

according to the advisers, the basic difficulty is the wrong preparation of project reports. (*Interruptions*) Well, you may laugh; but that is what it is.

SHRI SOMNATH CHATTERJEE : We are concerned. (*Interruptions*)

SHRI A. B. A. GHANI KHAN CHOUDHURY : We are, as the Prime Minister correctly says, fighting for a change of the system, i.e. the emphasis is on changing the system of project formulation and implementation.

PROF. MADHU DANDAVATE : That is, political system. (*Interruptions*)

SHRI A. B. A. GHANI KHAN CHOUDHURY : In changing the system, obviously we lay stress on the preparation of the project reports. If there is a wrong project report, afterwards a lot of problems crop up. You can imagine that. The second reason is that there is always a difficulty in land acquisition. Regarding land acquisition, everywhere in all projects you will see that it has created difficulties and delay.

The fourth point is supply of critical equipments whether it is indigenous or imported equipment. The fifth is the construction of infrastructure.

These are some reasons I have given. Then there are projects wherein we give three-monthly reports to the highest authority. Then there are systems of studying the projects in depth, i.e. those projects wherein inordinate delays have been created, e.g. the Calcutta Underground System, Salal Hydro electric project etc.

I have visited many States, and I have had frank and cordial discussions with the Chief Ministers whom, I have requested to help us in implementing the projects. They have assured to help us. For example, with regard to Tolloygunge-Calcutta underground system, the Chief Minister of West Bengal helped us to acquire the land. Then there was ministerial inter-vention in U.P. on the problem of interruption in power supply. That has been solved by the Chief Minister of U.P. Then there is the water

supply to Korba super-thermal power station. That was also helped by the Chief Minister of Madhya Pradesh. In this way, we are trying to solve the problems.

MR. SPEAKER : Question 388 : Mrs Jayanti Patnaik is not available. Question 389—Mr Sobhanadreeswara Rao is not present. Now question 390—Mr Laliteswar Prasad Shahi.

Price of Sugarcane

*390. **SHRI LALITESHWAR PRASAD SHAHI :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the reasons for not announcing the price of sugarcane at the time of sowing;

(b) the reasons for dependence on sugar price for determining the price for sugarcane; and

(c) the reasons for not relating the molasses and industrial alcohol price to sugarcane ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) to (c). A Statement is given below.

Statement

(a) The statutory minimum price of sugarcane payable by sugar factories for the 1986-87 season was announced in November, 1985, well in advance of the sowing season.

(b) and (c). As per Clause 3 of the Sugarcane (Control) Order, 1966, the price of sugar is one of the relevant factors to be taken into consideration while fixing the statutory minimum price of sugarcane. In determining the price of sugar, which is the main product, due credit is given to realisations made from the sale of molasses and by this process sugarcane prices get related to realisation from molasses also.

As all sugar factories do not own distilleries, the question of taking into

consideration the price of industrial alcohol would not arise. Further, industrial alcohol is not a direct by-product of sugarcane.

SHRI LALITESHWAR PRASAD SHAHI : We have seen during the last forty years that change of every five years there is a cyclic fall in the rise of sugar production resulting sometimes in import of sugar from other countries involving foreign exchange. Taking this in view, is it possible for the Government to announce the sugarcane price, not the statutory minimum price as stated in the statement, because statutory minimum price is not the actual price payable to the farmers? Therefore, I would like to know whether it is possible to stabilise the sugar industry and announce the price of sugarcane in advance of the sowing season.

SHRI A. K. PANJA : It is possible and that is why, while deciding the sugarcane price of 1985-86, 1986-87 price was announced prior to the sowing season i.e. in November, 1985. It was announced in advance. We cannot announce any price i.e. the floor level minimum price without compliance with clause 3 of the Sugarcane Control Order, which gives the parameters by which announcement is made.

SHRI LALITESHWAR PRASAD SHAHI : All such rules are meant to regulate something. If clause 3 stands in the way, they can be amended. What I mean to say is that the actual payable price to be paid should be announced in advance and not the minimum statutory price to which the Minister is referring.

SHRI A. K. PANJA : This is a request for action. We shall look into it.

SHRI R. S. MANE : May I know from the hon. Minister whether the cane price will be paid at a time because today it is paid four times in a year or two years?

SHRI A. K. PANJA : Regarding the sugarcane price to which the hon. Member has rightly referred, in order to see that it may not be in arrears, we have taken it up with the States concerned. In fact, my senior colleague and myself also have written letters to the heads of the States

and Union territories to see that these arrears of the sugarcane price are paid quickly and also the payment as it becomes due is also paid.

[Translation]

SHRI RAMSWAROOP RAM : Mr. Speaker, Sir, the remaining dues to the farmers have not been cleared so far. Has the Government got this matter investigated and if so, has the Government issued instructions to the State Governments for payment of the dues?

MR. SPEAKER : It is not connected with the question.

SHRI RAMSWAROOP RAM : There are crores of such cases.

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT) : Out of a total amount of about Rs. 1557.8 crores, about Rs. 33.3 crores remained to be cleared as on 30.6.1986. The unpaid dues constitute 2.1 per cent of the total cane price. As my colleague has said, during this year itself we wrote four letters to the Chief Ministers. They have written to us that they are taking necessary steps so that the arrears are cleared. We have also written to them that they should make efforts to see that interest is also paid.

[Translation]

SHRI RAM NAGINA MISHRA : Mr. Speaker, Sir, in the entire country, there are two sugarcane regions—north India and south India. In south India the production of sugarcane is more and the cost of production as compared to north India is less. When the Government announces the support price for sugarcane, it is applicable to the entire country whereas the production in north India is less and the cost of production is more. This is the reason why the condition of the sugar factories in north India is miserable and all the sugar mills are running in losses of crores of rupees. I would like to know from the hon. Minister as to whether keeping in view the cost of production of both the regions,

some special facilities will be provided to the sugarcane growers of north ?

[English]

SHRI H. K. L. BHAGAT : As a matter of fact, all aspects of the sugar policy are under consideration. And we propose to take a decision soon for the sugar policy relating to the Seventh Five Year Plan. It is correct that sugar is produced more in the tropical region areas i.e. the States in the south, and Maharashtra, etc. In Bihar and U.P. the productivity is less. It is much less. The national per hectare average yield is 56 tons while in the Southern States it is about 75 tons.

We are very keen that better and more sugar should also come in U.P. and Bihar. With regard to the point raised or suggestion given by the hon. Member we shall look into it and see what more can be done.

SHRI P. KOLANDAIVELU : The price of sugar cane has to be fixed at par with the cost of production. But actually the price is not fixed at par with the cost of production because of the cost of fertilizers and other inputs as there is increase in their price. We have to view the whole thing and moderate price has to be fixed for the sugarcane.

So far as the sugar policy is concerned you have already announced here at the time of the Budget session that you are going to announce the new policy for sugar. But you have not announced it so far. What is the reason behind it ?

SHRI H. K. L. BHAGAT : We did say that we shall announce the sugar policy. We have asked for extension of three months from the House because there are a number of factors which remain to be considered. A number of consultations have to be done and so on. We hope to announce this policy soon.

SHRI P. KOLANDAIVELU : Already three months have lapsed.

SHRI H. K. L. BHAGAT : Now we hope to take a decision some time after the

Session. We are going into the various aspects. In so far as the price of sugar cane is concerned, it is not only the cost of production but a number of other factors which are relevant under the Sugar Cane Control Order. We are taking them into consideration.

Quality of Foodgrains Supplied Through Fair Price Shops

*391. SHRI AKHTAR HASAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether foodgrains supplied by fair price shops are of very inferior quality;

(b) if so, the reasons therefor;

(c) whether effective steps will be taken to supply better quality foodgrains in future; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) No, Sir. Foodgrains supplied by fair price shops conform to specifications under the P.F.A. Act.

(b) Does not arise.

(c) and (d). Effective steps are being taken to ensure supply of good quality foodgrains through various measures, such as pre-inspection of stocks, joint sampling, and enforcement of quality standards at fair price shop level.

[Translation]

SHRI AKHTAR HASAN : Mr. Speaker, Sir, he has not replied to my question...

(Interruptions)

MR. SPEAKER : Then to whose question he has replied ?

SHRI AKHTAR HASAN : My question is that rotten wheat, rice and other cereals