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Prices of Imported Sugar

1818. SHRI VIRENDRA VER-MA: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to, state:

- (a) whether it is a fact that on 13th June, 1989, the former Prime Minister had announced to import 5 lakh tonnes of sugar (it so, what was the prices of sugar ' prevailing then in the international market;
- (b) whether it is also a fact that sugar was actually imported in October/November, 1989; it so, what was the prices ot sugar then in the international market stating the reasons tor purchasing sugar at a higher price;
- (c) what are the names of the firms which offered to supply sugar; whether these firms are registered with STC, the names ot the firms on whom orders tor the supply of sugar were placed, the number ot times exten-

Date of signing the contract

sions were given alongwith the period of extensions for the supply ot sugar; and

to Questions

(d) what action has been taken by Government tor tailure to supply sugar and to contain the prices of sugar during the said period?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI RAM PUJAN PATEL)

representatives of the sugar industry had met the then Prime Minister on 13th June, 1989 to impress upon him the need tor import of 5 lakh tonnes ot sugar. However, there is nothing on roord to indicate any commitment/announcement made by the then Prime Minister in this regard

(b) Yes, Sir. The international prices of sugar on the dates on which each ot the contracts were signed were as under as per London Daily Prices:—■

London Daily Prices FOB Europeand Ports Us\$ per Metric Tonne

22-9-1989		•	• ,					. •	428.0
25-9-1989	•						•		433.0
6-10-1989	•		•,	•			•		407.0

For working out CIF price ex-Indian Ports, approximately US\$ 50—55 Per Metric Tonne would need to be added towards freight and insurance. The Valid tender offers were higher than the ruling prices in the International Market This was apparently because of a tight schedule prescribed, allowing much shorter time than usual and the insistence on vessels arriving at Indian Ports by prescribed dates due to imperative need of imported sugar being available immediately-

(c) The names of the firms which offered the supply or sugar during

the tender enquiries received on 15-9-1989 and 5-10-1989 are given in the enclosed statement-I(&e below) Names of the firms on whom orders for supply of sugar were placed are given in the enclosed Statement-II (See below) A quantity of 99,550 tonnes of imported sugar was accepted beyond stipulated date of 20th October, 1989 and upto 9-11-1989

(d) Two contracts were cancelled one for tailure to turnish Performance Guarantee in foreign exchange and the second for failure: to supply imported sugar in time and

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Food Corporation of India was advised to torteit the Bid Bond/ Performance Bank Guarantee., In both the caseMfirros have tiled suits in Delhi High Court and the matter is *Sub-Judice*.

Government had taken various measures to check the rising trend of sugar prices and maintain the adequate availability at reasonable prices during October-November, 1989. The details of the measures taken are given in the enclosed statement-Ill (See below).

Statement-1

NAMES OF FIRMS WHO TENDERED IN THE TENDER ENQUIRY ON 15TH SEPTEMBER, 1989

FIRMS REGISTERED WITH STC

- SI. Name of this party No.
- 1 M/s. Gill & Duffus Geneva
- 2 M/s. Rionda (London) Ltd., London
- 3 M/s. Jean Lion Et. Cie. Paris
- 4 M/s. S.A. Sucre Export, Belgium
- 5 M/s. E.D. & F. (Man) London
- 6 M/s. Anglo Chemical Commodities, London
- 7 M/s. Sucden Kerry International, Paris FIRMS NOT REGISTERED WITH STC.
- 1 M/s. Teacapet Ltd., London
- 2 M/s. Kapoor & Son, New Delhi
- 3 M/s. Beta Export Pvt. Ltd.,
- 4 M/s. Nitu (U.K.) Ltd., U.K.
- 5 M/s. Hascombe Ltd., Hongkong
- 6 M/s. JDK International, New Delhi
- 7 M/s. New Republic/USA Financial Group
- 8 M/s. Bass International Trading Corporation
- 9 M/s. Sunwah Oil & Cereal (China) Ltd., Hongkong
- 10 M/s. Sicol International, Singapore
- 11 M/s. Casole Traders, London

NAMES OF FIRMS WHO TENDERED IN THE TENDER ENQUIRY ON 5TH OCTOBER, 1989.

FIRMS REGISTERED WITH STC

- 1 M/s. Rionda (London) Ltd., London
- 2 M/s. E.D. & F. (Man), London
- 3 M/s. Sucden Kerry International, Paris
- 4 M/s. C. Czarniknow Ltd., London

to Questions

FIRMS NOT REGISTERED WITH STC

- 1 M/s. Habib Ali Awachi & Co. Babrin
- 2 M/s. Binalden KML International Co. Ltd.,
- 3 M/s. Nitu (UK) Ltd., U.K.
- 4 M/s. Alpha Alkhalij
- 5 M/s. Sunwah Oil & Coreal (China) Ltd., Hongkong
- 6 M/s. Sunval Export, New Delhi
- 7 M/s. Ruaj SA (A part of Latin American cartel)
- 8 M/s. Handa Internatihnal
- 9 M/s. Himgiri Ltd. ,Birmingham
- 10 M/s. Longbow Ltd., Hongkong
- 11 M/s. S&T Diamon's Ltd., Los Angules

Statement II

NAME OF FIRMS ON WHOM ORDERS FOR SUPPLY OF SUGAR WERE PLACED, LIST OF CONTRACTS CONCLUDED FOR IMPORT OF SUGAR

FIRMS REGISTERED WITH STC

- S. No. Name of the party
 - 1 M/s. Anglo Chemical Commodities, London
 - 2 M/s. Rionda (London) Ltd., London
 - 3 M/s. Sucien Kerry International, Paris
 - 4 M/s. Gill & Duffus, Geneva
 - 5 M/s. S.A. Siecrs Export, Balgium
 - 6 M/s. Juan Lion Et. Cie., Paris FIRMS NOT REGISTERED WITH STC
 - 1 M/s. S. & T. Diamonds Inc. Los Angeles*,
 - 2 M/s. Arosan Enterpriser Ltd., Ontario*
 - ◆Supply did not mitsrialise, contracts since canceled.

Statement-Ill

Steps taken to control rise in prices of sugar

- 1 The weakly retrictiois on sale and despatch of sugar by sugar factories (minimum 20% in each week of the total monthly quota) were reimposed from May, 1989
- 2 The khandsari manufactures were directed to declare their stocks as on 7th May, 1989 within a period of 5 days, and to sell at least

- 25% of their opening stock during May, 89 and 30% for each of the subsequent month trom June to September, 1989 during the respective months
- 3 The stock holding limits of sugar with the licenced dealers were reduced from 500 qtls. to 250 qtls in cities and towns with a population of one lakh or more, and from 250 qtls to 125 qtls. in towns having a population less than one lakh. The turn-over period of stocks was also reduced to 7 days rrom 10 days

In respect of khandsari dealers, the stock holding limits were reduced from 500 to 250 qtls in the country.

- 4 State Governments were advised to undertake intensive de-hoarding operations, and ensure the enrorecement of various regulatory controls applicable to dealers of sugar, khandsari and gur.
- 5 Governments of Uttar Pradesh, Bihar and West Bengal Were asked to check smuggling, if any, of sugar, gur and khandsari to Nepal and Bangladesh.
- 6 Restrictions were imposed on sale of sugar by one wholesaler to another wholesaler within the same city or urban area in the State of Punjab, Haryana, Uttar Pradesh, Bihar, Andhra Pradesh, Tamil Nadu, Karnataka, Gujrat, Maharashtra and Union Territory of Delhi.
- 7 State Governments were advised to ensure that sugar factories located in their State comply with the sale and despatch provisions and ensure sale of entire quantity within the validity period.
- 8 All the sugar lactories were advised to enter details of sale of sugar in the name oft the first buyer to avoid any paper transactions.
- 9. Union Food Secretary addressed Food & Civil Supplies Secretaries of all the Territories 7-9-89 States/Union on requesting them to make suitable arrangeme-ments tor expenditious lifting of levy sugar against the quotas for the months of September and October, 1989 and its timely supply through PDS in the respective States Effective monitoring of the arrival and distribution of levy sugar through State Civil Supplies authorities and intensive checking of the Fair Price Shops to prevent diversion of levy sugar to the free sale

market was also emphasised A deterrent action against deiaulting Fair Price Shop owners had also been advised.

- 10. VOLUNTARY PRICE CONTROL SCHEME .—Under the scheme mills agreed tor supplying tree sale sugar at exiactory price of Rs 775/- per quintal excluding Excise -duty of Rs 54-00 and Cess of Rs 14-00 per quintal. The scheme was operative ior the period from 23-9-1989 to 30-11-1989.
- 11 HIGHER RELEASES: 5 lakh tonnes more free sale sugar had been released in 1988-89 (61 15 lakh tonnes) as compared to 1987-88 For October, 1989 highest ever release of 10- 32 lakh tonnes was made:
 - 3 32—normal monthly levy quota 1-00—Special festival quota 6-00—Free sale quota

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National Wage Price Policy

1819. SHRI S. MADHAVAN: Will the Minister of LABOUR be pleasrd to state whether Govern ment propoe to frame a Natonal Wage Price Policy so that the dis parity in wuges for the same work is rurm>ved and the price differences eliminated?

THE MINISTER OF LABOUR AND WELFARE (SHRI RAM VILAS PASWAN): There is no prop -sal at present for framing a National Wage Price Pulicy.

Shortage of Fire Fighting Staff with CPWD

1820. DR. RATNAKAR
PANDEY: Will the Minister of
URBAN DEVELOPMENT be
pkastd to state:

(a) whether Government are aware that there is shortage of fixe fighting staff, and fire fighting jeep drivers in the fire unit of CPWDi