

**LOK SABHA DEBATES**  
**(Part I—Questions and Answers)**

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**LOK SABHA**

Monday, 25th March, 1957

The Lok Sabha met at Eleven of the  
Clock.

[MR. SPEAKER in the Chair]

**ORAL ANSWERS TO QUESTIONS**

**Bombay Mangalore National Highway**

\*56. Shri Krishnacharya Joshi: Will the Minister of Transport be pleased to state:

(a) what is the progress made in the construction of Bombay Mangalore Coastal National Highway; and

(b) when it will be completed?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) A statement showing the progress made on the Bombay-Mangalore Coastal road which is not a National Highway is laid on the Table of the Lok Sabha. [See Appendix II, annexure No. 1].

(b) During the third five-year plan period.

Shri Krishnacharya Joshi: The statement shows that only 9 miles have been constructed. May I know how many miles of the highway have actually been constructed so far?

Shri Alagesan: In the statement, the mileage constructed wherever there were missing links has been shown. But it has also to be seen that the mileage improved comes to 70 miles and the mileage under improvement comes to 293 miles.

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Shri Krishnacharya Joshi: May I know how many miles more are to be constructed to complete this highway?

Shri Alagesan: There is a road existing already. I can say that the number of miles to be improved comes to 267 miles, and the number of bridges to be constructed comes to 37.

Shri Krishnacharya Joshi: May I know what would be the estimated cost of construction?

Shri Alagesan: The total cost is expected to be in the region of Rs. 10.54 crores.

Shri Joachim Alva: One of the biggest hurdles on the Bombay-Mangalore road is the Sheravati river. Estimates had been drawn up to put up a bridge over that river. May I know how far the matter has proceeded, and whether the construction of the bridge will be undertaken in the near future?

Shri Alagesan: I am unable to state the position regarding that particular bridge.

**Rise in Price of Rice**

\*59. { Shri T. B. Vittal Rao:  
      { Dr. Rama Rao:

Will the Minister of Food and Agriculture be pleased to state:

(a) the steps taken so far to arrest the price of rice in the States of Andhra Pradesh, Madras, Kerala and Mysore;

(b) how far they have been effective; and

(c) whether Government propose to take any other steps?

**The Deputy Minister of Food (Shri M. V. Krishnappa):** (a) and (c). Government have taken the following measures to arrest the rise in the prices of rice in the country:—

- (i) Government purchases of foodgrains from internal markets have been completely stopped;
- (ii) Advances by banks against stocks of foodgrains including rice and paddy have been regulated and curtailed to check hoarding of stocks;
- (iii) Large number of fair price shops have been set up for distribution of foodgrains from Government stocks at prescribed prices; and
- (iv) Import of substantial quantities of foodgrains from abroad.

Government are keeping a close watch over the trend of prices and will take further suitable measures whenever considered necessary.

(b) The measures already taken have proved reasonably effective and have ensured supplies to a large section of consumers at fair prices.

**Shri T. B. Vittal Rao:** In spite of the steps that have been taken, the prices in the various cities in the south have shown an increase of more than 50 per cent. May I know what further steps are being taken to check the rise?

**Shri M. V. Krishnappa:** As a result of the prompt action on the part of Government, namely the opening of nearly 19,000 fair price shops, there has been no undue rise in prices. We are meeting the needs of the bulk of the population in the cities through these fair price shops, and as a result, the open market prices have come down. The open market is merely for the rich people. We are meeting the demands of the poorer people and the lower middle-class people through the fair price shops at a very reasonable price of Rs. 16 per maund.

**Shri T. B. Vittal Rao:** On what basis are these fair price shops being opened? May I know whether there is any population basis for the cities?

**Shri M. V. Krishnappa:** Wherever the prices have gone up, we have opened the fair price shops. Mostly, they have been opened in the industrial areas like the big cities.

**Shri K. S. Raghavachari:** May I know the principal reason why in spite of good monsoon, the prices are going up?

**Shri M. V. Krishnappa:** They have not gone up abnormally. If normal conditions had prevailed in the country, the prices would have come down, as we had expected. In fact, in December last, the prices started coming down, and we even feared a steep fall, and, therefore, we started purchasing in the open market just to keep up the prices. Then, owing to the Indo-Pakistan relations, the normal conditions were disturbed, and, naturally, there was talk of war and so on in the press. So, the psychological effect of that has been there, and we cannot say what will happen.

**Shrimati Tarkeshwari Sinha:** May I know the stock of rice with Government at present, and how much of that has been released during the period from January to March, 1957?

**Shri M. V. Krishnappa:**\* We are releasing at the rate of a lakh of tons per month. At present, we have got 2 lakhs of tons of rice.

**Shri B. S. Murthy:** May I know why fair price shops have not been opened in small towns where there is a lot of scarcity of foodgrains?

**Shri M. V. Krishnappa:** We have opened more than three hundred fair price shops in Andhra Pradesh.

**Shri B. S. Murthy:** My point is that the smaller towns like Ramachandrapur, Amlapur, Rasul etc. have not been provided with fair price

\* This answer was later corrected by the Deputy Minister of Food (Shri M. V. Krishnappa) vide col. 133-34 of this Debate.

shops. I would like to know why these towns have not been provided with fair price shops.

**Shri M. V. Krishnappa:** We leave it to the State Government. Wherever they feel that the prices are going up, they immediately start opening fair price shops, and they ask for an increased quota of rice from us, and we supply them. It the hon. Member writes to me, I am prepared to ask the Andhra Pradesh Government to open such shops at these places.

**Shri Wodeyar:** May I know whether the prices of other foodgrains and other necessities of life will also be taken into consideration while taking measures to fix the price of rice?

**Shri M. V. Krishnappa:** In fact, not only have the prices of foodgrains gone up, but the prices of industrial articles also have gone up, as is indicated by an increase in the index number. So, when we fix the price of foodgrains, we also have in mind the prices of other necessities that the agriculturists require.

**Shri G. P. Sinha:** Is there any proposal to open fair price shops in Chotanagpur where the rabi crop has failed?

**Shri M. V. Krishnappa:** I think there must be a number of fair price shops at Chotanagpur, and if there are none, and the situation requires it, we are prepared to start them.

**Shri D. C. Sharma:** May I know whether the policy in regard to the opening of these fair price shops is dictated by the Central Government, or it is left entirely to the State Government. What are the directives of the Central Government with regard to this matter? A clear statement of the policy of the Central Government may kindly be enunciated here.

**Shri M. V. Krishnappa:** The Central and the State Governments co-operate in these measures. We supply the foodgrain to the State Governments; we take their opinion into account in

the starting of these fair price shops. And we open these shops in the places that they suggest to us.

**सरदार स० सि० सहगल :** क्या यह सच है कि गवर्नमेंट के सामने फिर से राशनिंग जारी करने के बारे में कोई तजवीज पेश है?

**श्री म० वें० कृष्णाप्पा :** ऐसी कोई बात नहीं है।

**Shri Shree Narayan Das:** May I know whether all these measures that have been taken apply to the other States also or they apply only to those States that are referred to in the question?

**Shri M. V. Krishnappa:** They apply throughout India. If the prices go up, they go up throughout India, and if they come down, they do so throughout India.

**Shri Mohiuddin:** During the last five or six months, fair price shops have been opened, and a considerable quantity of rice and other commodities has been released. Has this policy had the desired effect of checking the rise in the prices or lowering the prices? If not, are Government considering a review of the whole policy?

**Shri M. V. Krishnappa:** Certainly, they have the desired effect. As a result of the opening of these 19,000 fair price shops all over the country, we are able to meet the demands of the poorer and the lower middle class sections completely. Whatever their requirements are, we are able to meet them. But for the opening of the fair price shops, the open market prices would have gone up still further, and would not have come down.

**Shri Thimmaiah:** Has it come to the notice of Government that the rice sold through these fair price shops is re-sold by the people to the merchants, and the merchants are hoarding these foodgrains? Will it not affect the food position in the future?

**Shri M. V. Krishnappa:** It is very unfortunate that the poor people who take rice from the fair price shops

should re-sell it to the merchants; if they do so, we have only to pity them, because that rice is meant for their consumption. If they re-sell, that means they get some profit. It is all right if they get some profit, but we have to appeal to them that they must not re-sell it in that manner.

**Shri Gidwani:** Have Government investigated the reasons for the prices going up?

**Shri M. V. Krishnappa:** There are various national as well as international reasons. It is not in India only that the prices have gone up. In Pakistan, the prices are twice those that obtain in India. If it is Rs. .18 per maund in India it is Rs. 35 to 40 per maund in Pakistan. In China, though the wage level is the same as in India, the price of rice is higher than in India; while it costs As. 14 a seer in China, it costs only As. 9 per seer in India.

**Shri T. B. Vittal Rao:** The hon. Minister has said that fair price shops are being opened or have been opened in industrial towns. Is the Minister aware that in Andhra Pradesh in no major industrial centre has a single fair price shop been opened except in Hyderabad and Secunderabad City?

**Shri M. V. Krishnappa:** For us, 'industrial towns' means big cities like Bombay, Calcutta, Delhi, Kanpur, Ahmedabad and such like places. If there are such industrial towns in Andhra Pradesh and if the Andhra Government has not opened fair price shops there, we will write to them to see that such shops are opened.

### Shipping Targets

\*60. **Shri Matthen:** Will the Ministry of Transport be pleased to state:

(a) whether additional funds are likely to be made available for implementing the programme of acquisition of ships under the Second Five Year Plan;

(b) whether it is a fact that Ministry of Transport have already availed

themselves fully of all the funds provided in the Second Plan and are in urgent need of further funds for the acquisition of additional ships to reach the target; and

(c) by what time the Government expect, at this rate to reach the goal of two million tons of shipping set by the Reconstruction Policy Committee for shipping 10 years ago?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) Owing to the difficult ways and means position at present, it has not been possible for Govt. to provide additional funds required for implementing the target for Indian Shipping set in the Second Five Year Plan. The question will, however, be reviewed after a year in the light of the then existing conditions.

(b) Yes; commitments have been made practically to the full extent of the funds provided under the Second Plan.

(c) It is not possible to give any indication in this regard at present.

**Shri Matthen:** The hon. Deputy Minister has stated that the full allotments have been made use of for purchasing ships. What is the amount allotted and what is the tonnage we will be able to acquire thereby?

**Shri Alagesan:** The amount set apart for purchase of ships in the Second Plan was Rs. 37 crores plus Rs. 8 crores carry-over from the First Plan. It comes to Rs. 45 crores. It was expected to acquire a net tonnage of 3 lakhs. Now prices having gone up, even with the spending of the full amount, it may not be possible to purchase the full tonnage. There will be a shortfall.

**Shri Matthen:** I want a clear answer as to what is the tonnage we will be able to purchase, not a vague answer. In other words, what is the shortfall?

**Shri Alagesan:** With this amount, we will be able to acquire only 1,80,000 tons (roughly). That is, the shortfall will be 1,20,000 tons.