

(g) and (h) Revival packages for the functional units of the sick fertilizer companies under the administrative control of Department of Fertilizers, viz. Hindustan Fertilizer Corporation Limited (HFC) and Fertilizer Corporation of India Limited (HCI) have been reformulated from the standpoint of the financial institutions. The scope of the revival schemes is to be determined on considerations of viability and tie up of the funding arrangements.

[*Translation*]

Economic and Overhead Cost of Wheat and Rice

*295. SHRI NAWAL KISHORE RAI : Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether the economic and overhead cost of wheat and different varieties of rice fixed by the Food Corporation has been continuously increasing during the last three years;

(b) if so, the details thereof;

(c) whether the Government have ascertained the causes for continuous increase in the rate of economic and overhead cost;

(d) if so, the details thereof;

(e) whether more expenditure is being incurred on the maintenance of foodgrains than the actual price of the foodgrains;

(f) if so, the reasons therefor; and

(g) the steps taken by FCI to reduce these costs?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI RAGHUVANS PRASAD SINGH) : (a) and (b) The break-up of the economic and overhead cost for wheat and rice during the years 1994-95 to 1996-97 was as follows:—

(Rate : Rs. Qtl.)

	1994-95	1995-96	1996-97 (RE)
WHEAT			
(A) Pooled Cost of grain	334.80	351.04	358.38
(B) Overhead Cost			
(i) Procurement incidentals	88.31	89.70	97.00
(ii) Carryover charges to State Agencies	22.51	30.61	43.94

	1994-95	1995-96	1996-97 (RE)
(iii) Distribution cost	105.51	112.60	118.82
ECONOMIC COST (A + B)	551.17	583.95	618.14
RICE			
(A) Pooled cost of grain	537.77	581.38	622.08
(B) Overhead Cost			
(i) Procurement incidentals	58.13	54.10	60.79
(ii) Distribution cost	98.81	127.34	131.83
ECONOMIC COST (A + B)	694.71	762.82	814.70

(c) and (d) These costs have increased mainly due to increase in the pooled cost of grains as a result of increase in the Minimum Support Price/naked cost of grains, as also *ad-valorem* increases in statutory charges and switch over to 50 kg. gunny packings and increase in carryover charges due to heavy procurement and less taking over of stock due to movement constraints.

(e) No, Sir.

(f) Does not arise.

(g) The following important steps have, *inter-alia* been taken by the FCI to reduce/contain these costs:—

- (i) Setting the target of achieving average capacity utilisation of 75% even though the procurement of grain is seasonal;
- (ii) Adhering to the laid down procurement and movement ratio norm of 1:1.35 to reduce the expenditure on freight;
- (iii) Making continuous efforts to reduce shortages in handling of foodgrains and to reduce incurrence of demurrage charges; and
- (iv) Releasing of excess stocks in open market to save on interest and storage charges.

[*English*]

Infrastructure of Consumer Courts

*296. SHRI BANWARI LAL PUROHIT :
SHRI SHIVAJI VITHALRAO KAMBLE :

Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether the Union Government provide grants to State Governments for setting up and strengthening the infrastructure of consumer courts;

(b) if so, the details thereof during the last three years alongwith the proposal to release the grants during 1997-98. State-wise;

(c) whether some State Governments have sought approval from the Union Government to utilize the said grant for other purposes; and

(d) if so, the details thereof and the decision of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI RAGHUVANS PRASAD SINGH) : (a) and (b) Central Government do not provide any assistance to the States for setting up of Consumer Courts/Fora. However, Central Government has launched a one-time financial assistance scheme to provide financial assistance to the States/UTs to strengthen the infrastructure of the Consumer Courts. The details of the financial assistance released during 1995-97. State-wise, are given in the Statement attached. For the year 1997-98, a budget allocation of Rupees 10 crores has been made under this scheme.

(c) No, Sir.

(d) Does not arise.

Statement

State/UT	Amount Released (Rs. in lakhs)
Andhra Pradesh	270.00
Arunachal Pradesh	170.00
Assam	280.00
Bihar	440.00
Goa	70.00
Gujarat	250.00
Haryana	210.00
Himachal Pradesh	170.00
Jammu & Kashmir	52.50
Karnataka	250.00

State/UT	Amount Released (Rs. in lakhs)
Kerala	190.00
Madhya Pradesh	250.00
Maharashtra	360.00
Manipur	130.00
Meghalaya	120.00
Mizoram	80.00
Nagaland	120.00
Orissa	180.00
Punjab	180.00
Rajasthan	350.00
Sikkim	90.00
Tamil Nadu	270.00
Tripura	80.00
Uttar Pradesh	340.00
West Bengal	110.00
A & N Islands	70.00
Chandigarh	60.00
D & N Haveli	60.00
Daman & Diu	70.00
Delhi	70.00
Lakshadweep	60.00
Pondicherry	60.00