

12.41 hrs.

FOOD CORPORATIONS (AMENDMENT) BILL—Contd.

[English]

MR. DEPUTY-SPEAKER : Now, we will take up the next item, i.e. Further consideration of the motion moved by Shri Sukh Ram on the 28th July, 1988.

Shri Sriballav Panigrahi.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : Mr. Deputy-Speaker, Sir, I rise to support the Food Corporations (Amendment) Bill, 1987. As you know, this is a simple but very significant Bill. This Bill provides for certain facilities to the Food Corporation which should have been there much before. That way, this is rather late for the Government to come before the House to provide this facility to the Food Corporation of India.

Sir, the Food Corporation of India is a service oriented organisation but it cannot be forgotten that it is also a commercial organisation. It is a commercial organisation with the objective of implementing by and large the food policy of the Government. This was set up in 1965, as a countervailing force to contain the speculative activities of private traders and to safeguard the interests of the producers and also the consumers. Again, the Corporation is a service oriented organisation and its performance has to be evaluated in terms of its objectives, namely services rendered in the form of extending price support to farmers, efficient procurement operations and storage and movement operations in carrying grains to all parts of the country. On a review or overseeing of the working of the organisation we feel that there remains a lot of scope for improvement of the functioning of this organisation. Lack of finance is the major snag in the way of functioning of the Food Corporation of India to achieve its objectives wholesomely. They require much more funds than what is made available to them. Presently, they get the finance from the Government of India and also from the banking sector, which do not generate any internal resources. This organisation

requires funds both for the working capital as well as investment for its expansion etc. That way, it is a good provision. Now, we are going to give this facility to this organisation to go in for raising funds by way of debentures, bonds etc. The funds are meant for its operational as well as investment requirement and this requirement is met, as I said already, by the issue of bonds, debentures and also by borrowings from the Central Government and State Government institutions or from the Public Sector Enterprises or bodies or from the general public as well as from the Corporate Sector on such terms and conditions as may be specified by the Central Government. As it is, they do not have the sole freedom to do this job. That is also a welcome feature. They cannot do anything by themselves. They cannot go for raising funds in the manner they like. But, they have to keep the Government informed, they have to take the approval of the Government of India and on such terms and conditions acceptable to Government of India. Their proposal should be cleared by the Government of India and then only they can go for raising funds. So, there is nothing to object in this Bill. It is a welcome feature. By this process, the Food Corporation of India will now have the ability and capacity to raise more funds. At the same time, I would like to make some observations and give some suggestions for the better working of this Organisation.

Sir, I have already mentioned about the objectives of this Organisation. Since its inception in the year 1965, it is serving a good purpose in this very important field of food in this country by going for procurement, by providing price support to the producers. This organisation is also helping movement of foodgrains from one part of the country to the other part; it is maintaining the buffer-stock which is very much required considering the vagaries of nature. Sometimes we have drought, sometimes we have near famine conditions in some parts of the country and the people very much depend on the Government of India. The State Governments also sometimes, do not have the required quantity of foodgrains to feed the people in their locality, in their State. They look forward to the Central Government. So,

there is the necessity of building an adequate quantity of buffer-stock. That cannot be undermined and that cannot be over-emphasised also. But what I say is that in some parts of the country, this procurement is directly done by the Food Corporation of India—that is called departmental procurement. I give the instance of Orissa. The overall responsibility is of the Food Corporation of India. But what they do in the field is that they engage merchants, the rice-millers to procure foodgrains. I do not know why there is differential treatment. Sir, we know of the merchants and their nature. They do not hesitate to exploit the farmers depending on the situation, particularly when there is a bumper crop. So, when there is bumper crop, they deliberately delay the process of procurement. They make delay in going to the field, bringing the foodgrains and making payment in time. It so happens sometimes that there is a lot of delay in making the payment of foodgrains they procure from the producers. The producers are exploited and harassed. Therefore, I would suggest that the Food Corporation of India should go for direct departmental procurement in Orissa also as they do in Haryana and Punjab. In Punjab and Haryana they are going for direct departmental procurement. That should be extended to other States, backward States in the Eastern Zone like Orissa... (Interruptions) Even, the merchants have their own story. They say that they are exploited. The agents say that they have their own story of harassment by the Food Corporation of India's officials. I need not elaborate on this. Perhaps, the hon. Minister, by now, must be aware of this. A lot of shady and black things are going on. While participating in the Budget discussion on this Department's Demands for Grants. I had given some instances to point out how corruption was rampant in the working of the Food Corporation of India. Its functioning, its working, has to be streamlined. The extent of corruption, which is really alarming, has to be brought down. I know, it cannot be eliminated overnight, but serious efforts should be made to eradicate or at least reduce the extent of corruption that is going in the fields of procurement, distribution, etc.

With regard to weightment of sugar bags, when sugar is issued from the godown, even on demand weightment is not done. Why is weightment not being done even on demand? It is common experience that under-weightment is there. A bag which should weigh 100 kgs hardly weighs so. It should be verified and the black sheep should be taken to task.

I would also say that the transport charges of sugar are on the low side without any bearing to the reality. It is our common experience when we talk to the dealers. They say that even *sanyasis* cannot run it unless some *hera pheri* is done. Therefore, it should be rationalised. Otherwise, we will be encouraging corruption. With the present rate, they cannot sustain themselves in the business. Are people to spend from their own pockets? We do not expect people to spend from their pockets. So, a realistic approach is called for in this regard.

The godown facility is lacking. Therefore, procurement is hampered and in the process the producers are exploited.

There is a beautiful, modern rice mill belonging to the FCI in Hjrakud in Orissa. But unfortunately it is lying idle. Some of the FCI's modern rice mills are lying idle. They should be made to function.

For augmentation of the godown facilities and for other matters, the Food Corporations require money. It is late on the part of the Government to have come forward with such a Bill before the House. Anyway, I should say: better late than never. With the passage of this Bill, the Food Corporations will be armed with powers to raise more funds for their functioning and for augmenting their activities.

SHRI R.P. DAS (Krishnagar) :
Sir before I go into the question of amendment of section 27 of the Food Corporations Act, 1964, I would like to make a few observations on the working of the organisation. The Food Corporation of India was set up to procure foodgrains, particularly rice and wheat, from the surplus States and distribute them to the deficit States, So far as the question of

[Shri R.P. Das]

procurement and distribution is concerned, we find that this organisation has failed to a large extent in this. There are deficit States which could not be supplied foodgrains according to the requirements of those States—because those States are deficit in the production of rice and wheat. If we take the State of West Bengal, we will find that this State requires 1.8 lakh tonnes of rice and 1.3 lakh tonnes of wheat per month. These are the deficits of the State. About 2,80,000 tonnes of foodgrains need to be supplied to West Bengal and about 1.8 lakh tonnes of foodgrains to Kerala. There are other deficit States where foodgrains are not supplied to the extent required by them. This organisation is working in such a fashion that it could not serve its purpose and objective. In most times it supplied poor quality of foodgrains to the States. Its main objective was to supply foodgrains through public distribution system and to make rationing system more successful.

Particularly in West Bengal, which is a deficit State, there are two types of rationing—one is statutory rationing and another is modified rationing. A few crores of people are dependent on this rationing. This organisation had to supply foodgrains to the people, those who are registered under rationing system, at a reasonable fixed price so that these people can afford it. But since this organisation fails to supply foodgrains to the public distribution system and to the rationing system, there are crores of people who have to buy their foodgrains from open market at a higher price. This shows that this organisation could not work upto the expectation of the people.

More than half of the total population of the country are underfed. There are 1/3 or 1/4 of the population living below the poverty line. Therefore the FCI had to look to the requirements of these people. But it failed on that score also,

I would like to impress upon the Government to streamline the FCI in such a fashion so that it can work more skilfully and more efficiently and supply to the deficit states adequately.

The question of quality and the question of inefficiency haunt the FCI. The Government had subsidised about Rs. 2000 crores and it had spent a lot, about Rs. 1243 crores as handling charges. FCI has been suffering from theft, pilferage and corruption right from its very inception.

The FCI sends food to different States at a long distance also by open, uncovered railway wagon. During the transshipment these foodgrains sometimes get drenched in the rain water and get rotten when it reaches the receiving point. So it becomes unfit for human consumption. But still these foodgrains are sold at the open market and again it comes back, mixed with the rice and wheat at the procurement level, to the FCI. It then procures these foodgrains which were earlier stamped as unfit for human consumption. In this way the food becomes more poor in quality.

There are different sorts of consumers in different States. In the eastern states people generally like boiled rice. There is a great demand for boiled rice throughout. But FCI could not supply this rice to Kerala, Orissa, Bihar, West Bengal, etc.

13.00 hrs

One thing which FCI could do is that it can send paddy to those States and those States could get the boiled rice from their own rice mills. So I would suggest to the Minister that paddy could be sent to those States.

The question of storage had been raised by many Members earlier. Shri N. Tombi Singh said that storage facilities in North Eastern India are very poor. In lean season since the supplies are not received the same could not be sent to long-distance places. Therefore, I would urge upon you that some regional storage system should be evolved. In West Bengal also hardship is felt for supply of rice and wheat to the hilly areas. Therefore, some storage facilities should be created in North Bengal also.

Before I conclude I would like to say that operational cost of FCI is very high. Those who are in the business of foodgrains

are well aware of the fact that before taking of procurement and distribution by the FCI the operational cost was very low. It was almost half the present operational cost. So the operational cost should be reduced and theft and pilferage also has to be eliminated. Without doing this it is rather quite out-of-place to support the present amendment to Section 27. Though this amendment the FCI seeks to diversity sources of financing. What is the use? Already FCI is having lot of money from the Central Government. It is wasting money to the tune of Rs. 1200 crores. It has also not been able to stop theft and pilferage of foodgrains. So I oppose this amendment to Section 27.

13.03 hrs

The Lok Sabha adjourned for Lunch till five minutes past Fourteen of the clock.

14.11 hrs

The Lok Sabha re-assembled after Lunch at Eleven minutes past Fourteen of the clock.

[MR. DEPUTY SPEAKER *in the Chair*]

FOOD CORPORATIONS (AMENDMENT) BILL—*Contd.*

[*English*]

MR. DEPUTY SPEAKER : Mr. Somnath Rath.

SHRI SOMNATH RATH (Aska) : Sir, I raise to support the Bill. The Bill is meant to raise funds for the Food Corporation of India. The FCI deserves appreciation for its role in fighting against the drought for improving the movement and supply of foodgrains in time. The Government, under the leadership of the Prime Minister, Shri Rajiv Gandhi would save the unprecedented situation created by the severe drought of the century. What is required is that the FCI should reduce the operational cost and increase its efficiency. The Government is giving huge subsidy to FCI—A scheme should be prepared and operational cost should be

reduced. It must be implemented in the right earnestness. The handling charges and charges for the movement of the foodgrains are on the higher side. Since there is better monsoon this year, there may be a bumper crop and after the drought the FCI should come in a very big way to see that the produce of the cultivators are purchased in time. There should not be any distress sale because after the drought certainly the cultivators and the producers will come to the market to sell their produce. The FCI should reach them and purchase the foodgrains at a reasonable price and not allow any middlemen to intervene and purchase the commodities at a cheaper rate taking undue advantage of the distressed conditions of the cultivators or the producers. This is the most important factor that the FCI should take into consideration after drought. Better storage and reduction of wastage are the factors which require the attention of the FCI.

In Orissa, the FCI has undertaken the procurement. There are many godowns of the co-operative bodies and also the best rice mills but unfortunately, the FCI in Orissa is not taking the advantage of utilising these co-operative rice mills and godowns for milling and storing. The individual should not be given the priority over these co-operatives and co-operatives should be given the priority and advance funds should be provided to them to purchase the foodgrains in time and also for milling. Co-operatives should be given priorities for procurement and storage, as the agent of FCI in Orissa. Let not the private mill-owners be allowed to control the procurement and also to sell the commodities at a higher rate and encourage blackmarketing. Since the FCI has taken the charge of procurement in Orissa, it is the duty of the FCI to see that sufficient quantity of rice is given to that State, specially in the lean months, so that it will go to the people through the distribution system for the benefit of the consumers. The Chief Minister of Orissa and the Members of Parliament from Orissa have made a request to increase the quota of rice for Orissa State, but the response has not been encouraging. Only 5000 tonnes of rice have been given. It is nothing. We request that our demand should be

[Shri Somnath Rath]

considered favourably and more rice should be allotted for the State of Orissa for these three lean months at least. The people are in urgent need of rice. The FCI should necessarily give 40 to 50 thousand tonnes of rice every month for these three months, which they were previously giving in these lean months. Last year Orissa faced the severest drought. When the FCI has taken the charge of procurement, it is the duty of the FCI to supply sufficient rice to the State when the people are in distress. In previous years also, the FCI procured rice from Orissa and supplied to other States. That fact cannot be forgotten. When the people of Orissa are in distress, I would once again urge upon the hon. Minister to consider this request from the humanitarian point of view also and at least give forty thousand tonnes of rice per month for these three months.

SHRI SHARAD DIGHE (Bombay North Central): Mr. Deputy-Speaker, Sir, I rise to support the Food Corporation (Amendment) Bill moved by the hon. Minister.

The Food Corporation of India had already certain powers of taking advances of loans under the existing Section 27 of the Food Corporation of India Act, 1964 and they included the powers to take advances against stocks of foodgrains or other foodstuffs from any scheduled bank or from any other bank or financial institutions approved by the Central Government. These are the existing powers of taking loans under the present Act.

Now, the Amending Bill wants to extend these powers to enlarge the scope of these powers by allowing them to take loans from any other authority, organization or institution or from the public, as may be approved by the Central Government. Not only that, they also want to give powers to the Food Corporation to issue and sell bonds and debentures for the purpose of raising resources.

The Food Corporation of India was set up in 1965 primarily to act as a counter-vailing force to contain the speculative

activities of certain sections of private trade. And, therefore, it was given mainly the task of ensuring the Support price to the agriculturists and also to protect the interests of the consumers. While doing so, it has also the responsibility of handling the imports, storage and distribution of fertilisers and also the responsibility of maintaining the buffer stocks.

Now, if we go through the Performance Report of the Food Corporation of India, we see that its activities are not limited or its activities do not fall short because of their limited powers of borrowings. As I see from the Balance Sheet on 31st March, 1986, the bank borrowings were Rs. 4502.73 crores whereas in the next year on 31st March, 1987 the bank borrowings have gone down to Rs. 3521.15 crores. So, I would like to know from the Hon. Minister as to what is the purpose of extending the borrowing powers for the Food Corporation of India. Whether they are not able to perform their functions properly because of any shortage of resources? We understand that the Corporation is primarily a service oriented organisation and, therefore, like other public undertakings it does not undertake the manufacturing operations and has no direct source of revenues. Therefore, it has necessarily to rely upon the resources of the States as well as the borrowings. From the fact that the bank borrowings have gone down, it appears that it is not necessary for the functioning of the Food Corporation of India to have more and more borrowings.

So, I would like to have some clarifications from the Hon. Minister. What is really the purpose of this Bill? Why are you extending the borrowing powers of this Corporation which will enable them to issue debentures and they can also borrow from other institutions which are approved by the Central Government? This has not been clarified at all. The need does not appear to be pressing because if we recall this Bill was introduced somewhere in February 1987, and still there is no pressing need that this Bill should be passed. Leisurely we are passing this Bill. Therefore, it appears that there is no basic need as far as the extension of the borrowing powers of the Corporation is concerned,

I would like to have a clarification from the Minister on this point.

Lastly, I would like to take the opportunity of drawing the attention of the Hon. Minister to the interest of the consumers. We see that the consumers prices are going unlimitedly higher and higher and the consumer is suffering day-by day as far as the prices of the essential commodities, including the food prices and the vegetable prices, are concerned. From this point of view, I would like to say that the Food Corporation of India should concentrate on protecting the consumers' interest. It should give them relief by protecting them from the higher prices of essential commodities which they are very bitterly facing. With these words I support this Resolution.

[Translation]

DR. G.S. RAJHANS (Jhanjharpur) : Mr. Deputy Speaker, Sir, I have only to submit two-three points about this Bill. Last year, in this very House, we held detailed discussion on the Food Corporation. At that time, the then Minister had admitted that no other Government corporation was riddled with so much of corruption as was the Food Corporation, and I do not think there has been any improvement in the situation in the meantime. It is on the record and the hon. Minister can see it.

Through this Bill, which has been brought forward for the Food Corporation of India, the Government wants to issue bonds and debentures. You already have adequate amount of authorised capital and every year the Government gives you subsidies also. I am reading from the latest report :

[English]

"The authorised capital of the Corporation remained at Rs 1000 crores as on 31 March 1987. The Government paid another Rs. 68 crores as equity capital towards godown construction. The total subscribed and paid up capital was Rs. 795.67 crores as on 31 March 1987. The Government advanced to FCI a soft loan of Rs. 1200 crores for financing partially the cost of buffer stock of foodgrains."

[Translation]

Besides, you already have enough cash credit. What I mean to say is that if you broadly examine the working of the Food Corporation, you will find that you can raise its efficiency even without issuing bonds or debentures and there will be no need to take loans either. For example, in 1975-76, the Government gave food subsidy to the tune of Rs. 250 crores.

In 1983-84 the amount of subsidy was Rs. 834 crores, in 1986-87 it was Rs 3000 crores and in 1987-88, it stood at Rs 2000 crores. It was in June 1988 that the Hon. Prime Minister himself took initiative and directed the Ministry of Food and Civil Supplies to ask the Bureau of Industrial Costs and Prices to examine the cost structure of F.C.I. It is being examined and its report will come in time, but I have no hesitation in saying that the subsidies given by the Government are being misused. Last year and this year also, when the income tax authorities raided the residences of top ranking officials of the Food Corporation, they seized large amounts of wealth from their possession. Even today, I can guarantee that large amounts of wealth will be detected if the residence of senior officers of the Food Corporation are raided. In the name of subsidies and deficits, Food Corporation is pocketing crores of rupees and the Government remains a silent spectator. This money is not ours or yours, it belongs to the public. An organised mafia is working in the Food Corporation. I have personal knowledge that no foodgrain is transported anywhere, but it is shown in the papers that due to the holes in the roof of the godown, the foodgrains are rotting and hence they have been transported to another godown and that godown being in bad condition, the foodgrains were transported to yet another godown. Thus, a huge amount of transportation cost is being added. The public worker knows as to how much corruption is there at the lower level or district level as he is a witness to all these things. If the Government wants, it can put the Food Corporation into profit by raising its efficiency. I agree that there is difference in procurement price and issue price and for which subsidy is being provided to you. But there is a lot of bungling in its operations and a large scale

[Dr. G.S. Rajhans]

pilferage is also there. This bungling is done at the cost of the public and it can be checked if the hon. Minister pays attention to it. It is the time to open the eyes. The hon. Minister has himself admitted in this House that theft takes place on a large scale and there is no justification for it. It is high time that a detailed examination of the working of the Food Corporation is undertaken. A Joint Parliamentary Committee or any other Committee should be constituted, so that they could check each and every godown, because the public has to pay for its inefficiency. I am not against issuing of bonds and debentures. Electricity Board also issues bonds and debentures to generate power. The country and its people welcome them if they are issued for some productive work, but it is not proper to issue them for un-productive work. Whatever resources you mobilise by issuing bonds and debentures will be bungled by your officers and you will not be able to do anything. Where will you invest it. Do you propose to buy foodgrains and invest it there? But the foodgrains are already rotting in the godowns. I would like to tell you that North Bihar is in the grip of floods. The hon. Minister should get it enquired as to what is the position of F.C.I. godowns there. All are empty. I have myself been that the F.C.I. godowns in Madhubani, Darbhanga and Saharsa districts are all empty. No one listens to the Collector. I apprised the Chief Minister about it and he said that he would take up the matter with the Food Corporation. In this way, a sort of hooliganism is going on in the FCI and there is none to check it.

In fact, the FCI was set up in 1965 to ensure that foodgrains are made available to the people at fair prices and the people may get relief but the actual state of affairs is just the opposite. The people are suffering and the officers are growing rich at their cost. The time has come when an enquiry should be got conducted into the working of the FCI and care should be taken to do it in a dispassionate manner and the guilty should be awarded most stringent punishment.

If bonds and debentures are issued for some productive purposes, it is all right,

but if the same are issued for some unproductive purposes, there cannot any justification in it. As such, I support it. The people are also going to purchase these bonds and debentures but they will not get any return from that because the losses of FCI will increase day by day which will add to the miseries of the people. Therefore, even while supporting it, I urge upon the hon. Minister that a dispassionate enquiry should be got conducted into the entire working of the FCI as only then there can be public welfare.

SHRI VIRDHI CHANDER JAIN (Barmer): Mr. Deputy Speaker, Sir, I support the Food Corporation (Amendment) Bill, 1987 which seeks to amend section 27(1) of the Food Corporation Act, 1964.

If the FCI wants to strengthen its financial position by issuing debentures and bonds, I think it is a concrete step in that direction. If by strengthening the financial position in this way, the Central subsidies can be reduced, which was Rs. 2000 crores in 1987-'88 and Rs. 3000 crores a year before, and if these efforts are successful, then this step will be considered praiseworthy and it will be appreciated.

The FCI plays a very significant role in our national food economy. The services rendered by FCI in Rajasthan and particularly in my area is Barmer and Jaisalmer, are truly laudable. It is on account of the efforts of the FCI that our area was saved from starvation and it had supplied foodgrains to the farmers under National Rural Employment Programme, which had benefitted them very much and brought substantial improvement in their condition. I appreciate this praiseworthy work of the FCI. However, the FCI should take stock of its buffer stock position to see whether it is sound or not. The buffer stock position as on 1st January, 1981, was 2.3 million tonnes but now it had reached the mark of one crore tonnes. In spite of it, we have to import foodgrains. This should not happen. It is also the responsibility of the Irrigation, Agriculture and other Departments not to let such a situation prevail. 70 per cent of our population is dependent on agriculture which makes it all the more essential to improve the situation.

As regards the I.T.D.P. areas, rice and wheat are being distributed at subsidised rates in these areas since 1985. The districts of Barmer, Jaisalmer and Jodhpur were declared as 'Famine affected Districts' separately at the instance of the Hon. Prime Minister and relief was extended accordingly. These areas generally remain in the grip of famine. Wheat is being supplied at the rate of Rs. 2.59 under the Public Distribution System. If people in the desert areas get wheat at a concessional rate, it will help them a lot. When this kind of assistance is being given in the tribal areas, then the same should be given in those areas also where the situation is still worse. At least the rural areas of these districts should be provided with such assistance. In this connection, it is essential that some concrete steps are taken.

Our hon. friends have submitted that quality of the wheat being distributed under the Public Distribution System is deteriorating. However, it is not so. On the contrary there has been substantial improvement in the quality. I have not come across any complaints of this nature either in the rural or in the urban areas. This has been a progressive step and I appreciate the FCI for it. I want that the quality of wheat being supplied to the people under the Public Distribution System at present should remain the same even in future. This has been a laudable step. As regards the procurement policy of the Government, it should be made clear that the services of the middlemen are not required at all. This is as per the Government policy. Government should take strong action against the officers who utilise the services of the middlemen and businessmen. Our policy is based on socialism, hence we should do away with the system of middlemen and make direct purchase. Concrete steps should be taken in this regard. The procurement rate of wheat per kilogramme is Re. 1.66 whereas we are purchasing it at the rate of Rs. 2 and 15 paise per kilogramme. Thus the price gap comes to 59 paise which is quite a big one. We should conduct a study of the operational costs to find out the ways of reducing it. If we are able to reduce it, the price of wheat will fall and we will be able to sell it at Rs. 2 per kilogramme.

Therefore, efforts should be made to reduce the operational costs. Along with it, we have to increase our storage capacity. Apart from that, during the monsoon season, much of our foodgrains which is left uncovered get rotten. Steps should be taken to make arrangements to get and keep it covered.

With these words, I support the Bill.

[English]

SHRIMATI GEETA MUKHERJEE (Panskura): As far as the Bill stands, naturally, there is nothing to oppose. While speaking on the Bill, I would like to mention a few things for the consideration of the hon. Minister and draw the attention of the hon. Minister to some of the difficulties and necessities of our State. I would also like to make a special mention regarding my own constituency and would request the Minister to take note of these things.

About our State, my hon. colleagues, Shri R.P. Das has already given certain figures how both allotment and supply have come down. I will not repeat that; I will very much support that. As it is very well known, from 1.25 lakh tonnes allocation it has come down to 80,000 tonnes in June. It means we have received much less than the allocation. But, concretely I want to mention certain facts about the difficulties of even that supply. Even when you are allocating, what is happening? Say, for example, in the month of April 41 rakes, that is, 82,000 metric tonnes of wheat were received in the State against the despatch instruction numbering 66 rakes. Your instruction was for 66 rakes. But actually how many rakes went there? Forty-one! Even your despatch instructions are not being stuck to because of absence of coordination with the Railways. The FCI is asking the Railways to take those rakes and the Railways are giving a different kind of coordination. Now, here if you say that you have already given despatch orders, but we poor souls, between the Food Department and the Railway Department, we do not get them. Our net effect is the same, not getting it. This was the situation in April.

[Shrimati Geeta Mukherjee]

In May, the opening balance of issuable wheat was 52,131 Metric tonnes. The number of rakes that arrived till 14th of May was only 17 and seven rakes were in the pipeline. This was against despatch instructions for 72 rakes that were in the pipeline. So, what is happening? Why is this happening? This is particularly putting North Bengal in difficulty, which as you know, is one of the most backward and sensitive areas. Now, what is happening? Because the Railway authority is reluctant to accept the FCI proposal for re-booking of rakes from Eastern Railway to South-Eastern Railway and vice-versa, and from Eastern Railway to N.F. Railway, reportedly on the ground that prior special permission to move rakes across the Farakka Barrage was to be obtained by the Railway Board. As a result, foodgrain rakes meant for South Bengal destinations could not be sent to North Bengal though there was an urgent requirement in these areas to maintain the public distribution system.

Now, you will agree, that this surely should not be the situation about coordination between the Railways and the Food Department, due to which the poor people in States like mine would suffer. So, I would like the Minister to take into account this thing and immediately discuss with the Railways, that whatever you give, at least that much should reach us, of course with a protest about your general reduction of our quota which is very much short of our necessities. That is one thing.

Secondly, about sugar. Everybody knows that the sugar prices are shooting up very high. In our State it has shot up very high. In fact, this is one of the factors which has pushed up our inflation figures. It has not caught up in Delhi; it may catch up soon. I wish that it would not happen.

Now, here, what is the situation? Levy sugar stock position, that is good. That is more or less satisfactory for the time being. But the difficulty is that when the FCI could not supply levy sugar earlier, they instead it would give non-levy sugar. But now if they cannot give levy sugar that provision has been withdrawn.

They are not allowed to give non-levy sugar. Therefore, the sugar shortage comes and results in shooting up of the price. Therefore, I think that the earlier practice should be revived. If you are not in a position to give levy sugar for one reason or the other, you please supply non-levy sugar to States and take the burden upon yourself instead of just dumping it on others.

These two things are the practical difficulties in our State which you should look into, and thirdly you should increase our quota which is far short of our requirements. This is one point that I want to particularly raise.

Now, you are providing subsidised ration in the Scheduled Trib areas. You would agree with me that there are agricultural labourers belonging to Scheduled Caste, Schedule Tribe as well as other communities in the country who are in extremely poor condition. I am now a Member of the National Commission on Rural Labour and if you see the things that are pouring into the Commission, it is really horrifying. Therefore, this provision of subsidised ration must be extended to all the agricultural labourers. This is absolutely essential. I hope you will take note of it. If I do not believe, at least I hope, and let me have the pleasure of believing by an assurance that you will extend it to all the agricultural labourers. *(Interruptions)*.

SHRI ANIL BASU (Arambagh) : Make it Twenty One Point Programme.

SHRIMATI GEETA MUKHERJEE : Give any name you like. I am only afraid that in the name of 21st Century, you may not take us to 19th Century. Please avoid that.

I would like to make a point about my constituency, Panskura. Honestly speaking, it is one of the reasons why I particularly want to speak on this Bill. My constituency is a rural constituency. South Eastern Railway runs through it. There are certain areas in the Howrah-Kharagpur line. There is a station called Balichok, where there are a large number

of rice mills and F.C.I. also keep things there. Now, of that godown facilities there are not enough for despatching as much as it should if the full capacity is to be utilised. Moreover, all these rice mills want to take advantage of that godown. Balichenk is one of the well connected places. From there, it can go to Howrah ; it can go to Midnapore ; it can go to Bankura ; it can go to Purulia—these scarce districts can very well be supplied from here. Therefore, I request you to positively examine the possibility of starting a base godown by FCI in Balichak station, which will help the labourers and also the despatch of foodgrains to these areas which need good supply. I hope you will consider my request of having a base godown in Balichak.

[Translation]

SHRI HARISH RAWAT (Almora) : Mr. Deputy Speaker, Sir, I support the Bill for its objective. The proposal that FCI should generate its own resources and minimise its dependence on budget allocation, is welcome.

There has been a definite improvements in the working of the F.C.I. during the past few years and the hon. Minister also has made efforts for bringing about many improvements in this regard. I thank him as well for that. Alongwith it, I want to insist that the FCI should also improve their relations with its the labourers. At present, FCI takes the services of the contractors and the contractors hire labourers for their work and the amount the FCI is spending on the contractors is much more than what it would have spent in case it had the Departmental labourers for its work. Today we are spending crores of rupees on the contractors and if we engage the Departmental labourers for this job, it would reduce our expenditure. Many types of defects have been noticed in the working of the contractor system and your department has accepted it in their report that there are certain malpractices like the filling of rotten wheat in the sacks and selling the good quality wheat in the market. The contractors adopt all such practices and F.C.I. incurs a bad name. I would submit to you that the

Committee of Labour Ministry has recommended the formation of Labour Ministry has recommended the formation of Labour Co-operatives to handle this type of work. The workers of the F.C.I. should be engaged in this work. These labourers are not literate and can not form a cooperative. My submission to you as well as the hon. Labour Minister present here is that by the departmental Labour and by giving the States of departmental to the Labourers engaged by the contractor to work for long, you can get the work done, at a lower cost than what you are paying to the contractor, I would request you to consider the suggestions given by their union in this regard.

I would also like to make two points regarding my constituency. My first request is that the hon. Minister Shri Sukhram very well understands the situation prevailing in hilly areas. The big godowns of FCI are not there at the district headquarters in the hilly areas, Although the FCI has accepted this in principle, yet the godowns have been set up in very few districts. I would request that godowns with a capacity of at least one thousand tonne to five thousand tonne should be set up at each district headquarter, in hilly areas and if this facility can be extended to the tehsil headquarter, it will be much better. This will reduce the burden of subsidy given to the State Government for transportation in the advanced area. If the State Governments also cooperate to ensure that the people living in remote areas, where there are no roads, will get the foodgrains at a fair price then the foodgrains will be available in those areas also where the Central Government wants then to reach.

You have started a scheme for the tribal areas under which you want to make wheat available at fair price in the areas having tribal population. My submission is, that wherever you implement this scheme, every person of the block, whether tribal or a non-tribal, should get the benefit of this scheme. If it is otherwise, it will lead to clashes between the tribals and the non-tribals. If you talk to the officials of the State Government in district of Pithoragarh, you will find that

[Shri Harish Rawat]

in two of the blocks there viz. Munsyari and Dharchula, differences are cropping up in the tribal villages. Relations between the tribals and the non-tribals, who once used to live in perfect harmony in that area, have now become strained. This is earning a bad name to the Government. You must consider this thing.

With these words I conclude.

SHRI SYED MASUDAL HOSSAIN (Murshidabad) : Mr. Deputy Speaker, Sir, the amendment has been brought with this is intention of borrowing money from the open market. I do not understand that when we will borrow money from the open market we will have to pay heavy interest on it which will lead to hike in the prices of foodgrains. Under the 20 point programme, you have made a provision for a fair price shop for foodgrains in every village. On the other hand the prices of foodgrains are being increased every year and now in order to meet the interest changes you will further increase it. Therefore, I oppose this Bill

FCI is getting a subsidy of Rs. 2 thousand crores every year from the Central Government. This amount should be given to the consumers to enable them to get foodgrain at a cheaper rate.

This subsidy is spent to meet the shortages in the FCI and money being made by the middle men. We will not gain anything unless the system of the middlemen is put to an end and the losses being incurred by the F.C.I. are reduced.

Shri O.P. Das and Shrimati Geeta Mukherjee have covered almost all the points.

15.00 hrs.

I would like to know as to why a reduction to the extent of 50 per cent has been effected in the West Bengal quota since February. I had drawn your attention towards this fact even in the meeting of Consultative Committee but could not receive any specific reply to it. Besides, no clarification was given regarding the

restriction imposed on the movement of foodgrains in West Bengal by the railways. I had written a letter also on 20th May in this context. You did acknowledge that letter but I have not received its reply in detail till date. The rationing system in West Bengal has collapsed due to 50 per cent reduction in the quota there. I would request you to pay proper attention in this regard. Is it due to some political motivation that you are doing so? I would like to say it specifically that you should not bring in politics in the matter of supply of food items. You are aware that 70 per cent people in West Bengal are supporting the Leftist Government and the rest 30 per cent are supporting your party. Therefore, you should pay attention to those 30 per cent at least. You may carry out, if needed, more amendments in section 27. I will have no objection if you would like to raise funds for this purpose. In this connection, my suggestion is, that you should issue "sukhbhojan vikas patras". I will be the first buyer if you issue these 'patias.'

Therefore I would like to submit that you should immediately try to increase the quota in Kerala, West Bengal and all such non-Congress rule states where you have reduced the quota.

[Translation]

SHRI UMAKANT MISHRA (Mirzapur) : Mr. Deputy Speaker, Sir, I would like to thank you for the time you have given me to speak. I support the amending bill presented by the hon. Minister. Now I would like to give a few suggestions. The Food Corporation of India is an important Corporation and performs very important functions. The Food Corporation of India stores and distributes foodgrains at a large scale. But I am sorry to say that the Food Corporation of India has a very small capacity for storage. Therefore the need is to construct godowns on a large scale for foodgrains, storage. Due to the shortage of godowns, our foodgrains get destroyed in large quantities.

There was a proposal to construct a very big godown in Mirzapur district. When a demand for land was made for the

purpose, arrangement was made. But since last four years this matter is under consideration and the construction work of the godown has not yet started. I would like to request the hon. Minister that the construction work of the godown in Mirzapur district should be started at the earliest.

You are aware that the Food Corporation of India purchases foodgrains from the farmers. But in the rural areas, the foodgrains are not purchased at reasonable rates. The benias and the middlemen purchase it at a low price. The farmers do not get even the support price of wheat and paddy fixed by the Government. When the crop is harvested the small and medium farmers need money.

15.06 hrs.

[SHBI ZAINUL BASHER *in the Chair*]

You being from Eastern side might be aware that small farmers are more in number there. (*Interruptions*) I was requesting that in the North Eastern states, there are small and medium farmers. When the crop is harvested and the foodgrains are ready, they want to sell the yield immediately because they have to meet their expenses on clothes, salt, oil and for paying back loans and on arranging marriages etc. At such a time the benias and the middlemen purchase the foodgrains at a lower price and the farmers never get the support price fixed by the Government. Today the resentment and dissatisfaction is prevailing amongst the farmers and there are big agitations from the farmers all around. The farmers are agitating because they do not get the proper price of their produce. They have to work hard in their fields but they do not get even the reasonable price for their produce, consequently they remain poor as they were. They should at least get the support price of wheat and paddy as fixed by the Government. The hinderance in getting that the purchase centres opened by the Food Corporation of India are not situated at block levels. Due to this, in emergency, forced by their needs, the farmers sell their foodgrains to the benias and the middlemen at a lower price and do not get the fair price.

Through you Sir, I would like to suggest to the hon. Minister that the Food Corporation of India will be serving the farmers cause substantially if purchase centres are opened at every development block and every Nyaya Panchayat level.

[*Translation*]

FCI should open purchase centres directly in the areas and arrangements should be made to purchase foodgrains immediately after harvestation. It will enable the farmers to sell the foodgrains on the support price fixed by the Government and get remunerative prices of their produce. I would like to emphasise this point. I would also like to suggest that Food Corporation of India should open purchase centres at Panchayat level to enable the farmers to get at least the support price of foodgrains.

Dr. Rajhans has referred to the widespread corruption. Attempts should be made to curb it though certain steps have been taken, more initiatives, however, are required in this regard. We often observe that hundreds and thousands bags of wheat are lying and getting rotten at railway stations. Not only this, stray animals like pigs eat it and people take it to their home. Arrangements should be made to save the huge quantity of wheat which is damaged at railway stations. There is an old saying in our area that the goddess of wealth i.e. 'Lakshmi' abandons the country or the society where foodgrains are looked down upon. Measures should be taken to save the huge quantity of foodgrains which are being wasted and godowns should be constructed in every district. The proposed godown in Mirzapur district should be constructed as early as possible.

With these words, I support the Bill.

SHRI RAMASHRAY PRASAD SINGH (Jahanabad) : Mr. Chairman, Sir, I oppose the way the bill has been brought forward.

I would like to submit that the F.C.I. was set up for two purposes but could not achieve them so far. Its first purpose was to save the farmers from the exploitation of middlemen who purchase the produce

[*Sri Ramashray Prasad Singh*]

of farmers at throw away prices immediately after the harvesting season and hoard it in their godowns. FCI was supposed to save the farmers from this financial exploitation. But the corporation has never provided facilities for the purchase of foodgrains at block level. If such arrangements had been made, the farmers would have been able to sell the foodgrains at the support prices and get benefit. But contrary to this, the F.C.I. serves the interest of the capitalists. This class of capitalists store the foodgrains which in turn are purchased and stored by the corporation. Who gets the benefit in such circumstances—capitalists or the poor farmers? The Government has not succeeded to check the big private agencies from hoarding the foodgrains.

Another point which I would like to make is with regard to the management. Your system of management is the worst. The foodgrains stored in the godowns get rotten and the same stocks are supplied to the fair price shops to sell to the public under public distribution system. The shopkeepers are pressurised to accept it, and they in turn, force the people to purchase it along with kerosene oil. So the people are forced to take that foodgrains which are not worth eating even for animals. Due to mal-administration foodgrains worth crores of rupees get damaged and then the same is eaten by the poor people. As a result they catch several diseases and even die. This situation has been witnessed in some villages. The samples of the quality of foodgrains which are sold through Public Distribution System, were also displayed in some of the Legislative Assemblies. Government should set right the mismanagement prevailing in the F.C.I.

Issue of purchase of 'Parmal' rice was also raised in this House. This quality of rice was purchased in huge quantity but got damaged in a few days. And then a huge amount of money had to be spent to dispose of damaged rice. Is it good management or bad? Neither any enquiry was made into it, nor any individual was held responsible for this lapse. May I know why there is such type of lapse and who is responsible for it. I would like to submit

something more. There is a place named 'Masauri' in my constituency. A large number of labourers worked in a godown of the Corporation. The Corporation closed the same godown within a year. As a result, labourers were rendered jobless. Now foodgrains are brought there from the godown at Fulwari. Government is implementing a number of programmes like NRDP and RLEGP in rural areas which provide the facility to supply foodgrains along with some cash. The godown in Masauri catered to the need of the people but in the present situation, the foodgrains brought from Fulwari cost more and thus poor people are being exploited. This Government claims itself to be the champion of the Harijans and poor people and often talks about socialism but in reality supports the capitalists. I would also like to say that the building for this godown was constructed by a private individual in accordance with the building plan given by the F.C.I. As a result of closure of the godown, the building owner has been put to a major financial loss as also a number of labourers have been rendered jobless and the people have to pay more price for the foodgrains all due to the shifting of that godown. In view of above, I would urge the hon. Minister and the officials of the Corporation not to shift the godown from Masauri. Otherwise the poor people will be deprived of the benefits.

Thirdly, prices of foodgrains are cheaper in free sale as compared to prices of foodgrains supplied through fair price shops. As a result, foodgrains in the fair price shops remain lying unsold. What is the cause? Private business men try to sabotage the scheme and the Government officials join hands with them. These people are responsible for the failure of the nationalisation just for providing benefit to the middle men. So I would urge the hon. Minister to rectify the drawbacks of the management. Had there been no stock of foodgrains, the country would have suffered a great difficulty. Now we need not import foodgrains from other countries to save the lives of our people. I want that the management should be made efficient to the extent possible.

With these words I conclude.

[English]

SHRI VIJAY N. PATIL (Erandol) : Mr. Chairman, Sir, I welcome and support the Bill. The Food Corporation of India is doing very good service to both the farmers who produce the foodgrains and to the consumers who use it. But, there is yet a lot to be done and the storage capacity which is available with the Food Corporation of India is not sufficient. The Government of India is taking the services of Warehousing Corporation also i.e. the Central Warehousing Corporation and the State Warehousing Corporation. There is a scheme of providing godowns of 200 tonnes capacity, 500 tonnes and 1000 tonnes capacity in the villages which will be supplementing the storage godowns of the Food Corporation of India. But a number of small godowns to be constructed in the village areas would not be sufficient. So also, the subsidy given to the tune of Rs. one lakh is not sufficient. It should be raised.

Sir, there are a number of places where in future, after the construction and completion of irrigation dams, more and more foodgrains of different types will be produced. For example, in Aurangabad area, after the full utilisation of Jaikavadi Dam, lakhs of hectares of land will come under cultivation. The Food Corporation of India has to plan right now as to how many godowns they will have to construct in that area so as to enable the storage of foodgrains for the required number of days or months till the foodgrains are moved.

In Maharashtra also, there is a place called Dhule Town which is on the fulcrum of three national highways—Calcutta-Bombay, Delhi-Agra-Bombay and third the national highway which is in use now is Ahmedabad - Baroda - Dhule- Aurangabad-Hyderabad. So, in such cities, if more godowns are constructed, then it will be easy for the movement of foodgrains wherever they are required to be distributed in different States.

Sir, I would also like to suggest that in the Food Corporation of India, more number of Agricultural Graduates should be recruited as officers because they know the

basic background of food-crops, foodgrains, their storage requirements and problems etc. Technical hands, specially Agricultural Graduates should be recruited more in number. So also, the functioning of the zonal offices is to be improved. I had the occasion of visiting some offices where treatment to the common people is not proper. The Food Corporation of India is not a defence organisation or a secret Telephone Exchange where outsiders are not allowed. But when common people visit the offices, the treatment meted out to them is not proper. We have to give a proper warning and tell them, "I am a Member of Parliament; I am telling you this; you have not given interview to these people". This Corporation has to deal with common man. So, I would like to point out to the hon. Minister that the functioning at some levels has to be improved.

So far as wastage of grains is concerned, sometimes we notice that some very good quality wheat of jowar or bajra bags declared as unfit for human consumption with the connivance of the local officers and traders and then they are auctioned out at throw-away prices or reduced prices. But again they come back to the grain market as useful grains fit for human consumption. In this way a lot of loss is incurred by the Food Corporation of India. This has also to be checked. I do not want to give instance, but many times it happens. When the farmers go to give their grains to the FCI or to their agents, in the name of 'soil' or 'small stones' in the grains, some two or five kilos in a quintal are cut in weight and to that extent less payment is made. Afterwards, this is adjusted otherwise. This should be stopped. If the grains are not of good quality, if there are more stones or more percentage of soil, the farmer should be asked to take it back and bring it clean; then, for the whole weight he should be paid. It should not happen that it weighs a quintal and the farmer is paid the price for only 95 kilos. But this is happening in some places and I would like to draw the attention of the hon. Minister to this also.

With these suggestions, I welcome the Bill and I support it.

[Translation]

SHRI SHANTI DHARIWAL (Kota) : Mr. Chairman Sir, I wholeheartedly support the Bill regarding the Food Corporation introduced by the hon. Minister. I hope this Department will make progress under the leadership of the hon. Minister.

I want to repeat the points which have been raised here in this connection. I am a witness to the harassment of farmers at the procurement centres of the Food Corporation by its staff. Their produce is first reject and then shifted from place to place. Malpractices such as underpayment and underweighing of goods are prevalent. Despite all this even if we, the public representatives complain, quick action is not taken with the result that when the farmer goes to the procurement centre in the city, he has to stay there for 3-4 days. Ultimately he has to decide to accept whatever money he is given for his produce, because he realizes that all his waiting will bear no fruit. The point to be noted is the harassment of farmers and depriving them of due price for their produce. Produce of the farmers is deliberately rejected. So I want that prompt action should be taken on such complaints. A cell should be created so that farmers are not put to any sort of trouble.

My second point relates to the existence of middlemen. The middleman should be totally removed from the scene. There should be a direct relationship between the farmers and the Food Corporation. Many hon. Members have requested that support prices be raised. In view of the increase in the cost of production of foodgrains, farmers should be given more price for their produce.

Godowns should be made specially in command areas where irrigation facilities are more. In my Lok Sabha constituency, nearly 20% of the area has irrigation facilities. Yet the number of godowns over there is very less. My request to the hon. Minister is that the Government should set up godowns in large numbers wherever the level of production is high.

There are complaints that transportation is not entrusted to reputed companies

and is left in the hands of low-level officers and managers. I request that transportation be entrusted to reputed companies so that pilferage and delays *en route* can be checked.

Many Members spoke on the need to curb corruption in the FCI. We are all aware of the foodgrains being pilfered by the small fry but I request that the big sharks who indulge in wholesale bungling be brought to book. Such an action on the part of the Ministry will enhance the goodwill of the FCI. At several places FCI has done good work. For instance FCI has helped Rajasthan to tide over this year's acute drought in the State. It is with their help that cattle and human beings in the State could survive. For this I thank the Corporation. But there are some people in the FCI who, with their actions, tarnish its name. Their actions should be closely watched so that they can be caught and brought to book.

Pilferage of foodgrain occurs because it is transported in open bags. Why are these bags not sealed? Similarly foodgrain is transported in open wagons. On absorption of rain-water and subsequent drying the foodgrain loses in weight. There are so many such minor problems which need looking into. I do not want to give a lecture but would only request the Ministry to look into these small matters without delay. I hope our able Minister will look into these aspects, make improvements by plugging loopholes and thus brighten the image of the FCI.

[English]

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI SUKH RAM) : Mr. Chairman Sir, I thank all the Members who have taken part in the discussion on this amendment Bill. A number of suggestions have been made and some criticism also has been made about the functioning of the FCI. I have noted down the suggestions made by the Members and I welcome them constructive criticism made by them.

I have been receiving a number of communications on the functioning of the FCI.

A number of them contain complaints about the functioning. There are suggestions also. I personally go through all these communications and I ask the FCI management to take appropriate action on them.

I, at the outset agree that there is scope for improvement in the functioning of the FCI. There may be cases of corruption at certain levels, there may be cases of negligence, omissions and commissions at certain levels. After all, FCI is a very big organisation; its activities are spread over throughout the country and it has got more than two thousand godowns spread all over the country.

The purpose for which the FCI was constituted was to ensure that the farmers are not exploited by the unscrupulous elements in the trade and the floor price is fixed and farmers are given price for their produce at that level. And whatever is procured by the FCI that is being supplied to the deficit States at the subsidised rates. I welcome the criticism but there has to be balanced view here in this House. No doubt, there are shortcomings but there are achievements also which we should not ignore.

This big organisation which is implementing the social objective of the Government of India is rendering commendable job in this country protecting the interests of the farmers and supplying foodgrains to every nook and corner of this country. By and large its procurement ranges between 15 to 20 million tonnes a year. Its duty is to maintain buffer-stock and the operational stock. Our country faced a very severe drought - the worst type of natural calamity—but as we had sufficient stocks the allotment was made to all the States according to their requirements. The total off-take—which includes support to the open market also—was more than 21 million tonnes. This is the highest off-take so far. Had we faced such a calamity 8-10 years ago we would have been compelled to go with a begging bowl to the advanced countries for feeding the teeming millions of our people. But it is not only a matter of satisfaction but it is a matter of pride also not only to this Government

but to every Indian that we faced this calamity with our own resources. We did not request any country for aid.

I happened to attend world food conference at Nicosia about a couple of months and and it was a matter of pride for me to hear almost all the countries-developed and developing—praising the efforts of the Government of India. The credit for this goes to the farmers, scientists and policies of the Government that during these 30-35 years we have become self-sufficient and did not beg for food aid from any country.

The problem today is that there are a number of countries in the world in Latin America, in Africa and in Asia which are not self-sufficient in the matter of food-grains. They do not have the required foreign exchange to purchase foodgrains in the international market. India has always been pleading for those countries with the affluent nations to give them aid. But we have never asked for any aid. It is only now that in order to supplement our buffer stock, we had to purchase some foodgrains. We are not ashamed of it. It is not this country, because we faced natural calamity and that was the reason we had to import, but there are even advanced countries, like Russia, Japan. They are also purchasing foodgrains from the international market. Similarly, we are also purchasing. It should not be a matter of shame or criticism. After all, as far as our requirement of public distribution system is concerned or other commitment of the Government of India is concerned, we are in a position to meet our requirement from our internal procurement. But we have to maintain buffer stock for any contingency as we faced last year. So, this is creditable. The Food Corporation of India did a very commendable job by releasing and ensuring delivery in any part of the country. That is the reason why there was not even a single death of starvation in the country in the worst year which we faced last year. That is a commendable job which the Food Corporation of India did. I do not reconcile to this situation when we make the sweeping generalisation. You are attributing and I welcome the criticism. And I can assure the Members that if you bring any case of corruption to my notice, I will ensure that deterrent action is taken

[Shri Sukh Ram]

against the officer/official who is involved in it. But we have got a rule of law. Everything has to be proved. So, if you bring any complaint and it is proved, definitely an action will be taken. Actions have been taken. A number of officers have been removed. A number of officers are under suspension. A number of officers/officials are facing inquiry. It is not that no action is taken when you make any complaint. Every action of the FCI is subject to scrutiny by the Members of this House, the other House and by the Press—by anybody. So, there may be some cases. When they are exposed, then the magnitude seems to be very high. But the real service which is being done by the FCI is ignored. I think, we have to take a balanced view in it.

Our Prime Minister introduced a scheme in 1985 for the tribal people in the country. There are about 57 million persons who are living in the tribal blocks. We are giving highly subsidised wheat and rice in these blocks. You can imagine from the figures that before introduction of this scheme, the allotment to these blocks was hardly two lakh tonnes of foodgrains. But now we are allotting more than two million tonnes of foodgrains.

My hon. friend just raised a question that non-tribals are not being given the same subsidised wheat and rice. I am not aware of any such complaint. Any block which is declared as 'tribal block', the foodgrains are supplied at the same rate whether it is a tribal or non-tribal. They are treated at par. If there is any complaint, let him write and I will definitely write to the State Government because the implementing agency is the State Government.

Some Members have made certain suggestions and some complaints also. I will try to deal with them. Hon. Member, Shri T. Thomas made a complaint that some sub-standard rice was sold in Kerala. I am able to understand that some par-boiled rice which conform to the DFA standards were not acceptable to the people because it takes a lot of time for cooking. Therefore, that stock to the tune of 14620

tonnes was sold through open tenders. It was not given to the public distribution system. In case it was channelised, then it was the duty of the State Government to see that sub-standard foodgrain is not given to the people. We have issued instructions to the FCI that in case any complaint of sub-standard foodgrains comes to their notice, then the State Government or any agency which gets this type of sub-standard foodgrains, can replace them and if it is established that there is malafide action on the part of some officials, we will take action in that case also. There is a complaint that allotment has been reduced, particularly, in the case of Kerala, West Bengal, Orissa and some other States. I agree that now the allotment has been rationalised. Take the case of West Bengal. Last year, against the allotment of 15 lakh tonnes of rice, the lifting was to the tune of 8.07 lakh tonnes and against the allotment of 15.12 lakh tonnes of wheat, lifting was 7.74 lakh tonnes.

SHRI SYED MASUDAL HOSSAIN (Murshidabad) : Foodgrain is not available in your godown.

SHRI SUKH RAM : This seems to be an after thought. When we reduced the allotment of edible oil, I received a communication from the Chief Minister concerned and I received a complaint about it. I do not deny it but in this case, not even a single complaint was received by my Ministry during the last year. I checked up personally.

SHRI SYED MASUDAL HOSSAIN.: Last year, I sent several telegrams to your department that foodgrain is not available in your godowns.

SHRI SUKH RAM : Everything has to be proved. I will tell you one thing. When this fact was brought to my notice that foodgrain was not...

SHRI ANIL BASU (Arambagh) : The West Bengal Food Minister alongwith an all-par delegation came and met you

SHRI SUKH RAM : Yes. He met me. I explained this position to him and the entire delegation and at that time, I was doubtful myself that there might be shortages at certain stage, at certain times,

Then I checked up from record. At no time, foodgrain was below the required level in West Bengal. It was already there in sufficient quantity, but the West Bengal Government did not lift it. That is the reason why this year I have rationalised the allotment not only to West Bengal, but to all the States keeping in view the offtake, in view our stock position. We faced the worst type of drought and on account of that our procurement was not to that extent as we aimed at. But we are meeting the minimum needs of all the State Governments. There is a lot of difference between the issue price of the PDS, ITDP and in the open market. There are chances of misutilization of this foodgrain. I am requesting all the State Governments that they should ensure that this foodgrain which is highly subsidised reaches the poor the vulnerable section of our society. A number of States have taken action, some arrests have been made and some hoarders have been punished. I agree, but it is for the State Government to ensure that this foodgrain reaches the people.

SHRI THAMPAN THOMAS (Manelika): You were giving 1.45 lakh tonnes of rice to Kerala. It is a deficit State. You have reduced it to 1.25 lakh tonnes. Because of that the price has gone up to Rs. 7 per kg. There is no other possibility for the State to go anywhere. You must ensure sufficient supplies for this State.

SHRI SUKH RAM: The hon Members have to remember one thing. It is a State subject. We are implementing our social objective programme and distributing foodgrains to the deficit States. It is the duty of the respective State Governments to maintain the price. We are supplementing their activities. We are helping them to maintain the price line, but they cannot escape their responsibility; they cannot put the entire burden on the Central Government. It is the responsibility of the State Government.

I am sorry to say that when one hon. Member was speaking from the opposition, he was making out a case as if we were making allocations on political considerations. I may tell you one thing. You are talking about Kerala. Kerala is the

highest taker of rice in the country. We are giving 125 thousand metric tonnes of rice to Kerala. That is the only State to get this much. If you take the allotment of all the States, Kerala in terms of percentage is the lowest level. Similarly also West Bengal is one of the highest takers of rice and wheat in the country and in terms of percentage, it is also at the lower level. We have curtailed a lot of allotment in the case of Bihar, UP., MP and Maharashtra. I assure the hon. Members that as far as foodgrains are concerned, there is no politics at all from our side.

SHRIMATI GEETA MUKHERJEE (Panskura): I had raised a concrete question. You had said that you were despatching so many rakes, but so many rakes arrived. What is the answer to that?

SHRI SUKH RAM: I may tell you that there is no problem of supply to the West Bengal Government. We have godowns at various places. I am glad that one problem which had been hanging fire for the last 1 year and 11 months is now solved by the West Bengal Government and I congratulate them for this. My only request to you now is that you should persuade the West Bengal Government and to your own people not to agitate. We have witnessed the 'Rail Roko' and so many other 'Andolans' in West Bengal. These things make not only the West Bengal people suffer but they make the people in other parts of the country also suffer. There is no dearth of foodgrains for the West Bengal. The only problem is that we have reduced the allocation. I may tell you that for the first 5 months of the current year, the allotment of 5.12 lakh tonnes of wheat was made and the lifting of the wheat was 3.76 lakh tonnes. And against the allotment of 5.05 lakh tonnes of rice, the lifting is 3.80 lakh tonnes. So, where is the problem? We are not putting the people of West Bengal in any difficulty. You please take up this matter with your Government and I stand for correction in case they say that the stocks were not available. You can write to me, or come to my office and tell me about this. We will find out the real position. But I am given to understand that stocks were

[Shri Sukh Ram]

available. Some State Governments are just trying to defame the Central Government by saying that since there is a reduction in the allotment, the people are not getting the foodgrains. I must say that this is a politically motivated act on part of some State Governments.

SHRI THAMPAN THOMAS : Since it has appeared in the newspapers, yesterday or day before yesterday, I would like to know whether you have promised anything to Kerala.

SHRI SUKH RAM : The request has come before the Government and I will take decision at an appropriate time.

SHRI THAMPAN THOMAS : Whether you have given any promise or not ? *(Interruptions)*

SHRI A CHARLES : May I know whether the Kerala Government has done anything in this regard ? *(Interruptions)*

SHRI SUKH RAM : I will take decision after considering the pros and cons of the whole matter. So, when the time will come, decision will be taken keeping in view the justified demand of the particular State Government. I can assure you that the allotment is never made with political motivation. I request you that you should request your State Government not to make this propaganda that the Central Government is not giving sufficient stocks to them.

SHRIMATI GEETA MUKHERJEE : But you have not replied to my specific question. *(Interruptions)*

SHRI THAMPAN THOMAS : Sir, there were lots of arrests because they were obstructing the trains. You advise them not to do that.

SHRI A. CHARLES (Trivandrum) : Sir, 23 M.L.As and 3 M.Ps were not allowed to meet the Chief Minister when they peacefully went to him to give a representation. So, there is no democracy in the State now. *(Interruptions)*.

SHRI SUKH RAM : I know all the members are very much concerned about the movement of the foodgrains. As per my information, 80,000 tonnes of rice and 80,000 tonnes of wheat was allotted to the State of West Bengal, for the month of July. For October, 2,13,000 tonnes of rice and 1,90,000 wheat was allotted. So, there is no dearth of foodgrains. We are making allotments to the States. But the State Government has to make further sub-allotments in the State.

SHRIMATI GEETA MUKHERJEE : Sir, you have totally misunderstood me. I have raised two specific questions to which no answer is given. Firstly, I asked about the rakes. Then I asked about constructing a base godown in my constituency.

SHRI SUKH RAM : I think I have already replied. If you still have any complaints, please write to me or talk to me. I will see that your complaint is removed. If the action is to be taken by the State Government, we will write to them.

SHRIMATI GEETA MUKHERJEE : Construction of base godown in my constituency concerns you only and not the State Government.

SHRI SUKH RAM : Special consideration for you !

SHRIMATI GEETA MUKHERJEE : Right Sir, thank you.

SHRI SUKH RAM : Similarly, as far as Orissa is concerned, I may state for the information of the House that last year Orissa was supplied 10,000 tonnes per month. There was a complaint from an hon. member of that State. For the whole year of 1987, Orissa was allotted 2.55 lakh tonnes of rice. The lifting was only 1.63 lakh tonnes. I am subject to correction. The hon. member may verify from the State Government and if my figures are wrong, I stand corrected. Let me assure you that I do realise that you have got a problem. The Chief Minister made a request and that was considered and some additional allocation had been made. But

I request the members that they have to cooperate now because the real impact of drought is being experienced only this year. Keeping in mind the level of stock and the demands from all the States, we have to meet the minimum demands of all. But I can assure you that we have got enough stocks. Our position is quite comfortable and we can meet the requirements of public distribution system, poverty alleviation programme and other programmes that the Government of India have started. But the implementation part is with the State Governments. If they implement these programmes efficiently, then I think you may not face the problem which you are experiencing now. I have been telling the State Governments that the public distribution system is a permanent feature of our food economy and that has to be strengthened and improved. It is for the State Governments to carry this work out and we are ready to render whatever help they require. We are already doing so.

Now, the scope of this amendment is very limited. But this gave an opportunity to members to discuss the functioning of the entire Food Corporation of India. As I said in the beginning, I will come to it. Some hon. members raised an objection and asked as to why this amendment is being brought. They wondered whether this amendment is necessary at all. Well, as you all know, the Food Corporation of India does not generate its own resources; the Food Corporation of India does not take decisions about the support price; and the Food Corporation of India does not take decisions about the issue price. All these decisions are taken by the Government of India.

16 00 hrs.

The total turn over, as I told you in the beginning in terms of foodgrains ranges between 15 million tonnes to 20 million tonnes and in terms of money, it is round about Rs. 11,000 crores.

So, the Food Corporation of India gets this money either from the Government in the shape of loan, in the shape of equity grant, or from the banking sector. This Amendment is simply an enabling provision that Food Corporation of India may raise funds by issuing bonds or debentures.....

MR. CHAIRMAN : You may continue tomorrow. Now, we shall take up discussion under Rule 193 regarding incidence of gastro-enteritis/Cholera in the Union Territory of Delhi. Shri Indrajit Gupta.

16 01 hrs.

DISCUSSION UNDER RULE 193

[English]

INCIDENCE OF GASTRO-ENTERITIS/
CHOLERA IN UNION TERRITORY
OF DELHI

SHRI INDRAJIT GUPTA (Basirhat) : Mr. Chairman, Sir, I feel more than a little despondent, I should say, for having to raise this discussion in the House. Sir, in the past, whenever discussions were raised in this House on the basis of certain specific incidents involving heavy loss of lives, it may be a Railway accident or it may be some mass killing of people whether by terrorists or killing of Harijans in Bihar villages or whether it be a calamity like the Bhopal Gas disaster, in all such cases, the discussions which have taken place have been in the nature of post mortem, that is to say, the tragedy taking toll of human life was over. After that, because the conscience of the public was aroused, the matter was agitated in this House and discussions were held. But unfortunately why I am feeling despondent in this particular case of cholera epidemic in Delhi is that this cannot be in the nature of a post-mortem because this killer cholera is still on the rampage. It is not as though the danger of the affliction is over. Even now, when we are discussing this matter in the House, cholera deaths are continuing in the affected areas, i.e. the re-settlement colonies across the Yamuna.

16.02 hrs.

[SHRI N. VENKATA RATNAM *in the Chair*].

The hon. Ministers who are in-charge of the nation's health know very well the fact that the river Yamuna separates this affected area from the rest of the city. But