruptions*)

PROF. MADHU DANDAVATE: Sir, I am

not satisfied with the reply given by both the Ministers for the very simple reason that they have some plans up their sleeves, but because the House will not be in favour of allowing the multinationals to step into the country and be competitors for the indigenous manufacturers, therefore, he has given the typical ministerial reply that the matter is under consideration. I want a specific reply. Is it not a fact that in 1985 when one Company had brought a proposal for some sort of collaboration with 100 per cent export potential, in this very parliament very categorically the Government had declared; It is against the policy of the Government to allow this type of collaboration in non-productive sectors of consumer-goods." Will you assure this House very clearly rather than leaving it to your cabinet consideration saying we shall adhere to the same policy announced in this very Parliament and we will not allow the multi national to step into this non-priority sector under the garb of bringing the technology which is not available. Actually, we have got the Central Food Technological Research Institute in India which has the highest reputation. Why don't you rely on our technology rather than relying on the foreign nationals and multi-nationals. Is this attitude consistent with your self-reliance? I want a firm answer and not like saying that the matter is under consideration.

SHRI J.VENGAL RAO: Even today the policy of the Government is the same. (*Interruptions*)

Till today. I am answering the question. Kindly hear me. It is under the consideration of the Cabinet. I will certainly convey it.

PROF. MADHU DANDAVATE: I want a categorical statement on the policy on multi-nationals in the non-priority sector. Don't leave it to the Cabinet.. (*Interruptions*).

I want a policy assurance. I want to know whether they have changed their pol-

icy.

(*Interruptions*)

PROF. P.J.KURIEN : I have a point of order.

MR. SPEAKER : No point of order because it is a Question Hour.

PROF.P.J.KURIEN. Can a Member demand a particular answer?

(*Interruptions*)

PROF. MADHU DANDAVATE: Sir, he is misinterpreting. I am asking him to say 'Yes ' or 'No'

(*Interruptions*)

[ *Translation* ]

SHRI BALASAHEB VIKHE PATIL: Mr. Speaker, Sir, this is regarding the policy on multi-nationals. A special reply should be given.

(*Interruptions*)

MR. SPEAKER, Sir, this house is of the opinion that this not in the interest of our farmers.

(*Interruptions*)

[ *English* ]

MR. SPEAKER: Order. The Minister is free to answer on his own. He cannot be forced to say anything. I think they must give careful thought before doing anything. (*Interruptions*) I think, they will give a careful thought before doing anything.

(*Interruptions*)

PROF. MADHU DANDAVATE: He is on

his legs.

*(Interruptions)*

MR. SPEAKER: He has already said that they would consider.

*(Interruptions)*

PROF. MADHU DANDAVATE: He is again on his legs.

MR. SPEAKER: I won't make him sit down, again.

SHRI J.VENGAL RAO: The Government will certainly keep their views in mind.

*[Translation]*

SHRI NARAYAN CHOUBEY: Sir, no specific reply has been given.

*[English]*

PROF. MADHU DANDAVATE: We suspect a rat.

#### **Increase in Price of Coal**

\*6. SHRI KALI PRASAD PANDEY:†  
SHRI KRISHNA SINGH:

Will the Minister of ENERGY be pleased to state:

(a) whether prices of different varieties of coal have recently been increased:

(b) if so, the details thereof; and

(c) the reasons and factors contributing to this price rise?

THE MINISTER OF STATE IN THE DEPARTMENT OF COAL IN THE MINISTRY OF ENERGY (SHRI C.K. JAFFAR SHARIEF) (a) to (c). A statement is given

below

#### **STATEMENT**

(a) Yes, Sir.

(b) On account of upward revision of coal prices w.e.f. 23.12.1987 the average pit. head price of coal produced by Coal India Limited has become Rs. 219/- per tonne. The price of various grades of non-coking coal varies from Rs. 100/- per tonne to Rs. 405/- per tonne, that of coking coal from Rs. 246/- per tonne to Rs. 573 per tonne and that of Hard Coke from Rs. 500/- per tonne to Rs. 1,100/- per tonne. The price of soft coke has been retained at Rs. 175/- per tonne for domestic consumption and Rs. 300 per tonne for industrial use.

(c) The recent revision of coal price has been made after considering the report of the Bureau of Industrial Costs and Prices which undertook an indepth study of the normative cost of production and various other factors including the impact of upward revision of coal prices on core sectors, and on the national economy, as a whole. The increase in the price of coal has been necessitated because of increase in the cost of production due to escalation in the wages, stores, power, capital costs etc.

*[Translation]*

SHRI KALI PRASAD PANDEY: Mr. Speaker, Sir, may I know from the hon. Minister whether in Chari Committee report submitted to the Government, it has been concluded that the Coal India has been suffering losses since the time the Coal Industry was nationalised. If so, the extent of increase in the cost of production in Coal industry after its nationalisation and the increase in the prices of coal since then as well as the reasons of the Coal India running into losses?