

Article 356

2095. SHRI SATNAM SINGH KAINTH: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the Government have received any representation including Punjab in sub-committee of Inter State Council to discuss the issue of Article 356 of the Constitution; and

(b) if so, the steps being taken or proposed to be taken in this regard?

THE MINISTER OF HOME AFFAIRS (SHRI L.K. ADVANI): (a) According to available information, no representation for including Punjab in the Sub-Committee of the Inter-State Council to discuss the issue of article 356 of the Constitution of India has been received.

(b) Does not arise.

Genetically Modified Crop

2096. SHRI BALASAHEB VIKHLE PATIL: Will the Minister of SCIENCE AND TECHNOLOGY be pleased to state:

(a) whether "Genetically-Modified Crop" can offer higher yields from fewer resources and reduce the need for spraying harmful pesticides.

(b) if so, the steps being taken during the last three years to encourage cultivation of Genetically-Modified crops alongwith the names of such crops which are already being cultivated; and

(c) the benefits of cultivating such crops?

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT, MINISTER OF SCIENCE AND TECHNOLOGY AND MINISTER OF DEPARTMENT OF OCEAN DEVELOPMENT (DR. MURLI MANOHAR JOSHI): (a) Yes Sir, genetic engineering techniques provide the means to create novel species incorporating unique traits for agronomic practices. Over the past couple of years, crops have developed intrinsic pest and pathogen resistance. Plants transformed with BT gene impart resistance to the attack of broad spectrum of insect pests, thereby resulting in higher yields without increasing the area.

(b) In view of above, concerted efforts have been made during the last 3-4 years to generate various plant

species by incorporating BT gene. At the moment no genetically modified crop has been released for commercial use. However, a number of crops like tobacco, rice, cotton, mustard, potato, brinjal and cauliflower are being evaluated under field conditions to generate environmental safety data.

(c) there are ecological and economic benefits from such crops in terms of soil fertility, impact on non-target species, higher yield, savings on pesticides sprays and value addition.

[Translation]

Chief Secretaries' Meeting

2097. SHRI BRAJ MOHAN RAM: Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether the Union Government had convened a meeting of the Chief Secretaries of States to discuss the prices of essential commodities;

(b) if so, the details and outcome of the discussions thereof; and

(c) the steps taken by the Government to check the prices of essential commodities?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI SATYAPAL SINGH YADAV): (a) and (b) A Meeting of the Chief Secretaries of all States/Union Territories was convened by the Cabinet Secretary on 7.11.98 at New Delhi to review the price situation of essential commodities in the country. The meeting discussed various aspects of the price rise and reached certain conclusion. A summary of the conclusions arrived at the meeting is given in the enclosed *Statement*.

(c) The Government has accorded the highest priority to the control and stabilisation of prices of essential commodities. Apart from certain long term measures to increase the production of essential goods imports of items which are in short supply like pulses and onions have been placed under OGL at zero percent import duty and duty on the import of edible oils has been reduced to 15 percent from 25 percent in order to augment the total availability of these items. The export of onions was banned from 14.10.98. The ban has been lifted on 9.2.99 subject to a quantitative ceiling of 25,000 MTs per month for the next three months. Some of the essential

commodities like rice, wheat, sugar, palmolein and kerosene are also supplied through public distribution at below market prices. Stringent actions are being taken by the State/U.T. Governments against hoarders, black marketeers and other indulging in unfair trade practices under the Essential Commodities Act and Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act.

Statement

Meeting of Chief Secretaries of States/UTs taken by the Cabinet Secretary on 7.11.98 at New Delhi.

In pursuance of a decision taken recently by the Prime Minister in a meeting with the Group of Ministers, the Cabinet Secretary today held a meeting with the Chief Secretaries of State Governments and Union Territories to review the situation arising out of the recent increase in the prices of some essential commodities. The meeting took note of the abnormal increase in the prices and discussed measures, both short term and otherwise, to bring down prices and to avoid a reoccurrence of the problem. After a detailed review of the situation, the meeting reached the following conclusion:—

- (1) In the light of the damage caused to seedlings for the late kharif crop of onions, it was felt that the ban on their export, which currently is valid till 30th November, 1998, may be extended till the 31st January, 1999.
- (2) Restrictions on the movement of essential commodities including informal restrictions need to be lifted in the interest of their free flow throughout the country.
- (3) Stringent action should be taken against hoarders and blackmarketeers under the provisions of the Essential Commodities Act and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act. It was noted that necessary powers in this regard already stand delegated to the State Governments and Union Territories and they should invoke these powers whenever warranted.
- (4) Market intervention operations should be undertaken by the State Governments and Union Territories as last resort in a transparent manner so as to ensure that the maximum benefits are available to the vulnerable and weaker sections of the society. Where necessary, the Central Government would be prepared to consider grant of financial assistance for this purpose on matching basis to the State Governments.
- (5) In addition to the above immediate measures, the meeting felt that action should be taken to improve the crop forecasting system so that crop production estimates are as accurate as possible. In this connection, the State Governments and Union Territories have an important role to play by way of input for the crop forecasts. It is essential therefore that they take urgent action in this regard. A joint monitoring mechanism will be set up between the Central and State Governments to make real time assessment of surpluses and deficits and to plan in response thereof. Towards this, the Government will set up a National Forecasting Centre for Agricultural Products.
- (6) Decisions on import to cover the anticipated gap between demand and supply should be taken at the stage of forecast prepared on the basis of area sown. That is to say such decision should be taken 3-4 months in advance of harvest. It was also felt that such imports should be undertaken on a centralised basis by Central Government agencies and not separately by individual State agencies.
- (7) Storage facilities at present are inadequate and are not evenly distributed throughout the country. Building up of storage capacity in different parts of the country is therefore, absolutely essential and an action plan should be immediately drawn up to augment capacities in this regard. States maintaining control on cold storages should repeal their cold storage orders. In order to improve country storage technology for agricultural products, Ministry of Agriculture will set up a high level expert group to identify the necessary policy measures.
- (8) Food Processing facilities also need to be strengthened in a big way. This will not only ensure that the loss presently due to wastage of vegetables etc. is avoided but also that such commodities are available processed from in times of shortage.
- (9) The distribution machinery in the States and Union Territories need to be tightened so

as to minimise the scope for any kind of diversion of stocks. Alongwith this the price monitoring mechanism in the States and Union Territories need to be strengthened on a priority basis to cover the rural areas also.

- (10) Additional allocations of rice, wheat and palmolein requested by some of the State Governments were agreed to.
- (11) State Government have been flexibility to exempt any edible oil from the provisions of the Compulsory Packaging Order so that no undue hardship is caused to consumers.
- (12) A special steady group will be set up to identify measures required to meet the needs of north-east States and Island territories regarding the supply of essential commodities.

[English]

Public Distribution System

2098. SHRI MUKUL WASNIK: Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned "PDS doesn't work against poverty, says World Bank" appearing in the 'Times of India' New Delhi, dated February 9th, 1999;

(b) if so, the facts of the matter reported therein and the reaction of the Government thereto;

(c) whether the Government have any plans to improve the delivery system and lower the cost incurring on the administrative machinery; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI SATYAPAL SINGH YADAV): (a) and (b) Yes, Sir. According to the news item there may be a strong case for targetting food subsidies to reach out to the needy rather than operating a universal PSD at huge costs and little benefit to the poor.

The huge PDS network can play a more meaningful role if it ensures availability of food for the poor households. The Targeted Public Distribution System

(TPDS) with its focus on the poor is a step towards this end, PDS could reach out more meaningfully to the needy if the non-poor are excluded from access to it. The proposal to bar access to the PDS for the affluent sections of the society was discussed in the Conference of Chief Ministers on Basic Minimum Services held during 4-5 July, 1996. The Conference, however, felt that as a large section of the population, who may be above the poverty line (APL) are also at present getting the benefit of the PDS, suitable measures should be taken to ensure availability of essential commodities at reasonable prices to this section. In the Conference of Chief Ministers and State Food Ministers held on 30.9.1997 to review the implementation of TPDS the general consensus was that there should be no reduction in the allocation to the APL families. It has not been possible to exclude the non-poor from PDS because of the lack of consensus on this issue.

(c) and (d) The Government of India have brought out a Model Citizens' Charter for TPDS for adoption by the States Union Territories with the objective of providing services under PDS in a more transparent and caring manner.

With a view to lower the costs incurred on the delivery system including the administrative machinery the expenditure incurred by the Food Corporation of India (FCI) is constantly under review. Following steps are being taken to reduce the expenditure.

- (i) FCI is trying to achieve average capacity utilisation of 75% to reduce storage cost even though the procurement of grain is seasonal.
- (ii) The procurement and movement ratio is being adhered to the norm of 1:1.35 to reduce the expenditure in freight.
- (iii) Continuous efforts are being made to reduce shortages in handling of foodgrains.
- (iv) Efforts are also being made to reduce the incurrance of Railway demurrage charges.
- (v) Excess stocks are being released in the open market at prices above the Central Issue Price (CIP).
- (vi) Issue of old stocks, disposing of C&D category of stocks and introducing direct supervision on movement of foodgrains to control the incidence of transit and storage shortages.