

Increase in input cost of DAP

4768. SHRI SANDIPAN BHAGWAN THORAT: Will the PRIME MINISTER be pleased to state:

(a) whether the producers of Diammonium Phosphate (DAP) have been badly affected by the steep increase in the input cost?

(b) if so, the details thereof;

(c) the details of representation received in this regard and the reaction of the Government thereto; and

(d) the details of action taken/proposed in this regard to normalise the position?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (d). Consequent on removal of price and movement control on phosphatic fertilizers w.e.f 25.8.1992, there was a spurt in the price of DAP in the open market. With a view to reducing the cost of production of the indigenous producers of DAP, Government abolished customs duty on import of phosphoric acid and also allowed foreign exchange at official rate for import of raw materials. Simultaneously, the import of DAP was decanalised with foreign exchange to be arranged at market rates. However, with the announcement of unified exchange rate in the Budget proposals for 1993-94, the import of raw materials for manufacture of DAP has become costlier in Rupee terms

The fertilizer industry has asked for a package of relief so that the indigenous DAP industry could compete with the imported DAP. Government has taken note of the representations from the industry, with a view to extending appropriate relief.

4769. SHRI SOBHANADREESWARA RAO VADDE: Will the PRIME MINISTER be pleased to state:

(a) the price at which molasses are to be supplied to the allottees by the sugar factories;

(b) the price of molasses in the open market;

(c) whether the Government propose to de-control molasses and increase its price to sustain viability of sugar factories; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) The prices of sugarcane molasses are regulated under the Molasses Control Order 1961. The present prices of sugar mill Molasses under this Order are as follows:-

<i>Grade of Molasses</i>	<i>Prices of Molasses (Rs per Quintal)</i>
Grade I	14 40
Grade II	11 50
Grade III	8 60
Below Grade III	8.60 for every 40 kilogramme reducing sugar content therein

(c) and (d). A decision on decontrol of molasses is yet to be taken.

Production and Export of Coir

4770. SHRI SUDHIR SAWANT: Will the PRIME MINISTER be pleased to state: