

Capital contribution to Cooperative sugar- factories and Spinning Mills

814. SHRI A. G. KULKARNI:

DR. BAPU KALDATE:

SHRI VISHWASRAO RAMRAO
PATIL:

WiU the Minister of AGRICULTURE be pleased to refer to answer to Starred Question 292 given in the Rajya Sabha on the 2nd August, 1991 and state:

(a) whether any provision has been made for granting capital contribution to the State Governments to promote cooperative sugar factories and co-operative spinning mills in 1991-92 and also in the Eighth Five Year Plan; and

(b) be number of proposals of spinning co-operatives, sugar co-operatives from various States that have been received and what is the capital cost and share contribution required and whether there is any proposal to advise (financing institutions to consider these proposals sympathetically?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI MUXAPPALLY RAMACHANDRAN): (a) Yes, Sir. A total provision of Rs. 40 crores has been made for granting capital contribution to the State Governments to promote Cooperative Sugar Factories (Rs. 30 crores) and Cooperative Spinning Mills (Rs. 10 crores) in 1991-92. Eighth Plan allocations have not been finalised by the Planning Commission. Therefore, it is not possible to say anything at this stage about the 8th Plan allocations and their adequacy for the projects envisaged.

(b) 4 proposals for Spinning Cooperatives and 11 proposals for Sugar Cooperatives from different States have been received by National Cooperative Development Corporation. Capital cost of 4 Spinning Mills is Rs. 72.24 crores. Capital cost of 11 Sugar Mills is Rs. 293.35 crores.

Share contribution required in revise* of:—

4 Spinning Mills is Rs. 17.21 crores and 11 Sugar Mills is Rs. 55.31 crores. There is no proposal to advise the Financing Institutions to consider sympathetically the proposals from cooperative sugar factories and cooperative spinning mills. Financing Institutions look into the techno-economic feasibility and financial viability of the project before agreeing to grant financial assistance.

Involvement of sugar co-operatives in FERA violation

815. SHRI A. G. KULKARNI:

DR. BAPU KALDATE:

SHRI VISHWASRAO RAMRAO
PATIL:

WiU the Minister of AGRICULTURE be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in the Express News, Pune dated 4th September, 1991 under the caption "Sugar Co-operatives involved in FERA violation" and if so, what are the details thereof; and

(b) whether it is a fact that many other co-operative sugar factories in the country are involved in acts of corruption and mis-management and if so, whether the Central Government propose to evolve certain guidelines in consultation with the State Government with a view to improve the image of the cooperatives?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI MULLAPPALLY RAMACHANDRAN):

(a) Yes Sir. The News item "Sugar Cooperatives involved in FERA violation" was published in Indian Express on 5-9-91. Enquiries are being made by the Enforcement Directorate, Deptt. of Revenue, Ministry of Finance, to verify the facts concerning allegations contained in the report. Only on completion of enquiry will the correct position regarding alleged FERA violation be known.