

SHRI SUKH RAM: Mr. Speaker, Sir, Public Distribution System is the state subject. The system has to be run and monitored by the State Government. We keep on contacting the states every now and then and also try to monitor the system. So far as allotment of foodgrains to Rajasthan is concerned, I think that, though the exact figures are not available with me, Rajasthan has been allotted the maximum quantity of foodgrains. Keeping in view severe drought conditions there, Rajasthan has been allotted the maximum quantity of foodgrains. The per capita allotment to Rajasthan is more than that made to any other State.

SHRI V. TULSIRAM: Mr. Speaker, Sir, the hon. Minister has stated that the quantity of foodgrains needed is available in the Government godowns, I want to ask the hon. Minister, through you, that what arrangements have been made and what plans have been formulated to save the foodgrains in storage which is eaten away by the rats and mongooses or get rotten due to other reasons. May I know whether the Government proposes to do something in this regard? The area effected by drought is inhabited by poor people who are very much worried and facing starvation. The Government of Andhra Pradesh and Karnataka are supplying foodgrains to such people at concessional rates. May I know whether the government of India has only plan to supply foodgrains at concessional rates? May I also know whether the Government has formulated any such plan and if not, the time by which the Government proposes to do so?

SHRI SUKH RAM: So far as the anxiety of the hon. Member regarding foodgrains getting rotten is concerned, I may submit that the loss position of foodgrains in transit and storage has improved from 2.3 per cent in 1982-83 to 1.63 per cent during 1986-87. But still, if any sort of wastage or other irregularities are brought to the notice of the Government by the hon. Members of this august House, concrete action will be taken and

proper attention will be paid to the matter.

As regards the point regarding the supply of foodgrains at concessional rates raised by the hon. Member, it is submitted that the Government is already supplying foodgrains to the vulnerable sections and the poor people through Public Distribution System and the Government is subsidising to the extent of Rs.2000 crores. I do not understand what more is expected to be done by the Central Government. We are giving foodgrains to the poor people at concessional rates.

[*Translation*]

Price Fixation of Sugarcane In U.P.

*4. **SHRI RAM NAGINA MISHRA:** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether prices of sugarcane in Western and Eastern districts of Uttar Pradesh have been fixed at Rs.27.00 and Rs. 26.50 per quintal respectively;

(b) if so, the reasons for this disparity;

(c) whether he has taken any initiative with the State Government to bring uniformity in the prices of sugarcane; if so, the outcome thereof;

(d) whether Government are considering any proposal to ensure in future uniformity in sugarcane prices; and

(e) whether prices of sugarcane have been increased in proportion to the recent hike of Rs.25 per quintal in sugar prices; if not, the reasons therefor?

[*English*]

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI SUKH RAM): (a) and b). The

quantum of State-advised prices is decided entirely by the State Governments concerned and the Central Government is not involved.

(c). This point was raised by the hon'ble Member in a discussion in the Lok Sabha in December, 1987 also and has been conveyed to the Uttar Pradesh Government.

(d). The statutory minimum price fixed by the Central Government is uniform for the whole of the country

(e). The statutory minimum price of sugarcane for 1987-88 season was raised from Rs. 17.00 per quintal to Rs. 18.50 per quintal linked to a recovery of 8.5%. The increase in the retail price of levy sugar by

Rs. 25/- per quintal is primarily the result of this increase in the statutory minimum price of sugarcane and the manufacturing cost of sugar.

[Translation]

SHRI RAM NAGINA MISHRA: Sir, in reply to parts (a) and (b) of my question, the hon. Minister has stated that the price of sugarcane is fixed by the State Government. The State Government has kept a difference of 0.50 price per quintal in the price of sugarcane in Western and Eastern district of the state, though there is no difference in recovery percentage. I want to quote the Figures in respect of highest recovery in some of the best sugar mills in the western region in support of my contention:-

Dawala	10.23	in	1985-86	and	10.15	in	1986-87
Mawama	10.44	in	1985-86	and	10.63	in	1986-87
Simbhaul	10.18	in	1985-86	and	10.57	in	1986-87
Anup Shahar	9.78	in	1985-86	and	10.06	in	1986-87
<i>Eastern Region</i>							
Dariyapur	9.73	in	1985-86	and	10.08	in	1986-87
Tulsipur	10.34	in	1985-86	and	10.10	in	1986-87
Balrampur	10.44	in	1985-86	and	10.59	in	1986-87

MR. SPEAKER: What you are doing?

SHRI RAM NAGINA MISHRA: I am giving figures in support of my submission.

SHRI RAJ KUMAR RAI: He is saying that according to the figures, the recovery in the eastern region is very good.

SHRI RAM NAGINA MISHRA: Sir, what

I want to tell the Hon. Minister is that the recovery in the sugar mills in eastern region is very good. During the last two years, the recovery in the sugar mills in the eastern region is equal to that in the western region. Prior to that, it was not so. A rally of farmers was organised there on 20th which was addressed by the Hon. Prime Minister. While addressing the rally, the Prime Minister had said that the farmers in the eastern region

have been quite capable in the matter of production and they have made considerable progress. He had praised them for this achievement. In such a situation, when the farmers of the eastern region have increased their production through hard work, I would like to know from the hon. Minister whether he would take up the matter with the State Government in order to remove the disparity in the price of sugarcane in the western and eastern region of the State?

SHRI SUKH RAM: So far as the question raised by the hon. Member is concerned we had taken up the matter with the Uttar Pradesh Government. According to the information we have received from them, the recovery percentage in the eastern region is low as compared to the recovery in the western region. This is our information, which can be checked up. The difference in price is only 0.50 paise. I would like to tell the hon. Member that it is the U.P. Government who has to make efforts to improve the quantity of sugarcane in the eastern region. They have to see that improved varieties of sugarcane are grown in the sugarcane growing areas of the State so as to increase the yield per unit. Only then, this difference can be removed in real sense.

SHRI RAM NAGINA MISHRA: Sir, my question has not been replied to. I have said that the recovery in both the regions is equal. Instead, according to my information the recovery in the eastern region is better than the western region but in spite of that, there is disparity in the price. The Prime Minister had given an assurance in this regard. Will the hon. Minister remove this disparity in price in view of the hard work and the feelings of the farmers of the eastern region?

Sir, this is my first supplementary question.

MR. SPEAKER: He has already replied to it. Now put your second supplementary.

SHRI RAM NAGINA MISHRA: My second supplementary question is that in reply to parts (c) and (e) of my question, the hon. Minister has informed that the increase of Rs.25 per quintal in the price of sugar has been done to the increase in the cost of production of sugar. In this connection, I would like to know from the hon. Minister whether the farmers will be given higher price for their sugarcane in proportion to the increase in its cost of production?

SHRI SUKH RAM: Mr. Speaker, Sir, so far as the Central Government is concerned the statutory minimum price fixed by it is uniform for the whole of the country. However, the State Government can advise the sugar mills regarding the price if it so desires and that is how the price of sugarcane is raised. So far as price of sugarcane is concerned, it was Rs.17 last year which has been raised to Rs.18.50 per quintal this year. The State Government has increased this price at their own level. So far as increase of Rs. 25 per quintal in the price of levy sugar is concerned, it is due to the increase in the price of sugarcane. Besides, the cost schedule prepared by the B.I.C.P has also been kept in view while allowing an increase of Rs. 25 per quintal w.e. f. 1st January.

SHRI RAM NAGINA MISHRA : Mr. Speaker, Sir, I seek your protection. This increase in price was effected after the Uttar Pradesh Government had already fixed the price of sugar and not before that.

SHRI MANOJ PANDEY: Mr. Speaker, Sir, minimum statutory price of Rs.18.50 fixed by the Government is linked to 8.5 per cent recovery and this price is uniform all over the country. When the Central Government has fixed the negotiated price for each State Government, is the Government going to prepare some part of slab in the near future thereby linking the recovery percentage to the price to be paid?

SHRI SUKH RAM: Sir, This is already being done. If the recovery is more than a particular level, higher price is to be given. But the Central Government has not issued any orders to the State Government to raise the price. The State Government can advise the sugar mills if it so deires.

[*English*]

PROF. N.G.RANGA: But you can give them advice.

[*Translation*]

SHRI SUKH RAM: The State Government advise the sugar mills and we do not stop them if they want to increase the price.
[*English*]

SHRI V. SOBHANADREESWARA RAO: Sir, the answer to part (c) is fallacious. Sir it was a sad thing that the statutory minimum price of sugarcane was increased from Rs. 17.00 per quintal to Rs18.50 per quintal. Practically there is a lot of change in the circumstaces. The levy sugar; free sale sugar was changed from 65.35 to 50.50 and the molasses price was increased from Rs. 60 to Rs. 120 per quintal, and apart from that Rs. 24 per quintal was given on levy sugar. All these things have not reflected in the proper payment of minimum statutory price to the cane grower. The canegrower is not going to be benefited by these changes, if it is a Government policy, and they criticse. So, in view this, I would like to know whether the Government will reconsider and increase the statutory minimum price keeping all these favours in view, and benefit the cane growers? If necessary, you convene a meeting in your Chamber, Sir, and decide the proper price and see that this price is given to the cane grower. The cost of cultivation has also increased, not only the cost of production of sugar.

(*Interruptions*)

[*Translation*]

SHRI RAJ KUMAR RAI: Mr. Speaker, Sir, you are also aware of this problem.

[*English*]

SHRI SUKH RAM: Sir, the Central Government fixes the minimum price and that minimum price is fixed on the basis of consultation with the BICP ad the BICP also asks for the view s of those State which produce the sugar. And then the association and growers and all these are taken into consideration.

SHRI V. SOBHANADREESWARA RAO: You have incresed the molasses price. Why are you not increasing sugar price?

(*Interruptions*)

SHRI RANA VIR SINGH : We want half - an -hour discussion.

SHRI M. RAGHUMA REDDY: We want half -an - hour discussion.

SHRI C. MADHAV REDDI: You may allow half-an -hour discussion.

SHRI V. SOBHANADREESWARA RAO: We want your ruling. You must intervene. Otherwise, cane-growers will be cheated by the industry.

(*Interruptions*)

SHRI M. RAGHUMA REDDY: You are not only the Speaker but also a grower.

(*Interruptions*)

SOME HON. MEMBERS: We seek your intervention, Sir.

MR. SPEAKER: Intervention comes in

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.