

[Sh. Mahabir Prasad]

sure them that we will consider all their suggestions and see what could be done if they give them in writing. (*Interruptions*). I shall myself consider all your suggestions provided they are meaningful and conform to the rules. While fully appreciating your sentiments I conclude. (*Interruptions*)

[*English*]

MR. DEPUTY SPEAKER: The Minister informed that he is going to consider it ...(*Interruptions*)

SHRI BASUDEB ACHARIA: As a protest we are walking out of the House.

SHRI JAGANNATH PATTNAIK: As a protest we are walking out of the House.

*Shri Basudeb Acharia, Shri Jagannath Pattnaik, Shri Anil Basu, Shri K.P. Singh Deo, Shri Ananta Prasad Sethi and some other Hon. Members then left the House.*

16.35 hrs.

(ii) SAD PLIGHT OF COTTON  
GROWERS IN VARIOUS PARTS OF THE  
COUNTRY

SHRI V. SOBHANADREESWARA RAO (Vijayawada): Sir, I call the attention of the Minister of Agriculture to the following matter of urgent public importance and request that he may make a statement thereon:-

"Sad plight of cotton growers in various parts of the country and the steps taken by the Government to provide relief to them."

THE MINISTER OF AGRICULTURE (SHRI BHAJAN LAL): Sir, Cotton crop is grown in an area of about 75 lakh ha mainly

in the States of Maharashtra, Gujarat, Punjab, Karnataka, Andhra Pradesh, Madhya Pradesh, Haryana, Rajasthan and Tamil Nadu. The production of cotton has risen in the country from 69.5 lakh bales in 1971-72 to a level of 87.3 lakh bales in the year 1985-86, the highest achieved so far. The current year's production is estimated at an all time record of 95 lakh bales not withstanding the natural calamities like flood, excess rainfall and pest attack in some parts of the country.

In order to improve production and productivity of cotton as also its quality, an Intensive Cotton Development Programme has been in operation in the country since 1971-72. Under this Scheme, subsidy is provided on production of quality seeds, laying out demonstration trials, etc. Minimum support price is also fixed by the Government of India every year to ensure a fair price to the growers. As regards its procurement, apart from state level agencies, the Cotton Corporation of India has been procuring cotton at support price in the interest of farmers. The Government is continuously increasing the support price of cotton. The support price during 1985-86 was in the range of Rs. 340 to Rs. 900 per quintal. This has been increased to Rs. 415 to Rs. 960 per quintal during the current year. The procurement operations has already been started by the Cotton Corporation of India and Maharashtra State Cooperative Cotton Growers Marketing Federation and upto first week of December, 1988, a procurement of 77,000 bales has been reported. Further procurement is going on to ensure that the farmers receive fair price for the crop grown by them.

The reports received from State Governments indicated that a cotton area of about 3.27 lakh ha was adversely affected by floods/heavy rains in the states of Andhra Pradesh, Haryana and Punjab. These states have been sanctioned input subsidy of Rs. 2.25 crores, Rs. 2.26 crores and Rs. 2.52

crores respectively to be utilised in the affected crop area including cotton crop during the current year.

During the current year, Pest attack on cotton crop has been mainly reported from the States of Andhra Pradesh, Gujarat and Punjab. The area affected was 44%, 17% and 7% in Andhra Pradesh, Punjab and Gujarat respectively. No major pest attack has been reported from other States.

Keeping in view the losses sustained by the cotton farmers of Guntur and Prakasam districts of Andhra Pradesh during the last year and to help cotton farmers to combat the menace of heliothis this year, the Government also issued instructions to the State Government of Andhra Pradesh as well as Pest Surveillance Unit of the Plant Protection Directorate to keep strict surveillance over pest attack and take remedial measures in time. Government of India has also permitted the import of effective pesticides like triazophos, lanate etc. to the State of Andhra Pradesh apart from suitably advising the State Governments to ensure proper use of effective pesticides like Endosulfan, Carbaryl, Monocrotophos etc.

To avert the pest incidences and consequent losses to cotton crop growing farmers, a number of steps have been taken by the Government of India, as follows:

- 1) evolving cotton varieties which are tolerant to pests;
- 2) introduction of crop diversification;
- 3) intensification of pest surveillance system;
- 4) introduction of integrated pest management (IPM);
- 5) educating the farmers on the

better use of pesticides; and

- 6) intensification of quality control measures with regard to the pesticides.

In addition, the following special measures have been initiated by Government during the current year to help the cotton growers:

- i) Import of effective pesticides like Triazophos, Lanate, Fenpropethrin and Fluvalinate was permitted. Andhra Pradesh Agro Industries Corporation is importing 44000 liters Methomyl formulation and M/s Hoechst has already imported 8000 liters of Trio-zophos for distribution.
- ii) Excise duty was exempted from 23 indigenously produced intermediaries used for manufacture of pesticides. In addition, customs duty on import of Lanate (Methomyl) has been exempted as special measure this year.
- iii) Strict surveillance measures have been enforced in the endemic areas of cotton pest menace.
- iv) Demonstration of biological control of Heliothis by using Nuclear Polyhydroses Virus (NPV).
- v) Wide publicity is being done through mass media to enable the farmers to undertake effective plant protection measures.
- vi) Farmers have been advised to switch over to crops like Onion, Soyabean and Mustard to arrest further multiplication of pests.

[Sh. Bhajan Lal]

- vii) Reduction of import duty on 15 pesticides from 105% to 70% and also reduction in import duty on raw materials used in the production of pesticides from 147% to 60%.
- viii) Increased provision of Rs. 117 lakhs under the Intensive Cotton Development Programme (ICDP) during the current year as against the amount of Rs. 81.7 lakhs released during the preceding year.

The Government is fully aware of the problems of cotton growers in the country and every possible steps are being taken to mitigate their sufferings and to ensure higher production.

SHRI V. SOBHANADREESWARA RAO (Vijayawada): Sir, first of all, I express my deep sense of appreciation to you as well as through you to the hon. Speaker for admitting my Calling Attention on this important subject. Sir, the hon. Minister just now stated the conditions of the cotton growers in different parts of the country. Sir, after the unprecedented drought last year, this year thanks to the rain God, the monsoon is well spread and the cotton production has been very good and it is in heartening scale.

PROF. N.G. RANGA (Guntur): Not production, only plantation.

SHRI V. SOBHANADREESWARA RAO: No, Sir, last year while it was 19 lakh bales, this year the Cotton Advisory board has estimated that it will be 108 lakh bales. while the East India Cotton Association has assessed that the production may be around 111 lakh bales. This year, fortunately, as Rangaji said, crop extent has gone up and in fact in some States like Andhra Pradesh,

and Rajasthan, the production has also increased more than two-fold. Similarly in Gujarat, Madhya Pradesh and Karnataka also including Punjab and Maharashtra, there is a very good progress in cotton production. So, in this context now, with around 18 lakh bales of carry-over stock from last year and about one lakh bales of import in the pipeline and with the present production, it will not be less than 124 lakh bales. Sir, usually the consumption of the mills and others is estimated to be 95 lakh bales and 5.5 lakh bales respectively. That means it will leave a surplus of about 23.5 lakh bales. Even if we take the requirement of the mills for a out two-and-half months which may be around 18 lakh bales, still we will be left with an exportable surplus of 5.5 lakh bales.

Sir, I need not remind you that in our long-term new textile policy, the Government has assured that every year six lakh bales of cotton will be exported. This is very very essential now at this present juncture to export at least five lakh bales of long and extra long staple cotton and 50,000 bales of Bengal Beshi. The farmers' representatives from Andhra Pradesh in the Cotton Advisory Board as well as the Punjab Federation, Maharashtra Federation, Gujarat Federation, have all been pleading with the Government and the Board to announce the export quota immediately. But I do not know why the Government did not think it fit to announce the export quota. Even the Chief Minister of the Congress ruled State of Maharashtra, Mr. Sharad Pawar, stated that unless growers are supported through exports, they will not realise the reasonable price. But unfortunately the textile industry is very much opposed to this export of cotton and in fact its outgoing President, the Indian Cotton Mills Federation President, Mr. S.K. Modi urged upon the Government to make available cotton at near about support level. He also pleaded that surplus cotton should not be exported, but it should be procured and kept as bufferstock. We can under-

stand, their main objective is they must be able to purchase the cotton at as low a price as possible and bulge their profits. But I do not know why the Government is not coming forward to announce this export quota. If you immediately announce it, it will help the farmers to realise a better and reasonable price. If you delay it, the prices will fall down and ultimately the beneficiaries will be the textile magnates and the textile mills people. So, I would urge upon the Government to immediately announce this export quota in tune with the assurance which they have given in their new export policy.

Three years back I had an opportunity to go in a Parliamentary Delegation led by our Hon. Speaker to Indonesia. When the hon. Speaker and the Delegation Members had some talk with the officials of the Indonesian Government, they said, 'Because there was no guarantee of supply from your country we are not able to give a firm commitment and a firm order. Otherwise we very much like to give order to your country'. This is what they have said. I request the Government to coordinate with the Indonesian Government and try to export cotton.

Also, Sir, my information is that China is interested in the Maharashtra cotton as well as long staple cotton and there is also information that Japan is interested to buy DCH-32 and H-4 varieties provided the level of thrash content is brought down. I submit to the Government to take all necessary steps to contact these governments abroad and see that our Indian cotton is exported on a long-term basis which will help the farmers to realise a higher price. I also suggest to the Government that the Cotton Corporation of India must purchase at prices, not at the support price, but at 20 per cent higher prices, which are higher than the minimum support price. In fact, the Government of Maharashtra has already accepted to purchase the super and fair average quality of kapas at Rs. 120 per quintal more and simi-

larly, for fair quality of cotton they have agreed to purchase at a price which is Rs. 50 more than the support price announced by the Government. So, I do not see any reason why the same thing cannot be adopted by the Cotton Corporation of India while it purchases cotton in other parts of the country because in Maharashtra there is a monopoly procurement scheme whereas in other States the Cotton Corporation is the organisation which is purchasing the cotton from the growers.

Apart from the purchase of cotton, there are some other aspects because of which the farmers, especially the cotton growers are suffering in this country. Sir, I would like to bring to your kind notice one thing. You have said in your statement, I am very happy the Government is giving subsidy on production of quality seeds. It is a good thing because without a quality seed, we cannot achieve optimum yield from the crop. But my information is in some States, some firms are marketing cotton seeds. One such incident I have come across from the press report. Some non-fied seeds are supplied in certain parts of Karnataka and certain parts of Andhra. One private limited company Nath Seeds Ltd. Aurangabad has supplied these seeds. Even before they were tested Shivnath brand seeds have been marketed for the last two or three years and because of this, the farmers in Karnataka as well as in some parts of Andhra lost very heavily. I ask the Government, whether it has come to their notice and if so, what action has been taken. In fact, is that not violating the provisions of Cotton Control Act? My submission to the Government is, the present Act does not have to necessary teeth to punish such type of companies. It is true that the responsibility of implementation is with the States. But my submission is, unless some rigid provisions are brought in the form of amendments to the Seed Act, the companies will go away. Can you say that under the present provisions, the company which has cheated

[Sh. V. Sobhanadreeswara Rao]

the farmers has to pay compensation to the farmers. There is no such provision, I believe. You please consider this aspect and come forward with suitable amendment to the Seed Act to supply best quality of seeds, as per your intention, to the cotton growers of this country.

Regarding pesticides, it is yet another item, on which farmers are losing very heavily. In respect of pesticides also, you will say, the responsibility of implementation rests with the States, But because of certain deficiencies in the Insecticides and Pesticides Act, many a time, these people who are supplying substandard pesticides are going scot free. Many people are not able to be punished effectively. That is why, our State Government asked the Union Government to issue a Control order so that the pesticides item is also brought under the Essential Commodities Act in which case, when the District Collector receives some information, he will be immediately in a position to take some action. The stocks may be seized and the person punished and put behind the bar, which would discourage the people who want to sell substandard pesticides. Along with cotton, there is very good oilseed production because of fine monsoon. As a result of this there is every possibility that this fine crop of oilseed may affect realisation of cotton seed also. This may bring down the price of cotton. My suggestion is, you kindly consider and restrict the import of edible oil from abroad so that Indian farmers will get better price for the oilseeds produce or cotton seed.

At present, in the Cotton Corporation of India, there are representatives of the textile industry only. Are they representatives of cotton growers, cotton cooperatives? In some States, the cotton cooperatives are doing very excellent work. But there is no representation to them in the Cotton Corpo-

ration. Because of this lacuna and deficiency, the Cotton Corporation is able to protect the interests of the industry people rather than the cotton growers or the cooperatives. My suggestion to the Government is, you kindly consider and take necessary steps to include some people who have done very good work in the field of cotton. There are very good cotton growers as well as cotton cooperatives.

I would like to bring to the notice of the Government that the textile policy is not being implemented in letter and spirit. Lungi is one item which is reserved for handloom sector. But even powerloom people are manufacturing this and as a result of that, the handloom weavers of Andhra Pradesh, especially in Guntur and Prakasam districts are suffering a lot, because they are not able to compete and sell lungies.

Now, there is a scheme of Andhra Pradesh to purchase all these dhotis and sarees. Unfortunately, it is also not able to solve the problem of handloom weavers. My suggestion to the Government is to kindly implement the provisions of the new textile policy with all rigidity and see that protection is given to the handloom weavers who are in large number. It is a major work force in this country.

I would also like to repeat my earlier request because somehow I could not convince you and I do not know what are the reasons. Mr. Eduardo Foleiro has been telling this House, "No. We will not accept the waiver of loans." I ask you "Has not Shri Sharad Pawar, the Chief Minister of Maharashtra, a Congress-ruled State, waived off nearly Rs. 200 crores of arrears from the farmers? At the same time, the Reserve Bank of India is writing off nearly Rs. 200 crores of loans from the industrialists and from very very big capitalists who, in spite of putting sick industries there, will again start some other industry, taking fresh loan from

the Government and the banks. While our State Government with all its meagre and limited resources was able to write off Rs. 4 crores of interest from the cotton growers due to the cooperatives, why not your Government write off the interest which may be only around Rs. 24 crores? I request the hon. Minister kindly to see from Haryana angle.

My suggestion is unless cotton is also included in the comprehensive crop insurance scheme, there is no final solution to this problem. We cannot expect the Government to come to the help of farmers all the time. But, if you include cotton in the crop insurance scheme, the scheme may take care of it to some extent.

I express my profound thanks on behalf myself, and cotton growers of Andhra Pradesh to the Union Government for permitting the import of Lanata, Fenpiopethrin and Fluvalinate. Agro-Industries Corporation is importing 44,000 litres of Methomyl formulation.

I express my thanks to the Ministry of Economic Affairs who have favourably recommended to the Ministry of Finance to waive off the import duty on these pesticides.

Kindly consider with an open mind all these suggestions made by me. Kindly take immediate steps to take care of the problems that are being experienced by the cotton growers.,

With these words, I thank you very much.

[*Translation*]

SHRI RAMSWAROOP RAM (Gaya): Mr. Deputy Speaker, Sir, I was listening to the statements made by the hon. Minister about the cotton growers with rapt attention. He made no mention of the steps that have been taken to mitigate the sufferings of the

farmers in Prakasham and other districts in Andhra Pradesh. It is a good thing that he has increased the support price of cotton. When we think of India, it is farmer who comes first in our mind. Our country is a land of the farmers. The farmers in this country, whether they are cotton growers or sugarcane producer, often fall victims of the natural calamities. sometimes they suffer losses due to floods and sometimes by drought. As a result of this, our economy gets destabilised. Today we are holding a discussion on the plight of the cotton growers. In this connection I would like to say that cotton is grown mainly in Andhra Pradesh, the other states falling in line are Maharashtra, Gujarat, Karnataka, Rajasthan and Punjab. The farmers of Andhra Pradesh thought that they could improve their economic condition by raising production. The expert opinion was that if the farmers of Andhra Pradesh take to cotton cultivation, it will bring substantial change in their economic condition. The experts have recommended that:

[*English*]

The economy of cotton cultivation was such that it made a lot of farmers in Andhra Pradesh wealthy. No wonder, many tobacco growers took to cotton. But, successive droughts, mono-cropping, soil degeneration, overlapping of fertilisers and pests have all combined to make life miserable for them."

[*Translation*]

But what happened there. What happened when the people abandoned tobacco cultivation. This resulted in mono-cropping and the problem of soil degeneration arose. I would, therefore, like to make an appeal to the hon. Minister that whenever a scheme for a particular area is formulated to make improvement in agriculture produce, whether it is cotton, tobacco or any other

[Sh. Ramswaroop Ram]

cash crop, local scientists should be directed to go those areas and apprise the farmers that such and such crops will yield more benefits and such and such crops will be disadvantageous in particular areas. Besides, soil testing laboratories have been set up in various parts of the country. But Sir, through you, may I know from the hon. Minister if these laboratories apprise the farmers with the results of the tests as to what crops will be advantageous for them when they take samples for test. I have never heard that soil of a particular area was tested and the farmers of that area were informed through any mass media, advertisement or in any other form that such and such crops would be suitable to them. I want that these arrangements should be made at such places.

Provisions have been made for extending various facilities to the farmers and of course the farmers should get these facilities but I want to draw the attention of the Government to one particular point in this matter. I want that a survey should be conducted of these areas where the soil is black which is favourable for cotton cultivation and where the yield can be improved. For example, such tests can be conducted in my constituency. After the tests are conducted, cotton cultivation should be encouraged which will benefit both the farmers and the country. The Crop Insurance Scheme had been launched for providing relief to the farmers at the time of natural calamities. This scheme was approved by this House 3 years ago but it has been seen that the farmers are not getting the desired relief under this scheme. God knows as to where this scheme has been kept. Farmers are actually not aware of it and they are not getting any benefits out of it. If a motorcycle is involved in an accident, irrespective of the fact whether it is a major or a minor one, due compensation is provided at once. But in this

nuge country which is considered to be the land of farmers and where 80 percent people are dependent on agriculture, if crops are ruined due to natural calamities like floods, drought etc., no assessment is made and no compensation is granted. It is our misfortune that a popular scheme like the Crop Insurance Scheme is not helping farmers in improving their financial position. Although this scheme has been launched at the district level but assessments of damage are not made anywhere. Thousands of acres of our land is washed away by floods every year irrespective of the fact whether it is sugarcane, paddy, cotton or any crop. I do not think this system as useful. I want to request that all the points should be covered under the Crop Insurance Scheme as it is only then that the farmers of the country will be benefited in the real sense. It is true that the Cotton Corporation procure the entire cotton produced in the country and the farmers do get remunerative prices wherever there are Government agencies. The fact, however, remains that when the farmers go to sell their produce in the market the middlemen do come in and compel them to sell cotton at this or that rate. Since the poor farmers cannot wait and stay there for there or four days in the market they have to sell their cotton at cheap rates.

Therefore, godown facilities should be provided in every block wherever cotton and jute markets are located so that the farmers are able to store their goods and are saved from exploitation by middlemen.

It is, therefore, requested that crops must be insured and godown facilities be made available at every market for the benefit of the farmers.

[English]

SHRI BHATTAM SRIRAMA MURTY  
(Visakhapatnam): Sir, let me, at the outset,

extend my full support to the various points raised by our learned colleague Shri V.S. Rao who has specialised the subject on kisan and as an active participant of the Kisan Movement he has fully studied the problem and has explained it in very clear categorical and analytical terms the actual requirement of the cotton growers as they stand today.

I tried to carefully go through the various measures initiated by the Government during the current year to help the cotton growers. But then, may I point out respectfully to the Minister that it has not at all improved? Any positive relief measure to the cotton growers who are actually in an agro-climatic zone will be welcomed. It is well-known that they had committed suicide. And there is no other go for them but to take the extreme step of putting an end to their lives because they are not able to face the hardships of life in view of the wholesale and colossal loss that they had during the recent times. That being so, I would like to urge on the Minister to declare moratorium on the repayment of debts, arrears together with interest and also reschedule the loan spreading it over for a period of 12 years so that they may be able to conveniently discharge the debts. This is urgently required. Otherwise, it will be very difficult for the cotton growers. We have to come to their rescue.

One more thing. The Government is charging compound interest which is highly disgusting. One cannot understand why the financial institutions and commercial banks are charging compound interest. I would only urge that only simple interest may be charged from the cotton growers and nothing more than that. Not only that. Whenever the interest exceeds the principal amount, only principal amount may be charged from them and not any amount exceeding the principal amount and rest of the interest must be waived. Necessarily, the Government should take such measures.

One more step which the Government should urgently take so as to provide necessary relief to the cotton growers, particularly in Andhra Pradesh at the moment is that the gold which is deposited in the commercial banks, is being subjected to auction now. Immediately instructions should be issued by the Government to various commercial banks that the gold mortgaged by these cotton growers should not at all be auctioned. Other steps may be taken in due course in the light of the revised instructions which the Government may be pleased to communicate to them.

As far as bad debts are concerned, in respect of various banks, in various industrial units which have fallen sick about Rs. 5000 crores are held up. What is the Government doing now. We are now asking to waive it. It is a very small amount, a paltry amount of Rs. 5000 crores which is blocked up in industrial units. Therefore, it is necessary for the Government to take steps.

Another point which was also stressed by my friend Shri V.S. Rao is this both tobacco and cotton crops should be brought within the insurance cover otherwise it is very difficult for them to be able to survive so that automatically the rest of the help would also come to them. They should do it instead of making a lot of hue and cry.

The other steps which is necessary and incumbent on the Government to take is to see what are the loopholes in the existing law which have got to be plugged. You will have to adopt a stringent method so as to see that adulteration does not take place as far as fertilizers and pesticides are concerned. As far as seeds, fertilizers and pesticides are concerned, necessary steps should be taken.

Finally, I will draw the attention of the Minister to the recent statement that NABARD in some States including the State of



[Sh. Bhattam Srirama Murty]

Andhra Pradesh and of course in the State to which the Minister belongs in not extending any more loan facilities. They have with-held it for obviously no reasons. It is not proper and they must not do that.

As far as Andhra Pradesh is concerned, it ranks first among the various States which are growing cotton. The best variety of cotton is grown in Andhra Pradesh. Cotton is grown there is about five lakh acres and about 20 lakh bales are being produced there. But now they are in very bad state because of the serious natural calamities, they are hard put to and therefore necessary relief measures should be extended to them.

[*Translation*]

SHRIMATI MANEMMA ANJIAH (Secunderabad): Mr. Deputy Speaker, Sir, large quantities of cotton have been destroyed in my area of Hamlabad. The same has happened in Prakasam district where farmers have even gone to the extent to committing suicide. In view of the miserable condition existing there, I want to know as to what steps are being taken to provide relief to the farmers there?

THE MINISTER OF AGRICULTURE (SHRI BHAJAN LAL): Mr. Deputy Speaker, Sir, hon. Members have drawn the attention of the Government to a very important matter for what I am very grateful to them. The issues which have been raised by the hon. Members are very important and as you know these are related to the farmers. Farmers are the backbone of this country and as such maximum possible assistance should be provided to them. The Government has always tried to take all possible steps for their welfare.

Rao Saheb has stated that there has been a record production of cotton this year

and as it is surplus it should therefore be exported. I want to inform him and other hon. Members that there are no two opinions that there has been a bumper production of cotton this year. But at some places due to the floods, cotton production has suffered a set back but despite that we will have a record production of cotton this year. As per the figures available with us, 95 lakh bales of cotton will be produced this year. The maximum production so far has been 83 lakh bales. According to the opinion of some people, this figure can go upto one crore.

As you are aware, we imported one lakh cotton bales last year, but this year the question of import does not arise. We shall make efforts to export the surplus cotton so that the farmers are able to get remunerative price for their produce.

Some hon. Members have stated that some companies are not in favour of exports. There is no question of what companies say. It, however, depends on production and demand within the country and only when indigenous demand is fulfilled that the surplus will be exported. The question of a company or an agency not allowing the Government to export surplus cotton does not arise. This is so because it is linked with the interest of the farmer. If the Government exports goods, we will get foreign exchange and the farmer too will produce more if he gets remunerative price.

Besides, as you said other countries are also ready to buy to cotton. There are no two opinions about it. Indonesia, China and other nations too buy cotton from India.

You have also submitted that C.C.I. is not purchasing cotton at the support price. Till now, the price of none of the varieties of cotton is below the support price in our country. The Central Government fixes the price of at least 40 varieties as support price. The price of no variety has ever gone

below the support price. The price of every variety has been higher than the support price. This is true that a week ago, the price had come some what closer to the support price. For example, we had fixed Rs. 600 as the support price for cotton and the market price went down to Rs. 650 but during the last one week, it has risen to Rs. 725. What I mean to say is that the price of not even a single variety has come to the level of support price nor has it gone below that level. We shall not let the price fall below the support price at any cost and if this happens, then C.C.I. the Central Government and other agencies will come forward to procure it so that the farmer could get the price fixed by the Central Government in any case...  
(Interruptions)

You are aware that there is no ban on the movement of cotton in India and anyone can transport it to any part of the country. There is no restriction in this regard for the business class. You know that competition among the buyers keeps the price at a reasonable level. Support price itself implies that the farmer should not get low price for his produce. Support price signifies that if the price falls below that level, then the Government will intervene and procure it so as to enable the farmer to get at least that much price.

Regarding the support price, you have submitted that the farmer is not consulted at the time of its fixation. I had submitted last time also that three representatives of the farmers are associated with the process of fixing the support price, irrespective of whether it is cotton, oilseeds, paddy, wheat or anything else. This true that C.C.I. is an independent corporation and no representative of the farmers is there in it because as you know it procures cotton as per their own assessment. But it is the Central Government which fixes the price and for this purpose we have Agriculture Prices Commission which submits report to the Central

Government regarding the price to be fixed for a commodity. However, we not only accept their report, but also give a higher price to the farmers than the one suggested by them in the report.

Besides, you have mentioned about a company...

[English]

PROF. N.G. RANGA: Support price itself is very low. That is the problem.

[Translation]

SHRI BHAJAN LAL: As I submitted just now the market price is higher than the support price. If the market price falls below the support price only then the hon. Member can say that it is even lower than the support price fixed by the Government. If it happens, then he is justified in saying that there is no use of Government fixing than the support price. At present the price is higher and not lower than the support price. He can complain if it is lower.

Besides, he also mentioned about a company in Aurangabad which did not supply the right insecticide. The Central Government wrote to the State Government when it came to its notice. The State Government handed over the matter to C.I.D. and the latter is investigating into it. The Government has not yet received its report. You know that the State Government has to take action on it and the Central Government has given it proper instructions to do so.

The hon. Members also submitted that a law should be enacted to deal with matters regarding seeds. An Act is already there which has a provision to take action against the person who indulges in adulteration, mixing or supply of substandard seeds. The Act has provision even for imprisonment. The Government conducts a thorough in-

[Sh. Bhajan Lal]

investigation in case there is any complaint from any quarter. There is a law for everything whether it is pesticides, fertilizers of seeds so that no one is able to supply sub-standard goods.

Another point which they raised was about the farmers' produce. This is true that there will be a record production of oilseed this time. So far, the highest production of oilseeds in our country has been 120-122 lakh tonnes, but this time the production is expected to go upto 155-156 lakh tonnes. You know that one third of the total edible oil is extracted from oilseeds. This year the oilseeds are expected to yield - 50-52 lakh tonne of oil and, in my view, the present oil consumption in our country is 54 lakh tonne. Our effort will be to import the least quantity of oil so that our farmers growing oilseeds including groundnut and cotton-oil is extracted from cotton seeds also could get a remunerative price for their produce. It will be our earnest endeavour to reduce our edible oil imports by half or even more as compared to the last year. Thus the Government will import the least quantity of edible oil so that our farmers could get a reasonable price.

The hon. Members also pleaded in favour of waiving the loans. They mentioned the case of Maharashtra in this regard. I have talked to the Chief Minister of Maharashtra who told me that he did not waive any loans. He wondered how all this got published in the newspapers. He said that the people who were unable to repay the loan for a long time have been given the facility to repay in instalment spread over a period of 10-12 years instead of recovering it in lump sum. Similarly, the rate of interest has also been reduced because the loan pertains to back years. You, perhaps, remember that when the hon. Prime Minister visited Andhra Pradesh to review the drought and flood

situation, the Central Government also decided to give concessions to the affected people in the form of waiving compound interest in case the interest exceeded the principal amount. Not only this, the loan will be recovered in easy instalments spread over a period of 7 to 10 years. Thus, we have tried to give maximum concession to the farmers. It is very difficult to write off the entire loan.

[English]

SHRI V. SOBHANADREESWARA  
RAO: Outstanding interest dues should be waived.

[Translation]

SHRI BHAJAN LAL: Regarding the outstanding loan, you know that a farmer should pay it in time if he has not been affected by drought or flood. If due to drought or successive floods, the farmer is unable to repay the loan, then the hon. Members can say that some concession should be given. However if everything is all right and the crop is being harvested in time, then the loan due should be paid by the farmer in time. Otherwise, how can it go on like this? Of course, if due to certain reason he is unable to repay, some concessions have been given and as I submitted just now... (Interruptions)

[English]

SHRI BHATTAM SRIRAMA MURTY:  
When the interest exceeds the principal amount, that should be waived.

[Translation]

SHRI BHAJAN LAL : Yes, interest will be waived in areas hit by drought and flood. Another point raised was that of crop insurance, which is very important. Hon Members are aware that a scheme regarding crop insurance is already there but some difficul-

ties have cropped up in it at present. As I submitted earlier also, meetings for this purpose have been held in the past too and the Hon. Prime Minister wants that some way should be evolved so as to cover all the crops, irrespective whether they are cash crops or otherwise. Besides, we want that a way should be evolved to cover all the farmers. As per the present provision only those farmers are covered who take loans and not the rest of the farmers. Therefore, we want that all the farmers should be covered. A meeting for this purpose is being held shortly. It is our endeavour that a decision in this regard is taken by the next kharif crop and we would like that cotton, sugarcane and all other crops and we would like that cotton, sugarcane and all other crops should be covered and all farmers irrespective of whether they take loans or not should be brought under this scheme. We are not very sure at present about the extent to which we will succeed in our efforts but we are making all out efforts from our side to cover all of them.

Shri Rao wanted to know as to how crop disease spread in Guntur and Prakasam districts. It is true that the disease has hit those areas but my department has made all efforts to check it and these efforts are continuing. So, far as soil testing and other facilities to the farmers for raising cash crops are concerned, I would like to inform that 10 to 30 Soil Testing Laboratories have been set up for this purpose in every State and adequate resources have been provided therefor. Therefore, soil testing can be got done there itself. Our farmers have also awakened now. They are not that much ignorant that they will not get the soil testing done. The whole country has been divided into 15 zones. The country's farmers will be informed as to the type of crop that should be sown in a particular climatic condition. Tips on the quantity of fertilizer and type of insecticide to be used are already being given as a result of which agricultural productivity has

increased. Apart from this a bigger step is proposed to be taken. The entire country has been divided into 15 zones. Crops would be sown according to the climatic condition, availability of water and type of soil in each zone.

Similarly, the type of soil available to cotton-growers was discussed. The Government keeps the farmers posted on the results of soil tests. The Agricultural Department, I.C.A.R. and the University have contributed largely towards providing full information to farmers. It is as a result of keeping the farmers fully informed that agricultural productivity in the country is increasing. It is true that the information given to farmers is insufficient. Books and theoretical knowledge alone cannot be useful. Theory and demonstrations should go together. If this is not done the information given to farmers will remain incomplete.

SHRI RAMSWAROOP RAM: Demonstrations should be given at the tehsil level.

SHRI BHAJAN LAL: Such demonstrations are given at the block level and not the 'tehsil' level. But I feel that such demonstrations should be given at more places. The Government will make all possible efforts in that direction. I also spoke on the subject of crop insurance. It was mentioned that due to the presence of middlemen in the C.C.I., farmers are unable to get remunerative price for cotton. The question of middlemen is not relevant to this matter. This is because cotton is sold in the market through out auction. Traders compete among themselves to buy the cotton. There are no irregularities in the process. Farmers do not complain if their produce is sold at low rates during the harvest period and at high rates thereafter. A decision has been taken on a trial basis wherein farmers in the 14 states which produce the maximum foodgrains, can hypothecate their foodgrain to the bank and seek a loan against it, just as a trader

{Sh. Bhajan Lal}

hypothecates his asset to the bank and seeks a loan to the extent of 80% of the value of that asset. This is a new scheme introduced by the Government. One district has been selected in every State. I want to tell hon. Shri Rao that this includes Andhra Pradesh and Bihar also. All the 14 States which produce foodgrains are also included. One district has been selected in every State and a pilot project has been started so that the persistent grievances of the farmers are redressed. As the farmer can hypothecate his foodgrains to the bank to seek a loan, he can sell his stock of foodgrains whenever he desires. This scheme has been started from the 1st of December. I request the hon. Members to give wide publicity to this scheme so that the farmers can be fully benefited. Hon. Shri Rama Murty raised a point regarding long-term loans. As I said before long-term loans have been given. I have already spoken on capital interest and on insecticides. Floods were also mentioned during the discussion. Rules have been made for charging interest and if the rules are not followed then we cannot do anything. Along with this I can say that ...

[English]

SHRI BHATTAM SRIRAMA MURTY. Why don't you make a rule that only a simple rate of interest would be charged from the farmers and not compound interest?

17.28 hrs

[MR. SPEAKER *in the Chair*]

[Translation]

SHRI BHAJAN LAL: I have said that simple interest is charged from farmers. How can concessions be given to a farmer, who takes a Rs 10,000/- loan for a three year period and has no intention of paying back

despite there being no flood or drought? The Government certainly gives concessions in cases where crops have been destroyed due to flood, drought or disease. The Central Government is sympathetic towards the farming community. It tries to help the farmers in every possible way so that they get appropriate prices for their produce

With these words I thank you.

[English]

SHRI BHATTAM SRIRAMA MURTY: Government should desist from auctioning the gold which is mortgaged by the farmers. That is now the practice in vogue. That creates a great hardship for these people.

[Translation]

SHRI BHAJAN LAL: Discussions on this point have been held on a number of occasions. The Hon Prime Minister also made an announcement that the gold and jewellery kept with the banks by farmers will not be auctioned. Auctioning of those items has been prohibited and the farmer can get the items released as and when he has the money. There is no question of the things getting auctioned.

[English]

SHRI V. SOBHANADREESWARA RAO: Sir, I would like to have one important clarification. I would like to know when will the Government announce the export quota which will help the farmers. By which date the Government will announce the export quota?

[Translation]

SHRI BHAJAN LAL: Shri Rao let me tell you that this year also there would be record production of cotton in our country as has been happening almost every year in the

past. After retaining whatever is needed for domestic consumption, the Government will try to export the rest.

MR. SPEAKER : It should be exported.

SHRI BHAJAN LAL: We will do that.

MR. SPEAKER: Indigenous cotton should also be exported.

SHRI BHAJAN LAL: I agree with you.

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#### DISCUSSIONS UNDER RULE 193

17.30 hrs

[English]

#### (1) Dismal Performance of Indian Sportsmen in the Seoul Olympic Games—Contd.

SHRI. C. MADHAV REDDY (Adilabad): Sir, I would like to suggest that the Item no. 18 can be deferred and we can take up item No. 19.

[Translation]

MR. SPEAKER : First let us have the reply to the discussion on the Olympic Games.

[English]

I think she is waiting for quite a long time. I have got only half an hour.

SHRI AJAY MUSHRAN (Jabalpur): Shri, Shri Deo has gone to Seoul. So, we would like to hear him.

MR. SPEAKER: I have got only half an hour. Yes, Mr. Deo.

SHRI INDARJIT GUPTA (Basirhat): Sir, you can have 15 minutes for this and 15 minutes for the other item.

MR. SPEAKER: Is it so? All right then 5 minutes for Mr. Deo and 10 minutes for her.

SHRI K.P. SINGH DEO: Sir, I would...

[Translation]

MR. SPEAKER: You may speak for five minutes.

[English]

This is an order, you cannot question.

SHRI K.P. SINGH DEO (Dhenkanal): It is rather heartening to see the concern of both the Press, public and Parliament in the standard of sports in our country which is reflected by the attendance in this House where a quorum had to be called. Today, the performance in the sports field is a status symbol of a nation's quality and standard.

Sir, this was the first full Olympics after 1976 when the Africans boycotted. In 1980, the Western group boycotted and in 1984 the Eastern block boycotted. 160 out of 167 nations took part for 237 gold medals, 237 silver medals and 260 bronze medals, with 13,400 athletes taking part

This was the Olympic where the old reputations were shattered, new ones established; new stars made and unmade in a short time, where individual glory and national pride resulted in the best performance and the worst shape, where no limits of excellence, motivated and fortified by steroids and doppings, took place; where an awesome collection of stars and robots like perfection took place. The biggest casualty and the only casualty was amateurism and this is the result of the changing times. Today, the professionalism has come to stay and is the order of the day. Scientific man-