

severe drought conditions both in the kharif and rabi seasons and damage to 1973-74 kharif crops by heavy rains and floods.

(ii) lower market arrivals of major foodgrains during the current marketing season so far (upto 25-1-1974).

(iii) withholding of stocks by producers partly for replenishment and partly to provide for future contingencies.

(c) Various measures have been taken by the Government to improve the availability of foodgrains and oils and to check the rise in prices:—

1. Special Rabi and Kharif production programmes for 1973-74 were organised for securing increase in foodgrains production.

2. Announcement of guaranteed increased support prices before sowings.

3. To improve the availability of oil seeds and oils in the country, the measures taken include:

(a) efforts to raise the production of traditional and non-traditional oilseeds like sunflower seed and soyabean;

(b) fiscal incentives to encourage greater utilisation of cotton seed and rice bran oils in the manufacture of vanaspati;

(c) restricting the use of groundnut and mustard oils in the manufacture of vanaspati by utilisation of several substitute oils;

(d) augmentation of supplies by imports to the extent feasible; and

(e) regulation of bank credit and forward trading.

4. Intensification of efforts for the procurement of foodgrains from the domestic crop.

5. Arrangements for importing about 41 lakh tonnes of foodgrains were made on commercial basis. In addition, a loan of 20 lakh tonnes of wheat was arranged from the U.S.S.R. Government.

6. Restriction on inter-zonal movement of coarse grains have been relaxed since January, 1974 so as to allow the purchase and movement of coarse grains outside the States by the sponsored agents of the State Governments.

**Farmers reluctant to sell foodgrains to F.C.I. due to gap between procurement price and open market price**

1707. SHRI ARVIND M. PATEL:

SHRI VEKARIA:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether there is a gap between the procurement price of open market price of foodgrains and hence the farmers are reluctant to sell their surplus foodgrains to Food Corporation of India; and

(b) if so, what steps Government consider to take to reduce the gap?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ANNASAHEB P. SHINDE):

(a) and (b). With a view to reducing the gap between the open market prices of foodgrains and the procurement prices and encouraging the producers to offer stocks to public agencies measures taken include (i) maximisation of production effort; (ii) cordoning of the surplus areas and restrictions on the movement of foodgrains on trade account; (iii) substantial increase in the procurement prices for kharif cereals for 1973-74 and the announcement prior to sowing of higher guaranteed minimum prices for rabi 1974-75 season; (iv) tightening of credit facilities to reduce the boarding capacity of the traders, etc.