

(c) Nizamabad branch of the Corporation did not supply rice direct to the rationing authorities but the stocks were moved to Hyderabad and alongwith the stocks received from other areas the rice was released in rationed areas at the following issue prices :

	(Rs. per quintal)
Superfine rice . . . . .	121.70
Fine ,, . . . . .	101.65
Coarse ,, . . . . .	83.23

(d) The issue price is determined by the State Government taking into account ex-mill price, handling and transport charges, godown rent, storage and transit loss, interest on capital, administrative charges of Corporation and the State Government and Sales-Tax.

#### IMPORT OF DRILLS

3110. SHRI G. S. REDDI : Will the Minister of FOOD AND AGRICULTURE be pleased to state :

(a) whether Government have permitted the import and release of foreign exchange for the purchase of power drills by the Government of Andhra Pradesh to meet their local demands; and

(b) the amount of financial assistance proposed to be given to Andhra Pradesh for the purchase of these drills in 1968-69?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION (SHRI ANNASAHIB SHINDE) : (a) Foreign exchange worth Rs. 20.00 lakhs was sanctioned to the Government of Andhra Pradesh during 1966-67 for import of 4 percussion rigs (Model UP-200) from Poland (Rs. 10.00 lakhs) and 2 Medium Duty Rigs from the U.S.A. (Rs. 10.00 lakhs). No foreign exchange was sanctioned to the State Government for the import of rigs during 1967-68.

The Government of Andhra Pradesh have sent recently a proposal for import of 200 Drilling Rigs from Poland on deferred payment basis. This proposal is still under consideration of the Government.

(b) According to the existing procedure of financial assistance, allocation of Central assistance is made to the State Governments

under broad Heads of Development like 'Minor Irrigation' etc., and not Scheme-wise. An outlay of Rs. 300.00 lakhs has been approved by the Planning Commission for Andhra Pradesh for 1968-69 for their 'Minor Irrigation' programme, as a whole. It is for the State Government to utilise the allocation in accordance with their needs.

#### DIESEL OIL FOR AGRICULTURAL PURPOSES

3111. SHRI G. S. REDDI : Will the Minister of FOOD AND AGRICULTURE be pleased to state :

(a) whether Government propose to reduce the cost of diesel oil used for agricultural purposes by nearly 40 per cent in order to bring down the cost of pumping water on par with electric motor pumps; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION (SHRI ANNASAHIB SHINDE) : (a) No, Sir.

(b) The question was examined in the past and it was found that it will be extremely difficult to administer a scheme of subsidies on diesel oil used for agricultural purposes. However, the subsidy on diesel engines was enhanced with effect from 1-1-66. As against a uniform subsidy of 25% on both diesel and electrical pumpsets which was shared equally between the Government of India and the State Government, the subsidy on diesel engines was enhanced as follows :—

For engines up to 5 H.P. 50%	} To be shared equally between the Government of India and the State Governments.
For engines between 6-37½%	
For engines above 10 HP 25%	

With effect from 1-4-67 subsidies for individual schemes have been discontinued. For the minor irrigation programme as a whole central assistance is given to the extent of 75% (60% loan and 15% grant) of the expenditure. It would be for the State Governments to decide the schemes they would subsidize.