

of India which will have to under-write the liability. So we have to examine the financial feasibility. We are already in discussion with these parties. You will agree that whichever is in the best interest of our country that should be accepted and that will be done.

SOME HON. MEMBERS: How long will it take?

SHRI VASANT SATHE: I cannot give up a concrete date. I can only say that it will be as early as possible.

MR. SPEAKER: It is okay now. Please sit down. Q. No. 204.

Sugar Consumption, Production and Export

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*204. **SHRI PRAKASH CHANDRA:**
SHRI SUBHASH YADAV:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) the quantity of sugar required for consumption including buffer stock w.e.f. 1st April, 1987 to 31st March, 1988;

(b) the estimated production of sugar by March 1988 and how much is likely to be imported from 1 April, 1987 to 31 March, 1988;

(c) the time by which the country is going to become self-sufficient;

(d) the details of the programme in this regard; and

(e) whether sugar was exported during previous years and if so, the reasons for stoppage of the export of sugar?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT):
(a) to (e). A Statement is given below.

STATEMENT

Sugar year is reckoned from 1st October to 30th September and as such the information received from the factories in respect of production, consumption etc. is maintained on the above basis. The production of sugar and internal consumption during the sugar year 1986-87 is estimated at about 85 lakh tonnes and 87 lakh tonnes respectively. The estimates for the next crushing season are yet to be formulated. The quantum of consumption/import during the period from 1st April, 1987 to 31st March, 1988 will depend upon the trend of sugar production during the next sugar season 1987-88. As a result of increased sugar production during 1986-87 season and also taking into account the imports, there is sufficient availability of sugar stocks to meet the domestic requirement.

The new sugar policy for the 7th Plan period announced by the Government in December, 1986 envisages various measures which would benefit the sugarcane growers, consumers and increase the viability of the sugar industry leading to greater sugar production and early attainment of self-sufficiency. However, sugar being an agro-based industry, its improved performance depends on agro-climatic factors i.e. drought conditions, excess rains etc. Given favourable weather conditions, it would be possible to maintain sugar production at higher levels. Due to limited availability of sugar in the country, decline in sugar production and increase in domestic consumption, the import of sugar was resorted to and export of sugar had been restricted to meet the preferential EEC and US quotas, besides, small quantities to Nepal and Maldives.

[Translation]

SHRI PRAKASH CHANDRA: Mr. Speaker, Sir, at present the production of sugar is at a higher level in almost all the states of the country, but the production of sugar in Bihar is going down. I would like to ask the hon. Minister whether he has ascertained the reasons thereof? If so, what action is being taken in this regard?

o.

[English]

SHRI H.K.L. BHAGAT: The hon.

Member is correct in saying that during the year 1986-87 the sugar production in the country has increased while sugar production in States like U.P. and Bihar is not what it should be. There are climatic conditions and certain other problems. I had a discussion with the Chief Ministers. I have written to them. We are very keen to help them so that we can have more drawals from the sugar, to improve the quality of the sugar and do whatever can be done in the circumstances. We are in touch with them as to what best we can do in these two States and the other States. We are very keen for improvement of sugar and for better production of sugar.

[*Translation*]

SHRI PRAKASH CHANDRA: Mr. Speaker, Sir, I would like to submit to the hon. Minister that he should pay his attention to the main reason for the shortage of sugar. Keeping in view the power supply position in Bihar, the sugar mills in Bihar are facing a lot of difficulty in the production of sugar. As an example, I would like to refer to the South Bihar Sugar Mill at Bihata in Patna district of Bihar, which is 30 or 40 years old. Dues of farmers are pending against that mill for the last 8 or 10 years and as a result, the farmers have stopped the production of sugarcane and its production has gone down. Would the Central Government issue instructions to the Bihar Government to the effect that all the pending dues of the farmers against the South Bihar Sugar Mill and other sick mills in Bihar be paid without any further delay so that farmers are encouraged to have adequate production of sugar-cane?

SHRI H.K.L. BHAGAT: The hon. Member has asked two questions. First, he has stated that due to short supply of power to some sugar mills in Bihar, the mills are facing difficulties. I have some discussion regarding it. I would write to the Chief Minister of Bihar to make efforts to solve this problem. Secondly, he has said that the farmers have not been paid the arrears of their dues.

SHRI PRAKASH CHANDRA: The dues are pending for the last eight years.

SHRI H.K.L. BHAGAT: The hon. Member has also mentioned the names of certain mills. If there are certain other mills, he may tell their names to me and I will call the Chief Minister of Bihar and talk to him about all these mills. I would like to submit that the question of arrears of dues against the mills is a very serious one and I have held talks about it and I have written many letters also. As a result, overall position of the country regarding arrears has improved to a great extent, more money has been paid to the farmers and the percentage of arrears has gone down, though at the moment, I do not have figures regarding the position of Bihar. There is a provision in the law also that if dues to the farmers are not paid within 14 days, interest should be paid to them. At present, interest is not being paid to them. I have written to the Chief Ministers about it also. The mills which have not paid the arrears have also been asked to pay the interest on them. I will definitely take a separate action about the mills in Bihar.

SHRI SUBHASH YADAV: I would like to submit to the hon. Minister that the reply to the question is totally inadequate and many points have not been touched at all. I would like to know what steps are being taken to increase the sugar production and reduce the import? What is the future programme in this regard and what steps are being taken to increase the production by paying higher price to the farmers? All such points have not been touched by the Minister. I would like to submit that many hon. Members are linked with the farmers and they are aware of their problems. We should reduce the import and increase the indigenous production, whether it is of oil-seeds or that of sugar. A meeting of such hon. Members should be convened and such matters should be discussed with a view to see how import of agricultural commodities could be minimised. Unfortunately, such a discussion has not been held so far. I hope steps would be taken to

reduce the import and the farmers would be encouraged by ensuring them remunerative prices. As the hon. Member has said, there are many such mills which are not able to clear the arrears of the farmers. If the farmers do not get the payment, how could they be able to increase the production. We do not have any programme for them. If there is not adequate production of sugarcane, what steps are we taking to increase the production? Are we providing cheaper finance to them? Is there any programme to provide them funds at subsidised rates so that they could increase the production? Would seeds be made available to them at cheaper rates? Has the hon. Minister issued any such guidelines; if so, the details thereof?

SHRI H.K.L. BHAGAT: In this connection, I would like to say that so far as the target is concerned, our target is to achieve self-sufficiency in the matter of sugar production and we are making efforts in this direction. Our position has improved also. Our position in 1982 was very good. We had surplus production, but later on due to drought and certain other reasons, the production declined to a certain extent, but since last year our position has been very good. We expect the production of sugar to be of the order of 85 lakh tonnes and our consumption is 87 lakh tonnes. We are moving in the direction of self-sufficiency. Concrete steps have been taken in this direction. New sugar policy has been formulated. Minimum price is fixed and announced much in advance so that farmers may know about it before sowing season. In addition, the information in regard to the steps proposed to be taken in the interest of the farmers is given to the farmers in advance. Also, assistance from the Sugar Development Fund is provided to improve the sugar technology and to modernise the sugar mills. Arrangements have been made to provide new licences and expand the capacity. Many steps have been taken to bring about improvement in the situation and to ensure timely payment to the farmers so that they do not have to face any difficulty. The suggestion which has been given by the hon. Member is most

welcome and the new sugar policy has been discussed at many levels. Whatever suggestions the hon. Member gives, I will discuss with him all the suggestions with great pleasure and try to take full advantage of his experience.

[*English*]

SHRI M. RAGHUMA REDDY: Sir, what is the total quantity of sugar imported during 1984-85 and 1986-87 and how much it costs to foreign exchequer? How are you going to minimise the import and how much remunerative prices are you giving to the farmers?

[*Translation*]

SHRI H.K.L. BHAGAT: First, I would like to reply to the second part of the question. So far as payment of remunerative price is concerned, the Central Government fixes the minimum price of sugar and then the State Governments fix the prices and we fix the price much in advance. This time also, we have fixed the price much in advance. Later on, the State Governments fixed the prices. The price for the 1988-89 season would be fixed on the recommendation of the Agricultural Costs and Prices Commission. Thereafter, the State Governments will fix the prices on the basis of which payment would be made. It is very difficult for me to say at this moment as to what would be the price in future? Second point you have raised about the import. So far as import is concerned, in 1984-85, 4.85 lakh tonnes of sugar worth Rs. 110.99 crores was imported, in 1985-86, 20.22 lakh tonnes of sugar worth Rs. 446.87 crores was imported. For the year 1986-87, figures are provisional i.e. 7.81 lakh tonnes of sugar and the provisional value of which works out to be Rs. 210.48 crores. This includes the quantity which is in transit. According to our estimate, our production is likely to be of the order of 85 lakh tonnes, whereas our estimated consumption is 87 lakh tonnes. By the end of 1990, our consumption is likely to be 99 lakh tonnes. Our efforts are to have minimum import. I cannot say now whether we

will resort to import in future or not. It all depends on the situation. Sowing will start in one or one and a half month. Import will depend on the production of sugarcane as also the requirement of sugar in the country. It is, therefore, very difficult to say now as to how much sugar will have to be imported in future?

[English]

Sale of Adulterated Petroleum Products

*205. SHRI BANWARI LAL
PUROHIT:
SHRI V. SREENIVASA
PRASAD:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that adulterated petrol, diesel and fake lubricants are freely available at the licensed and unlicensed outlets in the country;

(b) whether any raids have been conducted by Government during the last six months to trace out the unscrupulous traders of petrol and fake lubricants; and

(c) if so, the details thereof and what further steps Government propose to take in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHMA DUTT): (a) No, Sir. However, complaints are occasionally received in this regard.

(b) and (c). A Statement is given below.

STATEMENT

The oil companies and the State Governments/Union Territory Administrations conduct regular and surprise inspections of retail outlets periodically to check, *inter alia*, quality and quantity of the products and take action against the defaulters under the Marketing Discipline Guidelines and the law/regulations in force.

2. Over 20,600 inspections have been conducted by the oil industry and State Government agencies between January and June, 1987. While cases of suspected adulteration did come to light, adulteration of MS/HSD had not so far been established in any of them. In keeping with the Marketing Discipline guidelines of the Oil Industry, the marketing companies have, in suitable cases taken action like suspension of supplies, issue of warning letters etc. In other cases, the State Government agencies initiated necessary action.

3. The State Governments have been advised to review, for cancellation or non-renewal, cases where licences for storage, etc., of MS/HSD have been granted by local authorities to persons other than dealers of oil marketing companies in order to prevent malpractices in the sale of petroleum products. They have been advised to also take preventive and punitive action against those who store and sell petroleum products without any valid licences, etc. This is being periodically pursued with the respective States/Union Territories.

[Translation]

SHRI BANWARI LAL PUROHIT: Mr. Speaker, Sir, everyone is aware that kerosene oil is being freely mixed in petrol all over the country. 20 to 25 per cent kerosene oil is mixed in diesel and petrol due to which the poor people are not getting kerosene. Shortage of kerosene oil exists everywhere in the country. This question has been raised in the House many times and the Government has been assuring us that appropriate action would be taken but we have not seen any positive result so far. I want to submit that at least something ought to be done in this regard. It has been stated that 20,600 inspections have been conducted. May I know the number of cases of adulteration that came to light, the action taken thereon and also the number of people who have been prosecuted?

SHRI BRAHMA DUTT: Sir, I want to submit that in spite of acute drought conditions, efforts are being made to see that there is no shortage of high speed diesel. I have been to many places myself but haven't received any such complaints.