

# LOK SABHA DEBATES

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LOK SABHA

Tuesday, July 30, 1985/Sravana 8,  
1907 (SAKA)

*Lok Sabha met at Eleven of the Clock.*

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

[*English*]

Joint venture proposal by Pepsi Cola  
International and Agro Products  
Exports India Ltd.

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\*101. SHRI V. SOBHANADREES-  
WARA RAO :  
DR. G. S. RAJHANS :

Will the Minister of INDUSTRY AND  
COMPANY AFFAIRS be pleased to state :

(a) whether Pepsi Cola International a  
division of Pepsi Co., Inc. of USA, has  
submitted a joint venture proposal associat-  
ing itself with the Agro Products Exports  
India Ltd. (APEI) of the Duncan Group for  
clearance;

(b) if so, the lines of activity indicated  
by the joint venture; and

(c) when the decision will be taken in  
the matter ?

THE MINISTER OF CHEMICALS  
AND FERTILIZERS AND INDUSTRY  
AND COMPANY AFFAIRS (SHRI  
VEERENDRA PATIL) : (a) to (c). M/s.  
Agro Products Exports India Private Limited  
had submitted a proposal for approval to  
the manufacture of fruit juice and processed  
agro-based products in financial and technical  
collaboration with M/s. Pepsi Co. Incorpora-

ted of USA on the basis of 100 per cent export.  
This proposal has, however, been rejected as  
this involved import of Pepsi concentrate and  
supply of the same to beverage manufacturers  
for sale under the Pepsi trade mark, both of  
which are not in line with our policies in  
this regard.

SHRI V. SOBHANADREESWARA  
RAO : Sir, it is good that the Government has  
rejected this proposal. At the same time I  
would like to bring to the notice of the Hon.  
Minister that because of uneconomic cultiva-  
tion several lakhs of acres of land are now  
converted into mango plantation in the  
country, particularly in the State of Andhra  
Pradesh. Therefore, the possibility of produc-  
tion of fruit juices and processed agro-based  
products has increased manifold. Our  
country can export a lot and earn the valuable  
foreign exchange. So, Government should  
make all efforts to catch the foreign markets  
especially the Gulf market. I would like to  
know what steps have been taken in this  
regard ?

SHRI VEERENDRA PATIL : A large  
quantity of fruit and vegetable products are  
being exported to Middle East and other  
countries. Mango is the major item with an  
export quantum of 10,000 tonnes. Our main  
market is Middle East. We are also export-  
ing some quantity to U.K., West Europe and  
Far East also.

Similarly with regard to vegetables also  
we are exporting 40,000 tonnes valued at  
Rs. 34 crores. We are exporting vegetables  
to Middle East and other countries and our  
export is growing. So far as mango juice is  
concerned its export is also growing. What-  
ever fruits and vegetables are being grown  
here they are being exported and the export  
is on the high side and it is increasing every  
year.

SHRI V. SOBHANADREESWARA  
RAO : From the Government side what  
steps have been taken to encourage these  
exports ?

**SHRI VEERENDRA PATIL :** Government is encouraging the export, that is why export is taking place and a lot of foreign exchange is being earned. If the Hon. Members have got any suggestions to make they can make and Government will certainly consider them.

**MR. SPEAKER :** Not only in mango but huge plantations of citrus fruit are coming up in Punjab, Haryana and Rajasthan. They need a lot of encouragement and specific procedures for bottling, canning and concentrating them. I think in that respect you have to take serious note of the situation otherwise you are going to face a problem of surplus.

**SHRI VEERENDRA PATIL :** Sir, I entirely agree that fruit, fruit juices and also vegetables are being grown in large quantities and they have to be exported not only in the interest of growers but also in the interest of the nation because we will be earning a lot of foreign exchange. The Ministry of Agriculture is concerned with that. Certainly I will pass on this information to the Ministry of Agriculture and I will impress upon them that these agro-based industries will be encouraged and a lot of export will have to be encouraged.

**MR. SPEAKER :** Not only you will have to impress upon them but you will have to see that their needs are met.

**SHRI VEERENDRA PATIL :** I will have a discussion on this with the Ministry of Agriculture.

**MR. SPEAKER :** Call me also in the discussion.

**SHRI P. M. SAYEED :** Sir, in the Festival of India which is now held in Paris, there is a great demand for tender coconut water. I would request the Hon. Minister kindly to take this aspect also into consideration for export to foreign countries.

**MR. SPEAKER :** We can definitely consider anything which is exportable.

**DR. G. S. RAJHANS :** Sir, I would like to know from the Hon. Minister if there is any specific proposal of setting up a fruit-based particularly mango-based industry in North Bihar, particularly in Mithila region.

**SHRI VEERENDRA PATIL :** If a proposal comes, certainly we will consider, whether it is in Bihar or in any part of the country. It is for the entrepreneur to come forward with a specific proposal utilising whatever material is available in that part. If it is for export purposes, he can come with a more concrete proposal so that we can take action on that.

**MR. SPEAKER :** Please take initiative on those proposals.

**PROF. N. G. RANGA :** In the North-Eastern States, seven of them, the local people happen to be mostly tribal people and they are unable to mobilise necessary capital and also knowhow. Therefore, would the Government consider helping them in co-operation with the State Government by raising the necessary manufacturing units there in order to make use of their fruit surplus so that they can increase their income ?

**SHRI VEERENDRA PATIL :** So far as the fruit processing and fruit canning industries are concerned, it is not necessary that they should come in public sector or the State sector. It is the local entrepreneur who has to invest the money and develop the industry.

**PROF. N. G. RANGA :** But they are tribal people and they have no money and capital to invest in this.

**SHRI VEERENDRA PATIL :** If the local entrepreneurs take the initiative we can consider helping them.

**PROF. N. G. RANGA :** It is for the local Government and the Central Government who should take initiative and help them.

**SHRI VEERENDRA PATIL :** Every State has got an organisation which is under the State Industrial Development Corporation for encouraging such units.

**PROF. N. G. RANGA :** You should take the initiative and also encourage them and help them wherever technology is necessary.

[Translation]

**SHRI YASHPAL SINGH :** Mr. Speaker, Sir, I want to know from the Hon. Minister

whether efforts have been made to export potato on the lines of export of vegetables and fruits and if so, what are the details thereof ?

MR. SPEAKER : No, not yet. It is not like hitting sixers. It needs consideration.

SHRI GIRDHARI LAL VYAS : While supporting your question, I want to know from the Hon. Minister whether there is any proposal to set up fruit and vegetable processing industries in Punjab, Haryana and Rajasthan in view of the large scale production of fruits and vegetables there ; and if so, the names of the persons who have submitted proposals in this regard ?

MR. SPEAKER : The programmes should be export-oriented.

SHRI VEERENDRA PATIL : It is for the people of the concerned State to think where fruit canning and agro industries can be set up. On our part, we shall consider the proposals whenever they are submitted to us. It is for the Agriculture Ministry to see how this industry can be developed and so far as the question of giving incentives for export is concerned, it is for the Commerce Ministry to see. However, as a matter of principle we shall endeavour to export as much as possible.

MR. SPEAKER : Even the export oriented technology, if needed, may be utilised.

SHRI VEERENDRA PATIL : We should do so if needed.

[English]

#### Restructuring of Maruti Udyog Limited

\*102. SHRI RAMASHRAY PRASAD SINGH :  
SHRI SATYENDRA NARAYAN SINHA :

Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state :

(a) whether there is a proposal under consideration of Government to restructure the Maruti Udyog Limited, its capital holdings and convert the Company into a board-managed one; and

(b) if so, the details thereof ?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND INDUSTRY AND COMPANY AFFAIRS (SHRI VEERENDRA PATIL) : (a) and (b) . Maruti Udyog Limited have submitted a proposal to reduce the Government's equity to 40 per cent. As this involves basic policy issues, the proposal is being looked into.

[Translation]

SHRI RAMASHRAY PRASAD SINGH : Mr. Speaker, Sir, in the Maruti Udyog Ltd., which is a Public Sector Undertaking, Government's equity is 74 per cent whereas that of Japan is 26 per cent.

I want to know from the Hon. Minister under what circumstances the Maruti Udyog Ltd. which was in the private sector in 1983 was brought under the public sector and what are the compelling circumstances now for bringing it in the joint sector ?

(Interruptions)

MR. SPEAKER : Ask something new.

SHRI RAMASHRAY PRASAD SINGH : We want to know the circumstances under which this proposal for joint sector has come ?

SHRI VEERENDRA PATIL : Sir, Maruti Ltd. was nationalised in 1980 and now Government's equity in it is 74 per cent and that of the foreign collaborator 26 per cent. As per the agreement, they can have 40 per cent equity if they so decide. The company has now suggested that the Government's equity in it should be reduced to 40 per cent. The management is of the view that it cannot enjoy the advantages of a commercial private company if it continued to be a Government company. Automobile Industry has become very competitive, especially after liberalization of restrictions. Maruti Udyog has to follow the guidelines laid down by Bureau of Public Enterprises and as such it has many restrictions on it. It has to submit a proposal to the Government and seek approval even for making payment of wages or for undertaking some new work. Private Automobile Industry has 5 per cent management quota and the management of Maruti Udyog also wanted to manage the 5 per cent quota, but the Supreme Court has given stay in