

portation facilities have to be managed for the next 20 years depending on the coal requirements for the power sector and the power requirement of the country. So, this has to be the net result of the work from all the three Departments. I cannot say that captive facilities for so and so coal will be given till the time the location is confirmed by the Power Ministry and the project is sanctioned. Till the project is given we really cannot say in advance that this much will be available in the coal sector. But we are concerned with the subject and coordination and policy formulation is being done in coordination with the power sector.

Short Term Loans for purchase of Agricultural Inputs

*515. DR. G.S. RAJHANS: Will the Minister of AGRICULTURE be pleased to state:

(a) whether short term loans are advanced by Union Government to various States for the purchase of agricultural inputs; if so, on what basis;

(b) the details of the loans sought by the States and made available to them during 1988-89;

(c) the names of the States which had not been provided with the loans in accordance with their requirements and demands; and

(d) the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI SHYAM LAL YADAV): (a) to (d). A statement is given below.

STATEMENT

(a) to (d). Yes, Sir. Short-term loans are sanctioned to State Governments to assist them in the purchase and distribution of agricultural inputs like fertilisers, seeds and pesticides. Due consideration is given to factors like requirement and consumption of fertilizers, impact of drought/floods and the under-developed nature of the Cooperatives handling fertilisers while sanctioning the short-term loan. The details of short-term loans demanded and sanctioned to different States during the year 1988-89 are given in the Annexure below. The States could not be provided short-term loans according to their demands because of budgetary constraints.

ANNEXURE

Short Term Loan Demanded and Sanctioned to States

(Rs. in Crores)

Sl. No.	State	1988-89	
		Demanded	Sanctioned
1	2	3	4
1.	Andhra Pradesh	25.00	22.60
2.	Assam	NR	3.25
3.	Bihar	45.00	29.20
4.	Gujarat	70.00	12.56
5.	Haryana	48.32	8.75

1	2	3	4
6.	Himachal Pradesh	2.00	1.80
7.	Jammu & Kashmir	18.94	2.95
8.	Karnataka	23.00	14.55
9.	Kerala	8.00	4.20
10.	Madhya Pradesh	23.00	12.60
11.	Maharashtra	30.50	16.45
12.	Manipur	NR	0.70
13.	Meghalaya	2.00	0.30
14.	Orissa	30.02	16.20
15.	Punjab	99.50	20.85
16.	Rajasthan	76.64	12.65
17.	Tamil Nadu	12.39	14.60
18.	Tripura	0.60*	0.94**
19.	Uttar Pradesh	100.00	38.05
20.	West Bengal	50.00	26.10
21.	Goa	2.00	0.40
22.	Sikkim	0.85	0.30
Total		677.76	260.00

N.R.: Requirement not received.

* For one season only

** Loan sanctioned for both the seasons though the request was for one season only.

DR. G.S. RAJHANS: In the reply, it is mentioned that due consideration is given to factors like drought and floods while granting short-term loan. May I know from the hon. Minister whether other natural calamities

like earthquake are also taken into consideration while granting short-term loans?

SHRI SHYAM LAL YADAV: These calamities like flood and drought are consid-

ered, as sent by the State Governments, while granting short-term loans. If the question of earthquake has also been brought by some State, that will also be considered.

DR. G.S. RAJHANS: We have already drawn the attention of the Minister several times regarding the havoc created by the earthquakes. We have hardly received any loan on this account. In this connection, may I draw the attention of the Minister that the States like Andhra Pradesh have received lion's share whereas States like Bihar, his own State Uttar Pradesh, Haryana and Punjab have been badly neglected.

SHRI SHYAMLAL YADAV: I would like to inform the hon. Member that I have stated in the reply itself, what are the considerations for giving short-term loan. These loans are primarily given for fertilizers, seeds, and insecticides. The demand raised the each State is not completely met, because of budgetary constraints, and, therefore, it is not possible to give the entire money that is required by the States. That is why, there are some differences. If the hon. Member wants, I would say, in Bihar in the Kharif season, the assessed requirement of fertilizer was 315 tonnes and in the percentage share of underdeveloped State, it is 37.2%. Now, we granted them Rs. 6.40 crores. On the ground of backwardness in cooperative sector, they were given Rs. 11.20 crores. The total entitlement was Rs. 17.60 crores. And the total allocation was Rs. 15.60 crores. West Bengal has got Rs. 13.05 crores. So, on the basis of under-development of cooperatives, they get a better share than those who are cooperatively developed States.

The money that has been available to the Central Government has been constant at Rs. 260 crores per year, for the last many years. In the year 1980-81, it was Rs. 200 crores. Then, it was raised to Rs. 250 crores in 1982-83. In the year 1983-84, it was raised to Rs. 260 crores and the same amount is continuing till 1989-90. Within that limit, we have to advance short-term finance.

DR. G.S. RAJHANS: In view of this, a

little more consideration should be shown to Bihar.

SHRI BIRINDER SINGH: Crop loan is advanced to farmers. But in case of natural calamities like drought or floods, these crop loans are converted into short-term loans and the payment is to be deferred. I want to know from the hon. Minister when the payment of the loan is to be deferred, why do they charge the same rate of interest—rather in certain cases they charge penal rate of interest. I would like to know whether the Minister will give consideration to this whether, when the crop loans are converted into short-term loans, the deferred period could be exempted from the interest or not?

SHRI SHYAMLAL YADAV: This question is entirely different from the question that has been put in here because this deals with short-term loan given by the Central Government to the State Governments. Now the State Governments, through their cooperatives or other institutions, give short-term loans to farmers and they get the loans at different rates. The rate of interest has been reduced this year.

For the amount up to Rs. 5,000/-, the rate of interest is 10%. This continues between Rs. 5,000/- and Rs. 7,500/-.

Rs. 7,500 to Rs. 10,000/- 11.5%

Rs. 10,000 to Rs. 15,000/- 11.5%

Above Rs. 15,000 up to Rs. 25,000/- 12.5%.

14% has been reduced to 12%.

In the areas where there has been drought, it has already been announced that the total interest will not increase the principal amount. If Rs. 100/- loan is taken, the maximum interest to be paid is Rs. 100/-. In the drought areas, special consideration has been shown to the farmers.

PROF. N.G. RANGA: What is the penal rate of interest which is being charged?

Recently we were informed by the Minister in charge of Finance that the banks have agreed to waive penal rate and to charge at simple interest rate. May I have any information from the Minister?

SHRI SHYAM LAL YADAV: The Finance Minister will tell you.

SHRI S. JAIPAL REDDY: I wish to draw the attention of the Minister to two aspects. As you know full well, the short-term loans are made available primarily by the cooperative institutions and they are encountering two difficulties. Firstly, the cooperatives are insisting on purchase of B component fertiliser because of which the farmers who take loans are compelled to purchase fertilisers at higher rates. You may be aware of this and the Minister also may be aware of this. I, therefore, suggest that this condition of compulsory purchase of B component should be waived.

MR. SPEAKER: Put it in the form of a question. I cannot ask him.

SHRI S. JAIPAL REDDY: I was trying to put the question through you, Sir. The Minister will kindly recollect that the Government agreed to abolish this compulsory insurance scheme in respect of short term loans. But they have once again reverted to it. Will the Government go back to the earlier proposal of abolishing this unproductive insurance scheme? Will they also waive the condition of compulsory purchase of B-component?

SHRI SHYAM LAL YADAV: So far as crop loans by cooperative societies are concerned, obviously these loans are provided for essential inputs. If the loan is for essential inputs, then the farmer is bound to purchase the essential inputs like fertilisers, seeds and pesticides from the cooperatives. If it is a clean loan, there is no condition for that loan. The society is there to give any loan.

So far as fertiliser price are concerned, there is no difference between fertiliser prices by the cooperatives. They are also

selling on the same rate.

So far as crop insurance is concerned, this scheme is going on in some of the States. In those States which have not opted for crop insurance, it is not being enforced in those States.

MR. SPEAKER: You have to look into this. They should not be forced to buy things because they might be getting at higher rate. That is a negation. You have to look into it. You please look into this aspect.

SHRI S. JAIPAL REDDY: What about Insurance aspect?

MR. SPEAKER: That is not necessary.

SHRI S. JAIPAL REDDY: Why is it made compulsory?

MR. SPEAKER: We shall talk about it.

SHRI BASUDEB ACHARIA: There is special rice production programme in Eastern States of West Bengal, Bihar and Orissa and because of this special rice production programme, the production of rice, particularly in West Bengal, has been increased in the last three years. Although this programme is still there, the loan sanctioned by the Government to these States is much less than what these States required. For example, the State of Bihar demanded Rs. 45 crores whereas Rs. 29.20 crores was sanctioned. For Orissa, the demand was Rs. 30.02 crores whereas only Rs. 16.20 crores was sanctioned. For West Bengal, the demand was Rs. 50 crores whereas only Rs. 26.11 crores was sanctioned. In view of the Special Rice Production Programme in these three States of Bihar, Orissa and West Bengal, will the Government consider a proposal to provide agricultural inputs free of cost to the poor peasants and to the sharecroppers so that the Special Rice Production Programme can be successful in these States?

SHRI SHYAM LAL YADAV: It is not possible to provide everything free. But the

State Governments may provide whatever inputs they want to. They can provide that. But, under the Special Rice Production Programme, a special assistance is given to marginal farmers, the small farmers. Those provisions are there. At present, I do not have those figures here. If the hon. Member puts a separate question, I can supply those figures.

Sale of Aluminium Phosphide

*516. SHRI NARSING SURYAWANSHI: Will the Minister of AGRICULTURE be pleased to state:

(a) whether aluminium phosphide which is highly toxic to human being and is licensed for sale only to storage warehouses in the country, its tablets are being sold freely in the open market; and

(b) if so, the reasons thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI SHYAM LAL YADAV): (a) The use of the Aluminium Phosphide is, because of toxicity, restricted to storage warehouses. The sale of Aluminium Phosphide can be made only to following:—

- (i) Government departments;
- (ii) Government Undertakings; and
- (iii) Organisations like ware-housing Corporations and Food Corporation of India.

(b) The Question does not arise.

[Translation]

SHRI NARSING SURYAWANSHI: Mr. Speaker, Sir, it appears from the reply of the hon. Minister that it is restricted to storage and Warehouses and it is sold through Government Departments. But there are complaints that it is available in the open

market. Is there any machinery in the Ministry to look to it and ensure that it is not sold in the open market and is not causing any harm to human life. May I know from him as to what machinery is there in the Ministry for this purpose, how many times he has checked it and how many cases of this nature have come to his notice.

SHRI SHYAM LAL YADAV: Sir, as I have said in my reply that as per the provisions of the law, it is exclusively meant for the safety of foodgrains stored in godowns. It is sold only to Government undertakings, Government Departments, Warehouses, Corporations and is being used by them. It is not for sale in the open market. A constant watch is being kept on its sale in the open market and for this purpose, substantial changes have been made in the rules. There are provisions in Section 27 of Insecticide Act, 1968 which can effectively deal with it. I think that there is no provision of sale of this item in the open market and not even on the licence. However, action will be taken in case any such thing is brought to the notice of the Department.

[English]

Special Zones to Promote Food Processing Industries

517. SHRI PRATAP BHANU SHARMA: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether there is any proposal to develop certain special zones to promote food processing industries in the country;

(b) if so, the details thereof; and

(c) whether any State-wise survey has been conducted in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI JAGDISH TYTLER): (a) Ministry of Food Processing Industries has no such proposal.