

Salandi Reservoir Project

*1214 { Shri Panigrahi:
Shri B. C. Mullick:

Will the Minister of Irrigation and Power be pleased to refer to the reply given to Unstarred Question No 3275 on the 20th April, 1959 and state:

(a) whether the Planning Commission have finally approved the Salandi Reservoir Project in Orissa, and

(b) if so, the nature of decisions taken?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) No, Sir

(b) Does not arise

Shri Panigrahi: After the 20th April, 1959, may I know whether the Planning Commission has, at any time, discussed this matter with the State Government?

Shri Hathi: The Planning Commission as such has not discussed this matter with the Orissa Government But the Technical Advisory Committee of the Planning Commission examined this and suggested to the Orissa Government to see whether an integrated plan of this nature could be made so as to fit in with the Bhimkund scheme Those proposals have now been received from the Orissa Government on the 27th June and they are being examined

Shri Panigrahi: May I know whether in this Salandi Reservoir Project almost all the preliminary work has been completed? If so what was the cost of the preliminary work and what would happen if the Planning Commission do not approve the project?

Shri Hathi: The preliminary work that has been done could be utilised because here the question is only that of integrating the benefits of the scheme with the benefits that will be derived from the Bhimkund project. It might have an additional bed regulator so as to fit in with the

channels from the Bhimkund channel. But the preliminary works would not be an expense which would be useless.

Shri Panigrahi: May we know whether this project will be taken up simultaneously with the Bhimkund project or after the completion of that project?

Shri Hathi: We cannot say whether they will be taken up simultaneously or one after the other. That will depend upon the Third Plan.

Shri Supakar: May I know the stage at which the Bhimkund project is and whether it will be started and completed in the course of the Second Five Year Plan?

Shri Hathi: We have received the project report of Bhimkund that is being examined That is the stage at which it is I cannot say whether we can start it in the Second Five Year Plan or not

Shri B. C. Mullick: May I know how many acres of land can be brought under cultivation with this project?

Shri Hathi: This scheme envisages to irrigate annually 3-28 lakh acres

Shri Sadhan Gupta: The hon Minister said that the Technical Committee is examining it Is it the Hathi Committee?

Shri Hathi: That is known by that name But that is the Technical Advisory Committee of the Planning Commission.

Shri Surendranath Dwivedy: May I know whether the Government is going to accept the Bhimkund project scheme submitted by the Government of Orissa

Mr. Deputy-Speaker: Is it some different scheme?

Shri Surendranath Dwivedy: The hon Minister said that they are considering the proposals for the Bhimkund project and so this pro-

ject is not being taken up. I want to know whether Government has approved it or not. I only want to know whether the benefits that are to be derived from the Salandi project will be available to the people after the Bhimkund project has been accepted by Government.

Shri Bhatl: That project is under examination of Government. Whether it is accepted or not we should plan in a way that in case it is accepted, this scheme should also have the benefit of the other scheme.

Cost of Production of Foodgrains

*1317. **Shri Ajit Singh Sarhadi:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether any economic survey has been undertaken to assess the cost of production of foodgrains; and

(b) what would be the basis of fixation of foodgrain prices when the State takes over trade in foodgrains?

The Deputy Minister of Food and Agriculture (Shri A. M. Thomas):

(a) No specific economic survey has been undertaken by the Government to assess the cost of production of foodgrains in the country

(b) Government purchase prices for foodgrains have to be fixed with the object of ensuring a reasonable price to the producer as well as the consumer and keeping in view the post-harvest prices during the previous years.

Shri Ajit Singh Sarhadi: What is the criterion for the fixation of a reasonable price to the farmer if no economic survey has been made?

Shri A. M. Thomas: I have said that no specific survey as such has been conducted. But for the benefit of the House I may give this information that the Central Government

have undertaken certain investigations on the cost of production of foodgrains. An enquiry was conducted by the Economic and Statistics Directorate in collaboration with the Research Programme Committee of the Planning Commission but the results of the different States vary and the figures are widely divergent

Sardar Iqbal Singh: May I know whether the Government has taken any step to assure proper prices for the farmers and producers and if that is so what is the definition of 'proper prices'?

Shri A. M. Thomas: I have already said that our procurement prices are based on the procurement prices that existed in 1952-53 when there was control. Then we have also taken into account the post-harvest prices of subsequent years. Based on these, the procurement prices have been fixed. I may also state that although the figures are divergent for the various States, the procurement prices that we have fixed are not unreasonable compared to the cost of production

Shri Tyagi: The House is anxious to know on what criteria the prices are fixed. It is not enough for our satisfaction to know that whatever prices prevailed in 1953 have been taken into account and the same prices have been fixed without a real survey taking notice of the cost of the production or the cost of living. What are the criteria? We want to know. Is it done arbitrarily?

Shri A. M. Thomas: The survey results have been partly taken into account. Of course it is theoretically desirable to base the procurement prices on the cost of production but there are difficulties. This question was gone into by a Conference of the FAO/ICAFS and its conclusion is to this effect:

"Establishment of a farm price level solely on the basis of cost