

we continue to depend on foreign countries.

[*English*]

SHRI V.N. GADGIL: Sir, the Minister has talked about many steps being taken. I would like to ask three things. The c.l.f. import price of palm oil is Rs. six and the STC is allowed to sell it at Rs. thirty. Why? NDDB purchase groundnut oil at Rs. twenty, it is allowed to be sold at Rs. thirty. Why? The Gujarat Government has put a ban on export of groundnut to outside States. Why? If you are taking steps, what is your explanation about these three things?

[*Translation*]

SHRI RAM PUJAN PATEL: Mr. Speaker, Sir, with reference to the point raised by hon. Member regarding palmoline, I would like to submit that Mr. Gadgil is a veteran Member of the Parliament so I do not want to say anything about him. The Government have considered this matter earlier also and all of us know that due to some problems some articles have to be sold at higher rates.

[*English*]

SHRI V.N. GADGIL: Sir, I am not talking about trader, I am talking about STC...(*Interruptions*)

SHRISANTOSH MOHAN DEV: Sir, the Commerce Minister can reply... (*Interruptions*)

[*Translation*]

MR. SPEAKER: Santosh Mohan Devji, please listen to me first.

SHRI RAM PUJAN PATEL: I am telling the same thing...(*Interruptions*)..Mr. Speaker, Sir, imported palmoline oil is sold to us by the S.T.C. at the rate of Rs. 13,150 per tonne. Then it is refined by us and sold at about Rs. 19/- a Kg. As regards the allegation that the N.D.D.B. is purchasing palmoline at a price of Rs. 20 a Kg. and selling it at a price of Rs.

30/- a Kg., I would like to submit that if any irregularity is detected in it, we will certainly take action. The Government have set up this Institution to make proper arrangement of marketing and not to harass the public and indulge in profiteering. We will see to it and appropriate action will be taken in the matter in the public interest. I would like to appreciate the suggestion made by Shri V.N. Gadgil...(*interruptions*)

MR. SPEAKER: Next Question, Shri R.L.P. Verma...

(*Interruptions*)

MR. SPEAKER: I know, but I am also helpless. Shri R.L.P. Verma.

Industries Classified as Food Processing Industries

822. SHRI R.L.P. VERMA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the names of the industries classified as food processing industries;

(b) the details of the scheme formulated to set up such industries in rural areas and to educate the farmers in this regard; and

(c) whether Government are likely to set up such industries in each block as models with a view to check the migration of labourers from villages to cities?

THE MINISTER OF TEXTILES AND MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) to (c). A statement is laid on the Table of the House.

STATEMENT

The Food Processing Industries are indicated as item no. 27 of the 1st Schedule to the Industries (Development and Regulation) Act 1951. These are;

27 (1) — Canned fruit & fruit products.

27 (2) — Milk Foods

27 (3) — Malted Foods

27 (4) — Flour

27 (5) — Other processed foods.

One of the major objectives of the Ministry of Food Processing Industries is to create increased job opportunities in rural areas. Keeping this objective in mind, several developmental plan schemes have been formulated for implementation during the year 1990-91. These schemes are expected to encourage the growth and development of processed food industries. A major scheme envisages financial assistance to State Government Undertakings/Cooperative Undertakings for setting up of new fruit and vegetable processing units, as well as strengthening the existing processing units. There is also a plan scheme of providing marketing assistance to small & cottage scale fruit and vegetable processing units located in rural areas. The Ministry does not propose to set up any industries directly.

In order to provide exposure and training to the farmers in the food processing sector the Ministry has drawn up a plan scheme for setting up food processing training centres and upgradation of existing community canning centres in the States. The Ministry has also formulated a scheme for enabling fruit and vegetable growers and processors of rural areas to gain from exposure to food processing technologies through a training visits programme. Plan schemes have also been formulated for processing of poultry and pork, modernisation of grain milling industry and effective utilisation of by-products etc.

[*Translation*]

SHRI R.L.P. VERMA: The reply given by the Minister is not satisfactory. You know that I wanted to know the details of the schemes formulated to set up food processing industries in the rural areas for the development of villages but his reply is not ex-

haustive. I would like to say that food processing units have been set up in the big cities such as Delhi, Bombay and Calcutta, etc. only and crores of rupees have been invested in this industry. Big companies such as Maltova, Cornlakes, Mohan Meakins, etc. have invested huge amount in it. There are as many as 5010 community development blocks in the country. But no detail has been given regarding schemes launched in blocks. Therefore, I would like to know the number of food processing units set up in rural areas at block level to increase the employment opportunity by the State Governments and the Central Government and the amount invested by the Government therein. I would also like to know the details of the schemes formulated for the year 1990.

SHRI SHARAD YADAV: Mr. Speaker, Sir, the hon. Member's complaint may be genuine but the question asked by him is so vast that it cannot be replied one stroke. He has submitted that the village products are not being utilised by the Food Processing Department to remove unemployment in the villages which should have been done. I would like to tell him that Food Processing Department is a new Department which is facing financial constraint also. This Department's work is only to assess. All this work is done by the Central Government with the help of such other departments and organisations such as Agriculture Department, N.C.D.C. and the Horticulture Commission. Similarly, there is a separate Department for Small Scale industries under the Ministry of Industry as also there is Khadi and Village Industries Commission. Thus, schemes have been formulated in many Departments of the Central Government to create rural employment. Food Processing Department is a new Department and we have to expand it. But we do not have powers to set up new units. There is a provision of providing full assistance to the State Governments in marketing, training, processing and to provide technical knowhow to the people under the schemes formulated by the Central Government. There are 442 Small Scale Industrial Centres in the country which are engaged in this work for the last so many days. At the

moment, I do not have information with regard to the question put by the hon. Member but I can give the number. This question is not related to my Department but I think during the last 7 to 8 years, the number of rural based industries has become double and traditional industries have also developed. Papad, pickle and many other food items are processed in our country. I order to promote these traditional food processing industries, an amount of Rs. 15,000 is given as subsidy by the Khadi and the Village Industries Commission to these people and it also provide marketing facilities for these products.

SHRI R.L.P. VERMA: Mr. Speaker, Sir, it appears from the reply given by the hon. Minister that he has tried to evade the reply to my question. So far as the food processing units are concerned, our new Government intends to utilise them for the development of farmers. The hon. Minister has not given details of the schemes referred to by him in his reply. If potato chips are prepared at home, these cost only 50 paise whereas same quantity of chips is sold in the market for Rs. 7 or Rs. 8. If food processing technology reaches the villages, the educated unemployed can get employment and that will also lead to the development of villages. It is a very important question. I would like to request the hon. Minister not to evade such an important question which is related to the development of villages. The law relating to food processing was enacted in 1951 but the provisions made under that law have not been followed...*(Interruptions)*

AN. HON. MEMBER: The hon. Minister is of short stature whereas the question is a lengthy one...*(Interruptions)*

SHRI SHARAD YADAV: You are right. He is committing excesses on me by asking such a lengthy question from a short man like me...*(Interruptions)*...I would like to tell the hon. Minister that in spite of our limited resources, we have set up Nodal Agencies all over the country. We are having coordination with all the Government or private or any other research centres who are working on

food processing all over the country and we are providing necessary information to the people. We have made provision for setting up 300 councils in the Budget for processing of fruits, vegetables, meat, fish, foodgrains etc. If I go into the details that would take much time...*(Interruptions)*

MR. SPEAKER: Don't look at them. look towards the Chair and reply the question.

SHRI SHARAD YADAV: Mr. Speaker, Sir, what I mean to say is that inspite of our limited resource, we have divided it in six sectors. We have constituted 300 councils and nine panels. A large quantity of fruits and vegetables in the market and food processing machines also remain unutilised for rest of the year. With a view to ensuring optimum utilisation of the machines and fruits and vegetables, we are giving encouragement to this sector. Rotting of fruits and vegetables causes a loss of Rs. 30,000 crores. Keeping these things in mind, we have formulated these schemes. I agree with the views expressed by the hon. Member. If we have to provide employment opportunities in rural areas and to provide remunerative prices to the growers, we have to develop the food processing net work all over the country in a scientific way. The traditional techniques and modern techniques have to be combined and this industry needs to be developed on a very large scale.

SHRI RAJMANGAL PANDE: Mr. Speaker, Sir, the past experience of setting up of food processing units by the Central Government or by the State Governments has not been very successful. I would like to know from the hon. Minister whether he would make improvements in the present policy and set up one food processing centre in each of the 800 blocks all over the country and impart necessary training to the rural people in training centres. Besides, higher percentage of subsidy, i.e. 25 to 35 per cent, should be provided to the rural people so that they may take interest in it. All the units set up by the Government have turned out to be a total failure. There, I would like to say that

improvements should be made in the present policy and efforts should be made to implement the policy by setting up of one centre in each of the 800 blocks in the country and by providing higher subsidy to such units.

MR. SPEAKER: Please give a short reply to the lengthy question.

SHRI SHARAD YADAV: Sir, we are endeavouring and heading towards the same direction as suggested by the hon. Member. There are 442 industrial centres all over the country and they have also been entrusted with this job. State Governments are also running some industrial centres. As I have already said that due to financial constraints, we have annual fund of Rs. 32 crores only to fulfil the promises and to meet the aspirations of the people. We are making all efforts to make the best use of the fund and use it in a scientific way but as has been said by Shri Pande that Food processing units are not very successful in our country. There are three or four reasons. Firstly, we do not have cold-storage to preserve these items. Secondly, the cold-storage for meat or fish preservation are neither hygienic nor modernised. There are many problems and we have to face them. As pointed out by the hon. Member, survey has to be conducted at the block level to identify the local products and how can they be processed. We are working in that direction. The suggestion of the hon. Member is worth considering. We are moving in that direction.

[*English*]

DR. BIPLAB DASGUPTA: Mr. Speaker, Sir, in relation to the point which has been made by the Minister about the role of the village industries in food processing industry, my feeling is that, in the ground, what is happening is totally at variance to the statement made by the Minister, because on the one hand the Government is giving subsidy to the village industries and on the other hand it is destroying these industries by inviting multinationals like Pepsico, Coco Cola etc. They have been involved in those

activities which have been exclusively preserved for the small village industries so far. Take soft drinks for example. These have been produced for such a long time by the village industries and now the Government is inviting Pepsico into this. It is true that the Pepsico agreement was done by the previous Government. We expect this Government to denounce this agreement, but we find the continuation of the same policy.

MR. SPEAKER: Mr. Dasgupta, please come to the question.

DR. BIPLAB DASGUPTA: Yes, Sir. My question is this. I would like to know whether the Government would be prepared to scrap this agreement and retain those activities exclusively for the village and food processing industries.

[*Translation*]

SHRI SHARAD YADAV: Mr. Speaker, Sir, the hon. Member has asked many questions which are not related to the main question and the question, he has touched gives rise, to many other questions. As far as the multinationals or the Pepsico is concerned, it was not done by me alone. I took it to the Cabinet and Cabinet has approved it and now we do not intend to cancel it.

[*English*]

SHRI P.R. KUMARAMANGALAM: Mr. Speaker, Sir, the food processing industry is an industry which could definitely be a booming industry that would pick up. But the approach, fundamentally, has to change. The major problem that most of our small units face, especially, in food processing industry is lack of infrastructure which needs heavy investment like godowns for preservation. These are not available. If one goes even in a cooperative manner to set up godowns, one does not get financial assistance on a no-margin basis.

Secondly, on top of that, you have no ability for marketing. Mere marketing assistance will not do. If one has to market food

processing products, one has to have tremendous amount of financial backing and a huge market organisation. Is the Government willing to at least take up marketing or to set up a public sector for marketing these products? Then only, you would get the small, village industries investing and setting up small processing units. You want potato wafers. The technology is not out of reach at all in the villages. The technology is possible. You can get very hygienic small equipment with a little investment for literally cottage industries. But who is going to market those wafers? That is the issue.

Are you seriously thinking not of marketing assistance but of setting up a machinery for marketing?

[*Translation*]

SHRI SHARAD YADAV: Mr. Speaker, Sir, what the hon. Member has said is quite right but I did not say that our technical know-how was outdated. Our system of food processing, which has been in use in our country for centuries is more economical and sound but these products suffer losses due to non-availability of market. As regards wafers, it was alleged that these are sold at a very margin of high profit so much so that if cost of production is Rs. 1.50, it will be sold at a price as high as Rs. 9 to Rs. 10. This is all due to marketing problem as small producers cannot compete with big producers. Therefore we have formulated a scheme for providing marketing facilities and financial assistance to them. Now, we have started this work. We will try to link the Government agencies and private producers and give them subsidy and facilities like marketing and publicity. We have included all these items in the plan of 1991.

SHRI BHOGENDRA JHA: Mr. Speaker, Sir, in spite of modernisation in fruit processing industries set up at some places in the country, Bihar is backward in this field. I would like to draw the attention of the hon. Minister to the condition of the fruit processing units equipped with latest technology set up in co-operative sector at Oyeni, Darbhanga

and Madhubani in Bihar. Of course, Bihar is backward in the co-operative sector for which we are alone responsible. However, I would like to request the Central Government to enquire into the working of the said units. I would also like the Central Government to take some steps to improve the condition of the said units as crore of rupees have been invested in these three units and all inputs are available there. I would like to request the hon. Minister to order an enquiry into it so that production can be started.

SHRI SHARAD YADAV: Mr. Speaker, Sir, I would like to request the hon. Shri Bhogendraji to furnish me detailed information about the units so that an enquiry can be ordered. I would like to submit that Eastern Uttar Pradesh and Bihar are very backward states. In Bihar at Bhagalpur a mango processing unit is running in loss.

SHRI JANARDAN YADAV: Mr. Speaker, Sir, that is lying closed.

SHRI SHARAD YADAV: I am also saying the same thing.

MR. SPEAKER: All right, are you giving information to the hon. Minister?

SHRI SHARAD YADAV: I also reminded him. Other units are also running in losses even though they are getting subsidy from the Governments of West Bengal and Uttar Pradesh. Here the factories are not earning much profit. In Bhagalpur units, there are some problems like strike etc., I will order an enquiry into working of units mentioned by Shri Bhogendra ji.

MR. SPEAKER: Next question—Shri Ramji Lal Suman.

[*English*]

Revision of post matric Scholarship Scheme for Scheduled Castes/Tribes

*24. SHRI RAMJI LAL SUMAN: Will the Minister of WELFARE be pleased to state: