

[Mr. Deputy-Speaker]

“That Clause 35 to 38 stand part of the Bill.”

*The motion was adopted.*

*Clauses 35 to 38 were added to the Bill.*

*Clause 1, the Enacting Formula and the Title were added to the Bill.*

SHRI RAJESH PILOT : Sir, I beg to move :

“That the Bill, as amended, be passed.”

MR. DEPUTY-SPEAKER : The question is :

“That the Bill, as amended, be passed.”

*The motion was adopted.*

16.09 hrs.

DISCUSSION RE : CRASH IN PRICES  
OF AGRICULTURAL COMMODI-  
TIES LIKE COTTON, PADDY,  
SUGARCANE JUTE, COCONUT,  
ETC.—CONTD.

[English]

MR. DEPUTY-SPEAKER : The House will now take up further discussion, under Rule 193, on the crash in prices of agricultural commodities like cotton, paddy, sugarcane, jute, coconut etc.

Shri K. Kunjambu.

[Translation]

\*SHRI K. KUNJAMBU (Adoor) : Mr. Deputy-Speaker Sir, the economy of Kerala basically depends on coconut. Precisely for this reason any fall in the

prices of coconut will adversely effect it. This discussion is taking place against the background of a steep fall in the prices of coconut and its products.

Last year the prices of thousand coconuts was Rs. 3150. Today it has come down below Rs. 1000. This fall in prices has seriously affected the ordinary farmers. There is not a single homestead in Kerala which does not have 4 or 5 coconut trees. The influence of coconut and its products on the life of Keralite has been tremendous. Every part of the coconut is put to one use or the other.

There are thousands of families in the coastal belt of Kerala who entirely depend on coconut for their livelihood. The decline in the prices of coconut has made their life miserable.

Sir, the Government reports to import of coconut oil from time to time which has an adverse effect on the economy of Kerala. The moment the Government decides to import coconut oil prices of coconut and copra falls. Every year the Government imports these products and on all such occasions prices also fall. Thus there is a state of uncertainty prevailing in the coconut economy. We have to put an end to it. First of all what is required is to bring about stability in the prices of coconut. In order to bring about stability the Government should stop all imports of coconut products and fix a floor price. Unfortunately there is a general complaint that the Government does not show much enthusiasm to protect the interest of Kerala farmers. Now this situation has to end. There were newspaper reports that the Government was prepared to fix the floor price of coconut and some exercises were on in this respect. I request the Government to take an early decisions in this matter. Similarly there must be a permanent arrangement for procuring copra. Although we the Kerala State Marketing Federation made some efforts in this

\*The speech was originally delivered in Malayalam.

direction due to financial constraints and inadequate storage facilities those efforts did not succeed. The Central Assistance is very much required in this regard. This problem can be solved on a permanent basis if the Central Government provides adequate finance for making a permanent arrangement for procuring copra.

Another point is with regard to exploring the possibility for export of copra and coconut oil. I want the Government to make some honest efforts in this direction. When the Government is paying a lot of attention to boosting export trade let us hope that they will make all efforts to find market abroad for coconut and its products.

I request the Government to take all necessary steps to save Kerala's poor coconut growers from ruin. I must say that mere banning of import of coconut oil is not enough. The Govt. must ensure that the soap manufacturing units as well as units which manufacture perfumes etc. whether in the public or private sector use a certain percentage of coconut oil for manufacturing these products. I would also request you to declare coconut as an oil seed and thus provide all protection to it as is available to all other oil seeds. With these words I conclude my speech.

16.10 hrs.

[SHRI SHARAD DIGHE *in the Chair*].

[*English*]

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram) : Mr. Chairman Sir, As we are discussing the crash in prices of agricultural products, our rural economy, the agrarian sector, is today probably suffering one of the worst recessions in recent times.

Sir, this subject has been discussed time and again on the floor of this House. Several assurances have been given by the Government. But the plight

of the farmer continues to be the same. Sir, in the last Session when we discussed about prices in this House, the hon. Minister for Finance very proudly announced over here that the inflation rate in this year is the lowest in the last seven or eight years and it is only 3.4% or so. The other day in the other House, in the Rajya Sabha, one of the Ministers said that the inflation rate was 4.5.

I would like to let the august House know that this Government and this Ministry should be ashamed that the low inflation, which they are claiming today, is at the expense of the farming community, the rural class. The inflation rate is low. If it is so, it is only because of the crash in agricultural prices that we are facing today and since more than 70% of our people are still eking out their livelihood from agriculture, the inflation rate you are claiming today is at the expense of 70% people of this country.

So, I don't know whom is this Government, this Ministry, and the Hon. Agricultural Minister catering today. On the one hand we are discussing only the fall in agricultural prices and on the one hand the prices of essential commodities including agricultural products for which the consumers are paying high prices, are pooring, and so the consumers are suffering to-day, the farmers are suffering to-day and it is only the black-marketeers and hoarders who are making money and are having a bonanza for themselves. You are gloating over here that the inflation rate is very low, that it is the lowest for the last decade. I do not know when the Government will open its eyes to the fact that to-day—and even in the future—as has been in the past, the future of the country will lie in the development of the rural sector, the agrarian sector and the effective use of his produce.

We have heard so much about the new computerisation that is taking place after this government has come in. Well, we heard the Prime Minister's addresses to the international press conferences, of

[Shri V. Kishore Chandra S. Deo]

his having spoken proper English and of his dressing well. But you cannot rule this country by just style and dress and by addressing glorious international conferences. You may think that you are going into the twenty first century or you may even be ready to embark upon the 22nd century, but the economic position of our country will remain the same unless you give the farmer his proper due.

The poverty line to-day is coming lower in the sense that the percentage of those going below the poverty line is increasing in the rural areas. To-day we have reached a stage when several of the farm produces are being allowed to rot due to lack of market. Several members in this House have spoken about specific items like coconut, paddy, etc. I do not want to make a repetition of it or repeat the same thing again. What have they said? Friends from Kerala said about what has happened to coconut, that the prices of coconut have crashed. Then where is the necessity of importing coconut oil? Whom are you trying to cater to? The farmers, the agriculturists in your own country or somebody outside? Likewise several agricultural crops have been meeting the same fate. I would only like to make a special mention about mesta. Mesta is a variety of jute and I hope, the hon. Minister, though from Punjab, is aware that such a product exists. In my State of Andhra Pradesh, in the most backward districts of Srikakulam, Vizianagaram and Visakhapatnam, districts there are more than 3 lakhs acres in which this particular crop is grown. The price of mesta which was about Rs. 900 a quintal last year has fallen to below Rs. 200 this year, which is less than one eighth of the price of last year. The estimated projection this year is 16 lakhs quintals and it is likely that the production may even go beyond this projected estimate of 16 lakhs quintals. The Jute Corporation has not been able to make any purchase. The excuse they give is that they have no godown facilities...

MR. CHAIRMAN : The hon. Member's time is up.

SHRI V. KISHORE CHANDRA S. DEO : Please give me a few more minutes—I will wind up.

Naturally they will not get any godown facilities when they offer only 35 paise per sq. ft. of godown area. This is the rate which has been fixed by the Jute Corporation of India—may be 2 decades ago and to-day when the market has gone up threefold or fourfold, even if you do not double the rate which you were offering 10 or 15 years ago, how will you get godown space? Because there is no godown space you cannot buy mesta. What will happen to the farmer? To-day the price for which it is being bought by the Jute Corporation of India is below Rs. 200. I have already written to the hon. Minister for Commerce. He wrote back to me saying that he is getting the matter examined. Three months have passed and I wonder if the matter is still being examined. I would urge upon the hon. Minister for Agriculture to at least find out from his colleague in the Cabinet what he is going to do about it. Why does the Jute Corporation of India exist at all if they cannot come to the rescue of the farmers and if they cannot offer remunerative prices? Or if they are going to behave like any other private entrepreneur, why should we have this corporation at all? Why do you have your Commissioners, the Regional Directors and your offices and maintain them and pay for them? This is the plight of the mesta farmers to-day in Andhra Pradesh and I am sure the jute farmers of Bengal are in no better position. Unless the Jute Corporation of India offer a minimum price of at least Rs. 400 per quintal which is less than half the price of last year, how do you expect the farmer to go through this crisis and how do you expect him to produce something in the coming year? As the saying goes, the Indian farmer used to be born in debts and die in debts. Here the farmers who were above debts are again getting into debts because of the serious situation that they are facing.

The hon Minister for Agriculture has now shifted to Rajasthan. I do not know how far he is in touch with the agricultural community in the new circumstances. But several member of this House from all sides and coming from different States have spoken. I know you grow wheat only in Punjab.

THE MINISTER OF AGRICULTURE (S. BUTA SINGH): Rajasthan is a State where there is lot of agriculture.

SHRI V. KISHORE CHANDRA S DEO : I am glad you realise that and, I hope, you will do something for the other States also.

S. BUTA SINGH : Next time I will be representing Andhra Pradesh.

SHRI V. KISHORE CHANDRA S. DEO : We will welcome you there and see that you represent one of those 'mesta' growing areas. There is no point in paying lip sympathy and saying that Government is going to form a committee. We want the Minister to come out with concrete steps and tell whether they are in a position to move in offer godown facilities either by paying more rent or making available godown facilities of other Central Government organisations. Secondly, whether they are going to give remunerative prices to farmers. When he replies I hope the Minister will come out with concrete and specific steps and tell us specifically what this Government is going to do for the farmers.

As we are hard pressed for time, I thank you, Sir, for having given me the opportunity to speak.

SHRI K. S. RAO (Machilipatnam) : Mr. Chairman, Sir, when it is told by the hon. Prime Minister Shri Rajiv Gandhi, that his emphasis is on production we had thought it is a good sign for the country. But we never realised that the farmer is not being

considered as a producer. It is only the industrialist or the manufacturer of cement, steel, vanaspati or something else who is considered a producer and not the farmer.

Sir, it is known to everybody that bulk of the population is dependant on agriculture. Possibly the crime of the farming community is that they are not organised. The others are organised and, as such, they are able to achieve things and get their demands met but not the farming community. But instead of allowing this farming community to go in for adopting some aggressive methods, I trust; the Minister will ensure that the farmer is given the remunerative price for his produce.

The farmer is the backbone. In case the remunerative price is not paid to him there is every likelihood of migration from rural areas to urban areas in a big way thus creating more problems for the Government. The reason for fall in prices can be excessive production in a particular item. But it is not so today. Even if it is so in one or two items it must be the responsibility of the Government to inform the farmers at regular intervals as to what items they should raise in their fields. Due to ignorance still prevailing among the farming community and also lack of guidance to them on these matters these problems crop up.

Then there is lack of marketing facilities. This is a major set back. If the Government were to come forward and take adequate measures to ensure that the producer is not made the scape goat for bringing down the prices to the consumer and if they are really interested in both the consumer and the producer then there are enough methods for the Government to set the things right. They must have the will to go into the details. As regards controls where they are not necessary they should remove and where they are necessary they should have them.

[Shri K.S. Rao]

Controls need not be applied to every item produced in the country. For example, when rice is being supplied at Rs. 2 per kg in Andhra Pradesh the producer must be allowed to send his produce elsewhere without any restrictions on the part of the Government or some other agencies so that the producer can get a better price and the consumer can also get at a reasonably low price. I cannot understand why the Government is still indulging in import of some agricultural produce, as has been mentioned by some hon. Members here, like coconut oil, sugarcane, etc. by which we are keeping the Indian farmers idle, the Indian agricultural labourers idle. Not only that. We are purchasing some agricultural goods from foreign countries by paying enormous price. Adequate measures should also be taken to inform the farming community about the prospects of exports of various agricultural produce. This way the export from our country would be augmented and the farming community would also get a better price for their products. What the agriculturists need is remunerative price for their produce. The unremunerative price will not only not be providing him livelihood but also making him bankrupt. We understand from the newspapers and also from the information available in Andhra Pradesh about the drastic reduction in prices, particularly of cotton where even the minimum price, which is not remunerative, fixed by the Agricultural Prices Commission, about which the farming community is very much aggrieved, is not being paid to them and the local market people and the businessmen are taking advantage of by exploiting the farmers. They are paid much less than the support price fixed for various agricultural produce.

Sir, the farming community's problem is neglected. They are the peace loving people. The farming

community, for generations, have been peace-loving with brotherly affection and fraternity among the people in the villages and this atmosphere should continue for ever, for which we have been making speeches time and again I hope that the hon. Minister would take adequate steps to help them and see that they are not driven to the extent of going to the roads. The hon. Minister knows that they are law abiding people, peace-loving people who are interested in getting their problem solved in a peaceful way and they must be encouraged.

Sir, I hope that the Agricultural Finance Commission will sit with experts belonging to the farming community also to see that a scientific analysis is made in regard to the fixation of remunerative price for their products after taking into account the cost of inputs. This requires a good understanding and joint effort of both the State and Central Governments. I am sure the hon. Minister will take initiative and discuss with the concerned State Government taking into account the products which are mainly produced in those States. Thank you.

SHRIMATI SHEILA DIKSHIT  
(Kannauj) : Mr. Chairman, Sir, for the first time in this century the food situation in our country is facing an unusual situation—an abundance of foodgrains and other agricultural produce. This situation is the result of years of efforts and the research put in by our scientists and the hard work and response to new ideas by our agriculturalists, by our cultivators. This phenomenal increase has been made possible by the foresight of our planners and the direction given by our leaders, Pandit Jawaharlal Nehru and Smt. Indira Gandhi. In fact, India's success and progress in agriculture and her capacity to not only feed her ever increasing population but also her ability to export foodgrains has received world-wide recognition and acclaim.

This abundant position has, however, led to a crash in the prices of our agricultural goods and today the farmer is having to sell his produce at an unremunerative price. The small unorganised Indian farmer is not in a position to hold back his stocks for better times and he has to make distress sales at not only unremunerative prices but often also at pathetically low rates.

This is the ostensible reason for the fall in the prices of agricultural goods in recent times. But we have to look closer and deeper. We have to organise ourselves and the economy to face a situation of excessive and ever growing agricultural production.

While the farmer is getting a low uneconomic price on the one hand, on the other hand, the consumer reels under high prices that he continues to pay for food products—the only consolation for him being that in recent times prices for him have remained more or less stable and not risen. To illustrate, while the farmer in the beginning of this year was able to sell his produce of potatoes for only about 20 paise a kilo, the consumer was paying, as he had already been, nearly Rs. 2 per kilo. Who was the beneficiary of this difference? The trader, the middleman. What is true of potatoes is also true of other agricultural products.

If the prices for agriculturists are not to fall to such low and uneconomic levels, then a much larger share of the difference that the consumer pays and the farmer fetches must go into the hands of the farmer. The time has come when the Government has to ensure a prompter and a better management of its intention to rescue the farmer and consolidate the nation's agricultural wealth. Organisations and agencies like the FCI and NAFED etc. which buy from the farmer at the minimum support prices announced by the Government must be better managed

and better geared. The norms that they lay down for purchase are often so unrealistic and opposed to the realities of production that the purpose gets defeated. Purchase centres are not opened in time. For instance, even though the new crop of rice has been in the market for well over one month, purchase centres have not yet started functioning and the farmer is selling his rice at a pittance of Rs. 105 per quintal for quality which should, as per the Government announcement, fetch him a minimum price of Rs. 142 per quintal. In another instance, in the case of potatoes purchased by NAFED etc. for different sizes of potatoes a different price is paid. Reasonable enough. But in reality, the farmer is harassed; he has to wait longer for sorting and is at the total mercy of the purchase officials' discretion. The result is of such delays in the opening of purchase centres and the non-availability of adequate funds, as has already been pointed out by several other hon. Members leads to a situation where the small farmer is unable to utilise the offer and gesture of the Government and the bulk of the produce is either sold to the trader at a ludicrously low rate or is allowed to rot in the field.

With all the emphasis at my command, I would beg the Government to manage agricultural produce with greater efficiency and speed so that the benefit does reach the two people, the Government is most concerned about—the small ordinary farmer and the ordinary consumer.

What I would like to suggest is that the Government must step in with greater vigour and determination if the farmer is not to be discouraged. A situation must not be created so that he starts to produce less in order to fetch a better price. The support and minimum prices must be announced reasonably well in time and the machinery for purchase must be much better prepared to move into purchase centres

[Shrimati Shiela Dikshit]

than it is at present. Combined with this adequate and proper storage must be ensured. In fact, the Government must think in terms of providing adequate and more encouraging fiscal incentives and facilities to farmers to enable them to create an infrastructure to store that portion of their produce which is sold as distress sale.

I am availing of this opportunity to specially and specifically draw the attention of the Government to the creation of not only storage including cold storage facilities but also to the encouragement which it must give to agro-based industries. Such industries would process and preserve agricultural produce to the benefit of both the Indian farmer and the consumer. I hail from an area which it is said, produces 11 per cent of the total potato crop of the country and 20 per cent of the potato crop of UP. It is an unbearable sight to see mountains of potatoes in fields awaiting a customer who does not turn up or a farmer being paid a pittance or a farmer awaiting days to get his cart-load of potatoes into a cold-storage. This is a most distressing situation and it merits the attention of both the Ministries of Agriculture and Industry. Industries must be set up to utilise the abundant potato crop. An agricultural and processing infrastructure to export potatoes and potato-based products must be planned and executed. For this, improved varieties of potato seeds which ensure and conform to the international specifications of potatoes must be more vigorously pursued and made available. Such all round steps would ensure the potato grower a sustainable price. However, agro-based industrial planning is to be planned not just for potatoes but also for other similar food and fruit products to ensure the cultivator a profitable price. But above all, such measures have to be taken for the preservation and growth of the agricultural wealth of India.

**SHRI UTTAM RATHOD (Hingoli) :**  
I would like to raise just a few points and I will not make a big speech. I would like to know from the hon. Minister if there have been any changes in deciding the prices after the change of nomenclature of the APC. If so, what are those changes? Sir, while fixing the price of cotton, I think the earlier APC had always failed to take into consideration the increasing prices of inputs and also the labour charges. They also neglect the risk factor that a cultivator has to undertake in a dry area in growing cotton. I have been pleading for the last several years that risk factor should be given more importance and some amount of this risk should be given as a bonus or it should be included in the prices. But that has not been done. I would like to know if this has been included now.

While deciding the price of cotton, it is only the staple that is taken into consideration. The length of the staple decides the price of cotton. I would like to tell you here that we are short of edible oil. How can we forget that the cotton seed is also helping us by giving oil? Is it not a fact that today most of our people are consuming refined oil? Is it not a fact that most of our people are taking vanaspati? If so, how is it that the prices of cotton have not increased? I would like to know whether the Government have taken these things into consideration.

Sir, cotton has always been neglected by the Government. If it happens to be a food crop, Government wants to introduce the benefit of insurance. Maharashtra Government has been trying to get cotton included in the Insurance Scheme. I want to know as to what is the hitch in including cotton in this scheme. Why do you not give protection to the cotton growers in the dry areas? It will help them. I do not really know what is the hitch and why the Central Government is not undertaking this.

There are other things also which generally bring down the prices in

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market. After the APC, we have got different agencies to go into the market and purchase a particular produce, viz. CCI, National Jute Corporation and so on. When the prices fall below the support price, they have to go and make purchases. Recently, you must have come across one incident in Andhra Pradesh in Adilabad. There was a big riot and the reason was that the prices which the purchasers had quoted were far below the support price.

And APC was nowhere to purchase it. I do not know why the APC was created, if it cannot function at the right moment. The APC has to know when is the harvest season.

SHRI C. JANGA REDDY  
 (Hanamkonda) : Not APC, but CCI.

SHRI S. BUTA SINGH : In his case it is NPCC, in your case it is APCC.

SHRI UTTAM RATHOD : I do not know why CCI did not go there. In fact CCI should have started purchasing the first day itself. But they allowed the riots to take place and created a discontentment among the cotton growers. Sir, I want these things to go. The Government has permanent machinery and all these machineries whether it is of the State Government or the Central Government they must start purchasing from the first day of the harvest season. These are some of my suggestions and I am sure the Government after having been asked by several Members, it will not think of only support prices, but it will think of giving us remunerative prices which will make our livelihood slightly better.

[Translation]

SHRI C. JANGA REDDY  
 ((Hanamkonda) : Mr. Speaker, Sir, there is no session in which the issues pertaining to the farmers are not discussed. In every session, several hours are

devoted to discuss agricultural production of the farmer but nothing concrete comes out. We and the hon. Minister make speeches here and suggest solutions of their problems but the farmer does not get what he wants. There are two reasons for it.

The Government creates uncertainty both for the farmers and the industrialists. Last year the rate of cotton was announced at Rs. 900 per quintal and today no one is ready to pay Rs. 200, or Rs. 300 for it. Regarding coconuts, a Member from Kerala pointed out that while the rate of coconut is Rs. 5, no one is prepared to pay even Rs. 1 for it.

There are two reasons for this State of affairs. As Guptaji has said, we have no agricultural policy.

[English]

What is the minimum price at which you are going to purchase ?

[Translation]

Shri Khursheed Alam Khan has written me a letter in which he has stated—

[English]

The Corporation purchases Kapas at the minimum support price as and when the prices of cotton tend to fall below the support level announced by the Government.

[Translation]

He wrote a letter to me on 19th November. Only an hour before I received a message from Warangal. After the calling Attention Notice was admitted, the agents of the Cotton Corporation and Government of India visited Warangal. The M.L. As were given notice on the 19th and they were called here on 21st. What solution has come out and what was its result ? I have just received a trunk call message at 3.30 P.M. which I shall read out—

[Shri C. Janga Reddy]

[English]

Rs. 485 per quintal long staple.

[Translation]

It is a good quality cotton and what price have you fixed? They went on 21st and I am telling you the position of the 25th. At the most it is Rs. 485 and the trader is prepared to purchase it for Rs. 494.

The Cotton Corporation comes to the rescue of the traders; rather they work in collusion with each other. I would like to inform that about 3 lakh and 7 thousand quintal cotton has reached the Warangal market to date. How much cotton has been purchased by the Cotton Corporation? Shri Khurshed Alam Khan is not present here, He will be perturbed to know how the farmer is being suppressed —

[English]

35,000 quintals. This is less than 10 per cent.

[Translation]

The condition of the Cotton Corporation and the Jute Corporation is the same. Our colleagues have revealed that the employees of the Jute Corporation are hand in glove with the traders in Bengal and Orissa and that is why cotton is not being purchased. Our friend mentioned coconut of Kerala. Similarly, Members from Andhra Pradesh, Karnataka, Gujarat, Maharashtra, where cotton is cultivated, raise issues pertaining to cotton. There does not seem to be any reason for it. I want to know from the hon. Minister whether our points are taken into consideration while fixing the support price? You say that while fixing the support price, labour, rent of the land and all other things are taken into consideration. But why are you not covering the risk element? Agreed,

you fix the price of the produce of farmers in this way but who fixes the rate of a 50 kg. bag of cement? It is fixed by the industrialist. But the farmer cannot fix the price of his produce. Who fixes the rate of steel? It is fixed by the industrialist. There should be some parity between the two. You are only taking into account the expenses incurred on the production by the farmer, but you are not covering the risk. You should take into account the prices of inputs. The farmer needs cloth to wear. He has to send his children to school. He constructs a well and when it collapses, he needs cement to repair it. You do not take into consideration all these things.

Here, more than 80 per cent Members are the sons of farmers but they do not think about the farmers. We always think of the consumer. Just now our friend was telling that if the production of agriculture goes down, the inflation will go up. If the crop is good, the national wealth of the country will increase. It is agricultural production which increases national wealth while the industrial production will not be helpful in this respect. Till yesterday, the chillies were selling at the rate of Rs. 1,500 and now the rate has fallen down to Rs. 1,000. You can see the rate of chillies and jute, today. There is no one to purchase today even at the rate of Rs. 180. The grower does not get even Rs. 2 for one kg. today. Because of competition in the market they sell it at Rs. 185 per quintal. I would request you to permit free movement of paddy, The farmer of Punjab may send his produce to Andhra Pradesh and similarly the farmer of Andhra Pradesh may send his produce to a place of his choice. Why do you impose restrictions? You should abolish the zonal system. You are imposing restrictions only in the case of farmer but there is no restriction on the industrialists. The cloth produced in Bombay and Ahmedabad is sent to the whole country. If restrictions are imposed on the movement of cloth, what will be the condition there? The Agriculture

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Minister knows that the Janata Government had abolished the zonal system. Prior to that rice was selling at Rs. 6 per kilo in Bombay and in Andhra Pradesh at Rs. 2 per kilo. After the abolition of the zonal system, the rate came to Rs. 3 per kilo in both the places. The Andhra Pradesh Government has imposed restriction on the movement of oil. There the people cannot import groundnut oil. The rate is Rs. 300 in the Hindupur market and it is Rs. 500 in the neighbouring market. The farmer is at a loss to understand what is happening. For this, I would say that you should take into consideration the inputs while fixing its minimum price. All the essential things used by the farmer, whether it is a tractor or an oil engine, should be taken into consideration ... (Interruptions) ... I am concluding my speech in a minute :

[English]

During the 1984-85 cotton season, the minimum support price of different varieties of cotton ranged from Rs. 327 (for short staple variety) to Rs. 900 per quintal (for extra long staple variety).

[Translation]

What you have done about it? This year it has been increased by 2 per cent. The rate of cement has increased by 20 per cent. The rate of steel has increased by 25 per cent. The cloth is made out of cotton. The farmer sells cotton and purchases cloth but he has to pay much more for it. The farmer sells potatoes and purchases potato chips but pays much more for it. Similarly, he sells tomatoes at Rs. 1 per kilo but purchases tomato ketchup at Rs. 6 per bottle. After all what does this mean. Some parity should be established ... (Interruptions) ... What I want to say is that the Government should consider this matter and lay down a policy and declare in March itself the support price for the next crop. There is no coordination between you

and the cotton corporation. There should be complete coordination between the Agriculture Minister and the Commerce Minister. The Agriculture Minister fixes the price but the Commerce Minister does not purchase on that price. As such there should be some machinery to effect coordination between the two ... (Interruptions) I am concluding.

I had given figures during the debate on the Calling Attention Notice. The team went there on 21st and after that I got this letter. As you yourself agree that the farmer is the backbone of this country and you can imagine what will be the condition of the country if the backbone itself is broken. You will have to produce synthetic rice and wheat through high technology. The influence of industrialists like Tata will increase more. The Government, which wants the welfare of the farmers, should keep the interest of the farmers in mind and take necessary action. Only then the country will be benefited. I request hon. Agriculture Minister that policy in this regard should be laid down and the support price of the next crops should be declared in March itself. Besides, there should be a single machinery to enforce the support price and there should be complete coordination between commerce Ministry and the Agriculture Ministry.

[English]

DR. K. G. ADIYODI (Calicut) : Today is the second day that we are discussing about the unprecedented price fall of agricultural crops in the august house. That itself shows that the gravity of the problem is unbearable. Products like jute, cotton, coconut, coffee, cardamom and paddy are main stake. The producers are not getting remunerative prices. Regarding coconut oil, the moorah session of the Cochin oil exchange on 11th November, 1985 quoted Rs. 1509.25 per quintal and the market had registered Rs. 1500 quintal of coconut oil. The price last year was Rs. 3601/- per quintal and now it is

[Dr. K. G. Adiyodi]

reduced to Rs. 1509; that is the price of coconut oil, but the price of coconut, raw nuts last year was Rs. 3150/ per thousand and now it is Rs. 1000 and Rs 1200. Compared to other neighbouring States, the productivity in Kerala is also being reduced. The yield per tree is 60 average in Karnataka and Tamilnadu, but in Kerala, it is only 35 per tree. There is a three-fold increase in the wages in Kerala. In Karnataka and Tamilnadu, the workers are getting Rs. 7 to Rs. 10, where as in Kerala, it is Rs. 25 to Rs Rs. 30. The production is just half. So; this being the case, the medium and marginal farmers of Kerala, when raw nut price is Rs. 120 per nut, they are not able to sell their raw-nuts. Traders are not coming forward to purchase the nuts. Preservation and processing are not possible; it is difficult for the medium and marginal farmers. So, the entire agricultural economy of Kerala is shattered; so also with the coffee growers. Last year, we got about Rs. 83.42 crores by way of export duty, by exporting coffee, tobacco, etc. But out of these Rs. 83.42 crores coffee alone had fetched Rs. 64 crores. The export duty on fifteen commodities has now been abolished but not on coffee. There are valid reasons for not retaining the export duty on coffee, because one third of the coffee is sold in the international market in some countries at a discount of 38 to 40 per cent and the remunerative price is not available for the cultivators also. This year also there is a heavy crop, and that may lead to further losses to the coffee growers. And a funny thing about coconut oil is that nobody is able to ensure a correct price for coconut oil—neither the finance Ministry nor the Commerce Ministry. I am told that under the OGL in Calcutta—through some benefits conferred by the Finance Ministry—coconut oil is being imported, or some quantum of oil is allowed to be imported. There is no restriction there, I am told; and there is no restriction on the import of any commodity there. So, coconut oil

is imported with this benefit and it is being sold to soap manufacturers and there is no measure to import coconut oil in India for supplying to Nepal. It was imported in Calcutta and not supplied to Nepal. I would like to know whether there is an enormous increase in the import of coconut oil, and if so what are the steps envisaged by the Government to stop the import of coconut oil.

Secondly, a marketing agency is a must for the purchase of coconuts and coconut oil. Officially about Rs. 20 crores have been spent by the Government of Kerala to help the farmers in that State. But it benefited only the traders but not the growers. The medium and marginal farmers are not in a position to sell the coconuts or oil at reasonable prices. This is the position in Kerala and I request the hon. Minister to take immediate steps to alleviate the plight of the humble farmers of Kerala and the people there.

[Translation]

SHRI PRAKASH V. PATIL (Sangli):  
Mr. Speaker, Sir, in the absence of cash credit facility, the small farmers are forced to sell their produce at a very uneconomic price. But the Government do not give cash credit facility to the small farmers. Big traders are given this facility which is not available to the small farmers, I would like to submit that the farmers should also be given cash credit facility up to Rs 50,000. Several hon. Members have pointed out in the House that in the absence of holding capacity among the farmers they have to resort to distress sale in the market. I request the hon. Minister to take steps in this direction.

So far as cotton is concerned, there is a monopoly cotton purchase scheme in Maharashtra. Last year the Government had procured 86 lakh quintal cotton and it is estimated that about 90 lakh quintal cotton will be procured this year also. We had sought permission of the Government to export 3

lakh bales but permission has been granted for 1 lakh 35 thousand bales only. We should be given permission to export 1 lakh 65 thousand more bales.

17.00 hrs.

Secondly, we had submitted application for opening 20 cotton processing factories but the Government have given permission for 6 factories only and in the case of the rest 15, it was rejected. We are not asking for loans from the Government. Our apex banks will give us loans. The NABARD will have to request the hon. Minister to invest the surplus money lying in the apex banks in the factories so that those cotton mills are set up.

Vegetables are grown in abundance in our area. The price of vegetable in village is Rs. 1 per k.g. whereas the same vegetables sell at Rs. 6 per kg. in the cities. This thing is going on for thousands of years. Transport facilities should be made available there. As the produce of the farmers is perishable and there is no facility of cold storage, the traders manage to purchase it at a very low rate. I want that the Government should build up infrastructure and make arrangement for cold storage so that the farmer may get better price of his produce.

Grapes, mangoes and oranges are grown in abundance in our area. Being known for good quality, it has a great export potential, but there is no facility of air transportation in our area. If this facility is extended there, the rates of these items will go down and we will be able to export our fruits in the international market.

In Maharashtra the irrigation facility is available only in 12 per cent area. This means that this facility is available only in 1/8th area. When we cultivate the remaining area, it does not prove economical. We can cultivate cash crops only in 1/8th area, which

yield profit also; but dry land farming causes much loss to us. Also, the Government have imposed the restriction that only a particular percentage of the irrigated area can be cultivated to grow cash crops. This restriction should be removed. In this way the loss to the farmer will be minimised.

The Government should also create infrastructure facilities, such as godowns cold storages, processing facilities etc. Besides, better transport facilities, marketing and export facilities should also be extended. The participation of farmers in the management of such facilities should be encouraged. There should be a Consultative Committee of the farmers to assist the F.C.I. and STC. People working in the F.C.I. and S.T.C. are Financial advisers and officers. Farmers should be represented therein maximum number so that they may be able to monitor the execution of work in a better way.

Regarding the figures of foodgrains pertaining to previous years, I would like to say that in 1982-83 wheat worth Rs. 384 crores was imported, in 1983-84 wheat worth Rs. 726 crores and rice worth about Rs. 833 crores was imported. In 1984-85, wheat worth Rs. 130 crores was imported and rice worth Rs. 224 crores was imported. All these things show that there is something wrong and this situation should be improved. Until the farmer is given remunerative prices, he will not increase his produce. The Government should, therefore, consider whether there can be improvement in our system of work or not. A sound policy should be evolved after a thorough investigation.

Regarding the sugar policy, I have to say that you have offered Rs. 16.50 subject to recovery of sugar. This has encouraged the farmers to grow more sugarcane. If you declare the prices in advance, the farmer can grow as much as you want.

[English]

**SHRI AMAR ROY PRADHAN** (Cooch Behar) : Mr. Chairman, Sir, a few days back we had discussed in this august House about the rise in the prices of essential commodities and now we are discussing about the crashing of prices of agricultural commodities. It is a tragedy that on the one hand when the paddy price is going down, the rice price is going up, when the sugarcane price is going down, the sugar price is going up, and when the cotton price is going down, the cloth price is going up. That is the tragedy of the country, and it is also a tragedy that the peasants who are producing paddy, wheat, jute, sugarcane, cotton and coconut by their blood and sweat, are not getting remunerative prices. On the other hand, it may be said that there has been a sharp increase in the prices of agricultural inputs like fertilizers, pesticides, diesel, kerosene, irrigational water, power, implements, seeds, etc. The main question is not the interim relief, it is not the question of giving bonus of Rs. 25 to the jute growers, it is the question of the economic policy which has brought this country to such a situation. If you go through the reports, during the years 1980-81, 1981-82 and 1982-83, while the increase in the price of agricultural inputs like fertilizer, power, seeds, etc. have been raised from 83% to 151%, the prices of agricultural produce, on an average have increased between 27% to 38%. That means the agriculturist loses by 56%. Moreover, in terms of trade, it has always been found that between agriculture and industry, agriculture loses, as compared to industry. If you go through the Reserve Bank data, you will find that during the period from 1980-81 to 1982-83 the index figure as in December, 1983 for the commodities sold by the peasants is 218 while the index figure for items of industrial goods purchased by the peasants is 267. That means the agriculturist had to pay 49% more to the industry than what he received. That is the tragedy of the whole country.

Ours is an agricultural country and, therefore, the major portion of our population, that is, about 75% of the total population, is suffering a lot because of your economic policy. But in a capitalistic society you cannot determine everything by the demand and supply rule. At present, we cannot avoid our economy, which is called a mixed economy but which in reality is a capitalist economy, to be controlled by the multinationals. For these agricultural prices, long back the National Agricultural Cooperative Marketing Federation gave a warning. I quote :

“It will be seen that whenever there has been a production increase, it has resulted in a disproportionate fall in prices. If this situation is allowed to continue, it may either affect the national production or it may lead to the impoverishment of the agricultural produce as a whole.”

But, as a matter of fact, both the evil effects of this have come up and we cannot deny it.

Let me come to jute because I am from the jute-growing area. It is, of course, true that you have begun purchase of raw jute, but I may point out that you have started its purchase late. You should know that in Assam, Meghalaya, and North Bengal areas the jute comes in the month of June. You did not purchase it at that time. At that time you left agriculturists and jute growers at the mercy of middlemen, hoarders and mill-owners. Only afterwards in the last part of the month of July you started purchasing raw jute. The growers are to sell their produce at the rate of Rs 180 or Rs. 190 per quintal.

You announced minimum support price at Rs. 223 for w-5. You also announced a bonus of Rs. 25. I must point out that all this has come in the last week of August. These small farmers do not have any holding power.

So, your late announcement has left them at the mercy of the middle-men and hoarders. Therefore, my request is that in the case of agricultural produce whether it is jute, paddy, wheat, cotton or sugar cane, you must announce their support price well before the sowing starts. Only then the farmers will be able to judiciously decide how much a particular crop should be devoted to a particular crop.

Since, a lot has been said about the Agricultural Prices Commission, I would not say any thing more on it, except on the point that some hon Members have referred to it as a white elephant. I would rather say, it is a white jackal. I say it because its price fixation of an agricultural commodity does not even take into account the cost of production correctly. If you take ploughing, sowing, combing, cutting, watering, harvesting and drying, the total cost of production comes to at least Rs. 500 to Rs. 600 per quintal, but the price which the APC has announced is only Rs. 223 per quintal. Is it a remunerative price by any standard? The farmers are not able to get back even their cost of production. The farmers are not given the price of Rs. 447-64 per quintal as suggested by the Public undertakings Committee of 1977-78 even. If you calculate according to the money value of that at the current prices, it must be more than Rs. 600. Even the Britishers who exploited the Indian agriculture had suggested in 1943 that one maund of jute is equal to two maunds of rice. If you calculate according to that its price must come to Rs. 800 per quintal.

Therefore, I would say that APC has not come forward with any of the suggestions to the benefit of the farmers and has not based prices on the recommendations of the Committee like the Committee on Public Undertakings. In fact, the APC is helping the mill-owners and tycoons and not the general jute growers who are the real sufferers. APC is not for them, but it is for the Tatas and Birlas.

**KUMARI MAMATA BANERJEE :**  
 Why should he mention names of Birlas and Tatas ?

**SHRI AMAR ROYPRADHAN :**  
 But it is a fact. Your economy is helping them.

**KUMARI MAMATA BANERJEE :**  
 Why is he taking names of Tatas and Birlas ?

**Mr DEPUTY-SPEAKER :** No arrangements.

**SHRI AMAR ROYPRADHAN :**  
 My concrete suggestion regarding raw jute is this. Regarding raw jute, what should be the price? It must be definitely increased. It must be the minimum of Rs. 600 for W-5 variety.

**MR. DEPUTY SPEAKER :** Please wind up.

**SHRI AMAR ROYPRADHAN :**  
 There must be a total change in your economic policy. You should come to the help of the jute growers. The entire jute mills must be nationalised. The entire jute trade (including export trade) should be taken over by Government. The minimum price of raw jute per quintal should be Rs. 600 for W-5 variety. The entire jute ought to be purchased by the Jute Corporation of India.

With these words I conclude.

**MR. DEPUTY-SPEAKER :** I wish to say one thin, to hon. Members about the discussion :

Minister wants to reply to will take a minimum of 45 minutes.

Now we are at 5-15. What is the wish of hon Members? Can we carry on this discussion tomorrow also?

**SHRI K. RAMACHANDRA REDDY (Hindupur) :** Better you continue it tomorrow.

MR. DEPUTY-SPEAKER : If the Minister wants to reply, we have to finish this discussion today.

SHRI K. RAMACHANDRA REDDY : Let it be tomorrow.

MR. DEPUTY SPEAKER : Does the hon. Minister want to conclude it today ?

THE MINISTER OF AGRICULTURE (S. BUTA SINGH) : Sir, I am in your hands. I would have liked to finish it today. Still I am in your hands. We have some important things; but still I am prepared to go by what you decide. I will check up with the Minister for Parliamentary Affairs about the Agenda for tomorrow.

MR. DEPUTY SPEAKER : One more discussion we are having tomorrow on Rule 184. That is regarding Jagmohan case. It is at 40' clock.

SHRI C. MADHAV REDDI : There is no discussion on Jagmohan's case tomorrow. We can discuss this after 40' clock tomorrow. We don't have heavy agenda tomorrow.

MR. DEPUTY-SPEAKER : The Minister is having some programme also. If Members cooperate we will be able to finish in a few minutes and then the hon. Minister will reply to the debate.

SHRI K. RAMACHANDRA REDDY : All should be given an opportunity.

MR. DEPUTY-SPEAKER : Let them take a few minutes each and try to finish. We cannot go on for one hour or two hours after six P.M. The attendance is very thin. Everybody speaks and leaves the House and only the Minister is replying and nobody is present ! Of Members cooperate, within a few minutes we will be able to finish it and the Minister will be able to give his reply to the Debate. I request hon. Members to cooperate.

Now, Prof. K. V. Thomas.

PROF. K. V. THOMAS (Ernakulam) : Mr. Deputy Speaker, Sir, in the last session we had an interesting discussion on natural calamities. At that time Mr. Buta Singhji was kind enough to reply to the discussion. Now we have a discussion on the prices of agricultural products. Last time Mr. Buta Singhji has helped us. I am sure that this time also he will help us a lot.

Sir, I am confining myself to the problem of the price of coconut product. The heavy fall in the price of coconut oil and other products has caused a heavy burden on the coconut growers in Kerala.

I am coming to the suggestions on how they can be helped. I do not go into other details. One is, the internal consumption has to be increased. We are always talking about the floor price. I have a suggestion that including the floor price we have to think about the maximum price because in January this year we had the maximum price for coconut oil. So, what happens ? Even in the households in Kerala, instead of using coconut oil, they switched on to the use of palm oil. So my suggestion is, along with the minimum price, we should think about the maximum price. Some of my colleagues were telling about export of coconut oil. As you know, it is not feasible because we cannot compete with countries like Philippines.

Another suggestion is regarding the help rendered by the Government of India. The Government of India is always giving the timely help. But does it reach the cultivators ? It does not reach the cultivators. So, my suggestion is, the cooperative sector has to be motivated, especially the marketing cooperatives. Earlier, in vanaspati we were using about 10 per cent of coconut oil which has now come down to zero per cent. So, my request is,

it may not be 10 per cent, but you can put 5 per cent of the coconut oil. Then the price of vanaspati may go by 10 to 15 paise. That will be helping the coconut growers in Kerala.

Another suggestion is increasing production. Now, the main problem is, the production of the coconut has come down in Kerala due to the rootwilt disease and stem bleeding disease. Here the Government has to do a lot of things, New hybrids have been formed in the laboratory, but they have not reached the cultivators. So, the Government has to take immediate action so that the new hybrid varieties of the coconut trees are given to the cultivators immediately. Then they can produce more coconuts. This will help the cultivators.

[Translation]

\*SHRI M. SUBBA REDDY (Nandyal) : Mr. Deputy Speaker, Sir, I come from Andhra Pradesh. Cotton, groundnut, paddy, tobacco and sugarcane are the main crops grown in my State and we, the Members coming from that State are much worried about the plight of farmers who raise these crops. Sir, I represent Nandyal which is in Rayalaseema. This entire area is chronically drought prone area. The rain fall here is very negligible. K. C. canal is the only source of water for agricultural purposes. There are no other irrigation facilities. The farmers in this area took every pain and risk to produce cotton with the help of scanty water which is available in wells etc. Cotton is being grown here against every odd. But unfortunately there has been no market for cotton for the last two years. Huge stocks of cotton are lying with the growers for the past two years. The price of cotton has fallen steeply. First it was Rs. 11/- per Kg. But the price then fell to Rs. 10 a Kg. then Rs. 7 and now the position is such that there is hardly any one to purchase

even at a rate of Rs. 3 per Kg. Since the colour of cotton is fading away rapidly as a result of storage, even the middlemen who purchase cotton at the lowest rate are not willing to purchase it. This is the position of cotton growers in my area. Sir, cotton growers spend a minimum of Rs. 2 to 3 thousand per acre. Apart from spending huge amounts in purchasing fertilisers and pesticides etc. which are necessary inputs, the growers undertake a lot of risk in growing cotton. In spite of all this the expenditure, labour and risk, the cotton growers are not getting even their money back, leave alone getting remunerative price. The result is that stocks of unsold cotton had piled up with farmers for the last 2 years. The cotton grown in the country is sufficient enough to meet the domestic requirements in the country. But the Central Government, ignoring this fact, has imported one lakh bales of cotton. Farmers are of the opinion that this is the primary reason for the crash in the price of cotton. Sir, there is hardly any market for tobacco either Tobacco which is used in beedi industry is grown in my area. The middlemen and agents who purchase the tobacco from the farmers do not pay them the amount regularly. There is no guarantee that they will turn up again. This is the fate of tobacco growers. I take this opportunity to request the Centre to provide market for tobacco growers in this area. Govt. must see that not only the market is provided for tobacco but also that the farmers get remunerative price it.

Sir, the fate of paddy growers is in no way different from other farmers. Food Corporation of India is the most corrupt institution in the country. FCI officials arrive and weigh the paddy and leave them in open bags in front of the houses of farmers for many days. This grain gets damaged when there are rains. FCI officials promptly refuse to lift this grain. This is the

\*The speech was originally delivered in Telugu.

[Shri M. Subba Reddy]

attitude of FCI towards farmers. It is a very serious thing and Govt. should see that the functioning of FCI improves.

Sugarcane growers' plight is no less miserable. A sugar factory was established at Nandyal with the investment running into crores of rupees. Many farmers in the area switched over to the cultivation of cane to feed the factory. As there was no water available in the KC canal, in time the entire crop was affected very severely. The loss of sugarcane crop is quite heavy. The factory had to be closed down. The loss to the sugarcane growers is unimaginable. In Rayalaseema area the land ceiling was fixed at 40 acres. But to get water for this piece of land is also very difficult since the water resources in this area are very poor. Sir, please allow me for 2 more minutes. By making use of scanty water in the wells the farmers in this area raise crops. The farmers grow groundnut with much difficulty. But there is no reasonable price offer to groundnut either. To add insult to injury, the Central Government is importing edible oil in huge quantities. Due to this wrong policy of the Govt. the prices of groundnut also crashed. There is no one to purchase groundnut even at a distress price.

The paddy growers conditions are no better. Sir, prices of all agricultural commodities like paddy, tobacco, cotton, sugarcane etc. had crashed to such an extent that the farmers have no other go except resorting to distress sale. The Government must take immediate steps to improve the situations. Sir, we have repeatedly requesting the Centre to sanction Telugu Ganga project for the better utilisation of Krishna waters. But the Central Government has not sanctioned this project so far. If taken up, it will also serve the farmers in the area. The population in Rayalaseema is around 2 crores. This is a chronically

drought prone area. Apart from drinking water, farmers also can get water for irrigation. The sugar cane production can be ensured to provide the uninterrupted supply of the cane to the sugar factory at Nandyal. So this project should be sanctioned immediately. Sir, Srisailem Project was sanctioned by late Pt. Nehru decades ago. But the execution of this project is going on at a snail's pace. It should be completed without any further delay so that benefits accrue to the people.

With the hope that the Central Government will take effective steps to avert the crash in agricultural commodities and to ensure better prices for the farmers for their produce, I conclude my speech. Thank you very much for giving me this opportunity.

[English]

SHRI C. P. THAKUR (Patna) :  
Mr. Deputy-Speaker, Sir, at the outset, I compliment the planners, the leaders and the scientists for making us self-sufficient in certain items of foodgrains. But certainly if we examine the policy from 1951 till date, then agriculture has not been given adequate attention. If we compare the wholesale price index of agriculture produce and non-agricultural produce, barring 1970-71, the agricultural price has always remained below the parity level even from the Government figures. The terms of trade have always been in favour of the manufactured group as compared to the agricultural group. In 1980-81, it was based at 122 : 200. Therefore, there should be re-appraisal of agricultural policy and what India need today is a very stable and fair price policy. The aim of the policy should be that for 15 years, the growth of agriculture should not be less than 4%. Unfortunately, there is an erosion in this pattern and that should be stopped.

We have certain very high technology to tackle the problem arising out of the Green Revolution. Even the

fruits of Green Revolution are not spread all over the country. They are limited only to 4 or 5 States and only in respect of certain variety of crops. So, there should be re-appraisal of this policy. Regarding a few items, say import of oilseeds, every year, we are importing oilseeds. Therefore, I suggest that the production of oilseeds should be increased within the country. There should be some subsidy for items in the non-traditional areas like coconut, as suggested by my friends from Kerala. The subsidy component should include oilseeds such as coconut also.

Regarding jute, the export of jute and jute products has gone down. As other hon. Members have suggested, the Jute Corporation of India should come in a big way to support the farmers. This year, really, in the eastern portion of Bihar there was distress among the farmers because of crash in the price of jute. Another thing which the jute Corporation of India should also look into is how the export of jute and jute products should be increased. There has been a decline in the export of jute carpets.

We have not paid adequate attention to food-based industries. Many food-based industries can be developed. My learned friend from Manipur raised the question of maize. Maize can be used for production of oil in which we are short. We have to think on those lines also.

Coming to fruits, in Patna, for example, the Digha mango is very famous. But those people are not getting adequate support. Export of fruits should be encouraged. Once I was in England, and when I was eating some mangoes, I enquired from where they came; and they said that they got them from Israel and Kenya—not from India. So, the export potential in respect of agricultural produce has to be fully exploited and utilised.

Regarding export of wheat, there was some news item in the papers that

we could not sell our wheat to other countries because we could not transport in a short time. So, the infrastructure for that has also to be developed.

The time is very short. I thank you for the opportunity you gave me.

MR. DEPUTY-SPEAKER : As a special case, I will allow a few Members. They will only make their points and not make speeches.

Mr. Thampan Thomas.

SHRI THAMPAN THOMAS (Mavelikara) : There is a Warehousing Corporation in India which is supposed to help the agriculturists in getting the support price and in avoiding distress sale. Will the hon. Minister inquire into the activities of this Corporation, how far they were helpful to the farmers in getting the right prices for their commodities. If I may say so, instead of stocking agricultural commodities, they are stocking cement and other industrial products. I am only pointing this out to show the fallacy of the Government's economic policy, and because of this, we are not in a position to give proper prices for the agricultural produce.

About agro-based industries, I want to ask how many agro-based industries we have started in the recent years and how far we could help the farmers in using these agricultural products for industrial purposes. Has the Government thought of helping the farmers to use their agricultural produce for industrial purposes?

Recently the Prime Minister visited our State, and we presented to him a memorandum regarding price-fall in respect of coconut. And what he said was : "Your price is higher than the international price; therefore, what could I do?" This was the question which he raised. May I ask this question? Have this Government ever thought of helping the agriculturists at the production stage—to produce

[Shri Thampan Thomas]

at a lesser cost—by subsidising the agricultural process. Instead of subsidising the agricultural process, what they are doing is that they are only complaining that our price is higher than that of the international market.

They are importing edible oil and other consumer items from outside. They are distributing the palm oil through the fair price shops. Why can't they distribute the coconut oil through fair price shops, to the ration-card holders and thus develop the internal market ?

So, unless they review their economic policy, these contradictions will continue.

These are the things that I wanted to raise.

SHRI A. CHARLES (Trivandrum) : Sir, the agony of the agriculturists in respect of sugarcane, cotton and other crops has already been explained by my friends. Due to lack of time, I am constrained to speak only about the agony of the coconut growers in Kerala. In Kerala coconut is the wealth of the poorest of the poor. More than fifty per cent of the coconut-growers have only five cents of land or three cents of land or even less than that. They have only a small dwelling place and a few trees around their dwelling place—this is all their wealth. When they have no work, they have to depend on these coconut trees; they pluck a few coconuts and sell them and that is how they earn their livelihood.

If there is crash in coconut price, the whole economy of the State is lost. The poorest of the poor is suffering. I would like to make the following suggestions.

(a) Coconut be declared an oilseed. The concessions given to the oil seeds be given to coconut also.

(b) A remunerative price of not less than Rs. 2 per coconut be given.

(c) Alternative use i.e., commercial use of coconut oil be found out; and

(d) Import of Palmoil be restricted.

Since 60% of the coconut oil is being used as edible oil, the import of palmoil should be restricted and the coconut oil be distributed through Public Distribution System.

With these suggestions, I conclude Sir.

[Translation]

SHRI RAMASHRAY PRASAD SINGH (Jahanabad) : You have allotted very little time. I want that the Government should reply to two to three questions. The first question is: what is the reason of fall in the prices of agricultural produce ? The price which is fixed by the Government does not remain stable even for one year. The prices of industrial goods, which are fixed by the industrialists, tend to increase steadily and there is no decline. It has been observed that once the prices increase, they never come down. But there is constant fluctuation in the prices of agricultural produce, and at short intervals of as much as 8 days. What is the reason for it ?

For the control of prices in the market, three corporations have been set up. These are the Food Corporation of India, the Jute Corporation of India and the Cotton Corporation of India. Their work is to monitor the trend of prices in the market. Had these corporation done their duty, the prices would not have fallen in this manner. Whatever support price you announce, the commodities should be available at that price. But this does not happen. We do not want increase in the prices but the produce of the farmer should be sold at the price which is fixed by Government. In this situation you should compare the prices of the

commodities of both the sectors and see that the farmers are able to purchase items of their necessity after selling their produce. They should not face any difficulty in this regard.

In the end, I would say that the present system will not with stand the strain and might crumble at any moment.

SHRI KAMMODILAL JATAV (Morona) : As the subject has been discussed at length in the House, I would not say much on it. Mustard is produced in large scale in Haryana, Punjab, Madhya Pradesh, Uttar Pradesh and Rajasthan. But the House has not discussed the crash in the prices of mustard. Mustard was selling at Rs. 700 to Rs. 800 per quintal last year but now it is being sold at Rs. 400 per quintal. I would submit to the hon. Minister that he should look into the crash in the prices of mustard.

[English]

DR. A. K. PATEL (Mehsana) : Sir, on the floor of this House, for the last two days, all my colleagues and friends are discussing about remunerative prices for agricultural products. I would like to say that in this country farmer is highly neglected and because the farmers are not united, they don't get proper prices for their products.

Almost all my colleagues and friends are talking the same thing unanimously. The condition of the farmer is going worse day by day and for that, it is high time to decide such a policy, so that the farmers get proper prices. Farmer is the biggest consumer and the whole economy will be improved if the economic conditions of the farmer is good. The farmer is prepared to give his products at a lower rate provided the cost of production of those items is also low. For that the Government should give the facilities, so that he can produce the thing, which can be, if desired given at a lower rate.

As you see and as so many friends of mine also said, the water, irrigation, electricity are becoming very costly. Government should give all facilities for supply of water for irrigation either by canals or by other means. The farmer should be assured of a minimum support price so that he can at least get back the cost of production. You know the farmer gets nothing for the labour the members of his family put in for the cultivation. They do not get even the minimum price. Hence I request the hon. Minister through you to evolve a policy by which the farmer gets a proper and remunerative price for his produce.

SHRI K. MOHANDAS (Mukundapuram) : Kerala is the land of coconuts and its economy mainly depends on it. Needless to say that any downward trend in the prices of coconut will badly affect the growers and put the economy of Kerala out of gear. This is exactly what has happened in Kerala this year. This year there is a real crash in the prices of coconut and coconut oil. The price of coconut was around Rs. 4 per nut in 1984. It has now come down to almost Rupee one. The price of coconut oil was Rs. 3335 per quintal in 1984 and it has come down to just Rs. 1350 in 1985. This has not only hit the farmers hard but caused a huge loss of Rs. 1000 crores to the State as a whole. Thus the farmers are in distress and the economy of the State is in ruin.

In this context regret to say that the Central Government has not done much to save the farmers. The financial condition of the State Government is bad and it cannot do much in giving help to the farmers. In spite of this the State Government stepped in and tried to procure the copra. The Kerala State Co-operative Marketing Federation was the agency through which the State Government tried to procure copra. But that organisation has its own limitations. First, its financial base is weak and secondly it has no storage facilities. So naturally the

[Shri K. Mohandas]

effort to procure copra has failed and the prices continued to fall.

I am really sorry to say that the Government does not have a long term policy in respect of the pricing of agricultural commodities. The Government is following an *ad hoc* policy in this regard. I would say that is the duty of the Government to stabilise the prices of agricultural commodities and save the farmers from evil effects of wide fluctuation in prices of their products. Unfortunately the Government is yet to formulate such a policy. That is why the present situation has come about.

During the past 15 years the Government has been importing coconut oil off and on to satisfy the industrial lobby in the country. This import has always dealt a heavy blow to the economy of Kerala. But our protests are not listened to and our problems are not considered. The Government and the representatives of the people have been urging upon the Government that measures should be taken to arrest the decline in the prices of coconut and its products. But the Government at the Centre did not pay the attention it deserved. I want to tell the House that a large majority of the people in the coastal belt in Kerala entirely depend on coconut cultivation for their livelihood. The steep fall in prices has severely affected their means of livelihood. Today the situation in Kerala is such that out of sheer desperation the people have taken to agitation. It is not a pleasure to stop the trains or offer dharna in Parliament or elsewhere. But there is no other way to draw the attention of the Government to the miserable condition of the coconut growers who are mostly small and marginal farmers holding one or two hectares of land.

Now what should the Government do to arrest the fall and stabilise the

price? I have a couple of suggestions to make. First of all the Government should announce a support price for copra. The farmers must get at least Rs. 2 peranut. Similar there must be a permanent arrangement to procure copra so that the supply side is fully taken care of and the STC can be entrusted with this job. If supply is streamlined, wide fluctuations in prices will not be there and prices will stabilise. This has to be done immediately. Another suggestion I want to make is that some quantity of coconut oil should be exported. It may be that we may face some tough competition from other countries. But the Government should make an honest effort in this direction. This will certainly help the growers because the downward trend will stop immediately.

Finally I would once again request the Government to take all steps necessary to stabilise the price of coconut and its products and save the farmers and the economy of Kerala from total ruin.

[Translation]

SHRI MANOJ PANDEY (Bettiah) :  
Mr. Deputy Speaker, Sir, I want to draw the attention of the hon. Minister to the condition of the farmers of North Bihar and Eastern Uttar Pradesh. The situation today is that we are unable to fetch the support price announced by you. Presently, paddy is being sold at the rate of Rs. 100 per quintal whereas people are purchasing rice from the market at the rate of Rs. 350 per quintal. There is a profit of Rs. 250 per quintal and out of this at least Rs. 150 per quintal is being pocketed by the intermediaries. This happens every year. It is happening because there is no arrangement for agriculture marketing. In this context I have met the hon. Minister many a time and being a member of the Consultative Committee, I have raised this question there also that without any arrangement for agricultural marketing,

there is no use of fixing the support price. Unless you ensure agricultural marketing arrangement and the State Government also enforces it properly, the farmers are not going to be benefited with the fixation of the support price. So far nothing has been done in this direction. We may discuss the matter to any length in this august House, but the fact remains that even now the farmers are not getting remunerative prices of their produce.

One thing more. Whenever we discuss the issues about agriculture sector, it has been said that it is an unorganised sector. I would like to ask for how long will it remain unorganised. At some point of time you will have to organise it. Therefore, I humbly request the hon. Minister to organise the agriculture sector so as to find a solution of the problem.

The situation today is that in every Panchayat, the number of agricultural labourers is increasing. All the marginal farmers and the medium farmers of North Bihar and East Uttar Pradesh are becoming agricultural labourers. The number of farmers is coming down. Because of the presence of the intermediaries, our position is worsening.

With these words, I conclude and request the hon. Minister once again to pay attention to this aspect.

[English]

THE MINISTER OF AGRICULTURE (S. BUTA SINGH) : Sir, first of all I express my grateful thanks to the hon. Members for giving their valuable views on the state of affairs of the pricing of agricultural commodities in our country. I cannot vie with them because they are in a better position but I have all my sympathies with the 'kissans' of the country who are producing under very very difficult conditions. They have to suffer at the time of disposal of agricultural produce for want of—as Shrimati Sheila Dikshit rightly described—proper management.

The issue before the House is not only the policy of the Government but along with it the system itself. In India we have been able to achieve remarkable success in agricultural production as pointed out by Dr. Thakur but we have yet to build a system by which we can ensure regular monitoring and regular pricing structure including the godown facility, the transportation facility and giving full protection to some of the crops which are highly prone to various kinds of vagaries of nature. Some hon. Members asked, why cotton has not been covered by the insurance scheme.

These are the various aspects of the present situation, relating to the crisis of management of post harvest management of our crops. This is perhaps the need of the hour that we should be addressing ourselves to take care of the crop after it has been harvested. To this our Ministry and the whole Government are trying to pay their attention to see that the agricultural produce in India also gets better attention for its post harvest handling. I am happy Shri Indrajit Gupta has come because he was raised some fundamental issues.

Before I take up the points raised by the hon. Members I would like to place before the august House the situation in the world so far as agricultural produce is concerned and then we can picture out our position because we cannot stand in isolation. The picture in the whole world is rather gloomy for the agriculturists if we compare the international price of some of the commodities in 1985 with those in 1984. The soyabean prices have come down from US \$ 245 per metric tonne to US \$ 207 per metric tonne. Palm oil has come down from US \$ 611 to US \$ 360. Coconut oil about which all the hon. Members from Kerala were agitating has come down from US \$ 1170 to US \$ 427. The groundnut oil has come down from US \$ 931 to US \$ 810. Soyabean oil has come down from US \$ 694 to US \$ 469.

SHRI INDRAJIT GUPTA (Basirhat) : Do you mean to say these are the prices paid to the farmers ?

S BUTA SINGH : These are the prices prevailing in the market. I am comparing them with those of the last year I am quoting from the World Bank statistics. This is the present situation. I am trying to highlight the downward phase in the prices of agricultural commodities in the world.

SHRI S. M. BHATTAM (Visakhapatnam) : Is it the price given to the farmers in the international market ?

S. BUTA SINGH : Let me compare the last year market price to this year's market price. I am trying to highlight the downward trend in the prices of the agricultural produce. The jute price has come down from US \$ 575 to US \$ 350. This is the trend in the world market. In this background we have to view.

Sir, only recently I have been able to visit some of the most advanced countries including European countries and talk to Agricultural Ministers of some of the countries which have done well in agriculture produce like Indonesia, China, Japan and Netherlands where the agricultural produce has touched new heights. They are also faced with the same situation. But in our country the situation becomes more serious because the cost of production is higher. The cost of production of every commodities in our country is higher because of cost of inputs and not new modern technology being used. The cost of irrigation the cost of electricity and the cost of inputs is higher. Because the cost of production is higher, therefore, the commodity itself becomes so costly that we cannot take it to the international market. If we take it to the international market we will lose heavily and again inflation will come and general economy will suffer.

It is very difficult to export the Indian agricultural commodities to the world market. Most of the hon. Members wanted to know why we are not

able to export our agricultural produce. This is the reason. Who will buy ? At what cost ?

AN HON. MEMBER : It can be subsidised.

S. BUTA SINGH : If you want to subsidise everything then somebody will have to bear the burden. It is a very difficult situation and we are trying in our own humble way to see that the things are not allowed to go from bad to worse. That is why the whole structure has to be revamped and also—as I started my remarks by saying—we have yet to develop post harvest care of our crops. Every aspect of the post harvest care needs sufficient attention. Take transportation from the field. It is highly out-dated. Take the storage facilities in the villages. Again adequate storage facilities are not available. The result is that the farmer has to rush the crop immediately to the market and come in contact with some of the agencies like middlemen or the money-lenders. Therefore, we have to provide some agency through the cooperatives preferably or by the farmers themselves to see that the agricultural produce which is brought by the farmer is taken care of. We have to build sufficient storage capacity in the villages so that the farmers can keep the agricultural produce till the price situation prevails.

20 22.

Sir, so far we have been living by subsistence agriculture. Now the stage has come when we have to seriously think that it is no more subsistence agriculture. We have to commercialise Indian agriculture. We have to add value to the crop. The other day I was discussing with some of the officers of the Textile Department about cotton. There I put the same question. They said who will buy the cotton because in the international market, the prices are very much so lower. I enquired from the officials as to why we are selling cotton as cotton and why we cannot process it and then sell it. They said that it was a good idea. If we

produce yarn out of cotton, it will get better market price. Inside the country, I have come to know that most of the spinning mills are suffering because sufficient yarn is not produced within the country and something must be done I am just trying to cite an example that it could be done. If cotton is processed into yarn, it can get better price and farmers can get remunerative price for their produce.

Similarly, potato is used as a vegetable and that too in urban areas. The villagers and the poor people cannot afford vegetable. They take food with all sorts of chillis and pickles and they cannot afford vegetable. Then, we are processing potatoes. Why should it be sold in the urban areas and cannot the rest of the potatoes be put to other uses? So many industrial products like starch, alcohol, etc. are produced from potatoes? Similar is the case in regard to maize, wheat, etc. Wheat is taken as flour. So many things can be made out of wheat and rice. We have to give more attention to the processing of oil seeds. I agree with many hon. Members who spoke that mustard has not been able to get a better price. The mustard produced in Rajasthan has to go all the way to Calcutta to get processed. Why can't we open some processing mills in those places where they are produced so that kisans can produce more mustard and get better price and the mustard oil could be locally used because most of the people in the rural areas, use oil as cooking medium, whether it is groundnut oil, mustard oil or rapeseed oil. Therefore, we should give more attention to processing units so that most of the agricultural produce can be processed.

Now, having said that, I come to the question which was posed to me by Shri Indrajit Gupta. He asked: What is the policy? It is late in the day to spell out the policy. He knows it very well. Sir, the policy in brief is that the Government wants to assure remunerative prices to the producers so that they get reasonable return and are also motivated to increase their pro-

duction and productivity, and at the same time to enable the consumers to get essential commodities at reasonable price.

Sir, while protecting the producers' interests, the Government has introduced the procurement price policy and also the support price policy. The procurement is available only for two crops, that is paddy and wheat and it is compulsory for FCI to buy all the surpluses which are available in the market. The support price mechanism is only the stand by arrangement. Whenever the price touches the level which has been fixed as support price, only then the market agencies, the cooperative marketing federations or the Government come into the market and intervene on behalf of the growers and then they make purchases. Most of the commodities in agricultural sector are covered by support prices. Some hon. Members said: what is the use of raising this issue time and again in this House? I must remind them that it is because of the attention given to this issue in this House in the last session, it is because of the hon. Members' views and their suggestions that we have extended it to most of the crops. Earlier the coarse grains were not covered, oil seeds were not covered, fresh vegetables were not covered. I remember that Shrimati Sheila Dikshit last time literally came to me running and said that in her constituency potatoes are being sold at very low price and why the Government should not enter the market to save the farmers. When I checked up, I found that there was no support price for potato. Therefore, we had to decide in consultation with the State Government and we did intervene last time. That was for the first time that potatoes and onions were purchased under support price policy in Uttar Pradesh, Maharashtra, West Bengal, Punjab and Himachal Pradesh. We did purchase potatoes and onions at support price and that helped the growers of these highly perishable commodities and the prices stabilised after the intervention of the Central agency.

[S. Buta Singh]

18.00 hrs.

Now, the Government has decided that all the coarse grains which I have mentioned will be covered under the price support scheme. The hon. Members from Kerala made a very strong plea that coconut should also be covered. I remember that last time I had stated that coconut is covered by the coconut Board. Strictly speaking, it does not come under the purview of the support price, but this time we have decided as a result of the very strong plea made by the hon. Members in this House that coconut will also be covered by the support price, and the Government will try to help the State Governments of Kerala and other States, where coconut is produced, so that the growers are not made to suffer.

Hon. Member, Shri Indrajit Gupta wanted to know about the storage capacity. The storage capacity at the moment is 30 million tonnes out of which a capacity of 8 million tonnes is available for the cooperative societies in the rural areas. We also propose to have a national grid of rural godowns. It is being created through the Department of Rural Development to assist the small and marginal producers in the agricultural sector. This is a scheme of the Government of India through the Rural Development Department in which a huge subsidy is given to the State Governments, to the cooperative sector and the institutions, but unfortunately when I look at the performance of the various State Governments, they are not coming forward. Therefore, I will request the hon. Members to use their good offices with the respective State Governments and tell them that they should be building more storage capacity and the Government of India can assist them with a substantial subsidy; the cooperative sector and the State Government should see that sufficient storage capacity is created in the villages, because it immediately goes to help the small and marginal farmers.

As I said, the consumers' interest has also to be protected. While we have to ensure remunerative prices to the producers, at the same time, we have to enable the consumers to get essential commodities at reasonable prices through cooperativization of the producers and consumers.

We are having a series of meetings with the Ministers of the various State Governments. Now, the next meeting is with the Rural Development Ministers. I will try to highlight this point. They should now be quite aware of the situation in the agricultural sector. The Government of India can do the job of a pilot, a guide, but it is actually the State Government which should themselves organise the producers. It is something amazing to hear from my comrades from CPIM in West Bengal the plight of the jute growers. I have all the sympathy, but there is no reason why the State Government should not be organizing the producers through the cooperative sector. Why are they allowing the Tatas and others to cheat the farmers? ..... (Interruptions). Why don't you organise your cooperative societies?

AN HON. MEMBER : We have done that.

S. BUTA SINGH : You have not done that.

SHRI SAIFUDDIN CHOWDHARY (Katwa) : We have demanded their take over.....(Interruptions). You give us the money.

S. BUTA SINGH : Why should we give you the money? The cooperative movement should be built by you..... (Interruptions). Now, I have to teach the basis of the cooperatives to the Marxists, I am sorry. I am not a best person to teach the cooperative principles to the Marxists. They should know them. We will, of course, help to the extent possible and we are doing that. We will definitely help, but let

them come forward.....(Interruptions). You are a Marxist Government caught in a capitalist whirlpool in West Bengal. You should try to get out of it and we will help you. You should be building up the cooperatives.

SHRI AMAR ROYPRADHAN : There are jute growers in Meghalaya, Bihar, Assam, Tripura also. Are they better ?

S. BUTA SINGH : Let us first do it in West Bengal; we will go to Tripura later on.

I am trying to argue with the hon. Members that they should build the cooperative movement in West Bengal to show to the rest of the country that they are committed to socialist ideas.

Now, the term is coming to an end and you should be waking up. What are you going to tell the people ? Therefore, we would like to see from West Bengal a real cooperative movement coming up. We will help you all out to see that you would help the growers, the farmers and the peasants. I am happy that in your State the land reforms were implemented in a better way. But at the same time, you should help the farmers to organise cooperative societies and see that better remunerative prices are paid for their produce.

Hon. members have rightly expressed their concern about jute. I remember, in the last Session also there was a question and I had replied it. Not only I, but some of my replies were supplemented by hon. Minister Shri Chandrasekhar Singh by adding that the Textile Department will add another Rs. 25 and ask the Jute Corporation to enter the market and buy the stocks. If I go by the figures, the quantity that the Jute Corporation of India has really procured by this time is quite substantial. It is 16 lakh bales. Last year it was only 7.7 lakh bales. So, it is more than double as compared to last year.

There is also another promising feature. The Textile Department has already taken steps to see that most of the closed units are re-opened and allowed to function so as to ensure that the quantity of jute procured by them would also help the growers. We have taken many steps by which the jute growers have been helped. By tying up the arrangements with the State cooperatives for procurement on an enlarged scale including the grant of advanced credit, recruitment of additional staff to man the new centres and strengthening of the existing ones through absorption of casuals, lending of staff from the NJMC Ltd., temporarily for procurement operations, acquisition of additional storage space and increase of storage capacity from 11 lakh to 15 lakh bales and securing the approval of RBI for two separate credit limbs for price support and commercial operations, the credit limit for price support operation being practically unlimited, we have helped the jute growers.

JCI has already purchased 16 lakh bales of raw jute, which is the ever-highest procurement made by the JCI in the corresponding period in any year.

SHRI AMAR ROYPRADHAN : What is the break-up figure for the cooperatives and the JCI ? Can you please tell us ?

S. BUTA SINGH : At the moment, I do not have the figure, but I will definitely supply the information to the hon. member.

So far as cotton is concerned, under the market support operations, the Cotton Corporation of India purchases cotton of fair average quality at the declared minimum support prices. Wherever the cotton offered does not meet the quality specifications, naturally, the price offered is lower than the minimum support price announced by the Government. The CCI purchases all cotton offered to it irrespective of the

[S. Buta Singh]

year of production and offers a price commensurate with the variety/quality. The primary function of the CCI is to purchase cotton both on commercial account as well as a price support measure with a view to meeting the raw material requirements of NTC and other mills. When warranted, depending on its stocks, the requirements of domestic mills and conditions in the international cotton market, the CCI is authorised to undertake export of cotton.

Hon. members from Andhra Pradesh made a point in this regard and as mentioned by one hon. member himself, the Central Team is in Andhra Pradesh and we are awaiting its report. As soon as the team returns and submits a report, we will take due note of the recommendations of the team of the Central Government.

SHRI C. JANGA REDDY : They are not purchasing.

S. BUTA SINGH : The Government has already authorised...

(Interruptions)

[Translation]

SHRI C. JANGA REDDY : They are not purchasing. They had left on 21st and today it is 25th...(Interruptions)

In Adilabad, cotton is also being burnt.

S. BUTA SINGH : Teach the farmers good things. Do not talk of these things...(Interruptions)

I will tell you, please be seated...

(Interruptions)

SHRI C. JANGA REDDY : We are not teaching them to burn. You are forcing us to burn.

[English]

MR. DEPUTY SPEAKER : Please sit down. That is not a way of arguing. If he is not yielding, I cannot allow you. Janga Reddy, please take your seat.

[Translation]

SHRI JANGA REDDY : Last time in Adilabad you fixed Rs 535 for the cotton. That is why people are burning the crops.

S. BUTA SINGH : Last time we permitted Andhra Pradesh to export 10,000 bales.

[English]

Last time, we released a quota of 10,000 bales for the last year's crops. But they had registered with the Textile Commission for 5,000 bales only. We allowed the Andhra Pradesh Government to export 10,000 bales, but they registered only 5,000 bales. On August 10...(Interruptions)

Till August, 1985, they registered only 5,000 bales and they exported out of it...(Interruptions)

SHRI C. JANGA REDDY : I am having a document which was given to the Parliament. I will show you, Sir...

(Interruptions)

S. BUTA SINGH : I Cannot have a running commentary, if you agree with me...(Interruptions)

MR. DEPUTY SPEAKER : If you want to say anything, you give a notice, I will see. I cannot allow you now...(Interruptions)

S. BUTA SINGH : This is the information I got through the Government of Andhra Pradesh and I am quoting it and if you find any fault in it. You can check up with the State

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Government. Out of the 5,000 bales which they registered only 3140 bales were exported...(Interruptions)

SHRI C. JANGA REDDY : He is misleading the House...(Interruptions).

MR. DEPUTY SPEAKER : Don't record.

(Interruptions)

SHRI C. JANGA REDDY : He has told the House that they have given 5,000 bales. This is the reply given by him...(Interruptions)\*\*

MR. DEPUTY SPEAKER : Don't record.

If at all there is anything contradictory please give me a statement in writing.

S. BUTA SINGH : Sir, whatever I have given to the Parliament, it has come from the State Government...(Interruptions)

MR. DEPUTY SPEAKER : What the Minister says, you take into consideration...(Interruptions)\*\*

S. BUTA SINGH : This is the figure that I have received...

(Interruptions)

If the hon. Member wants to correct it he can do it.

MR. DEPUTY SPEAKER : Mr. Janga Reddy, please take your seat. Nothing will go on record. Mr. Minister you carry on. You give notice, I will consider it. I cannot allow you now...(Interruptions)

[Translation]

SHRI C. JANGA REDDY : You have stated that you allowed State

Trading Corporation in Andhra Pradesh to sell 10,000 bales but we sold 15 thousand bales...(Interruptions) It is on record.....

[English]

MR. DEPUTY SPEAKER : You give in writing, I will verify it. I cannot allow like this...

Nothing will go on record.

(Interruptions)\*\*

S. BUTA SINGH : These figures are given by the State Government. Therefore, if you have any additional information, I will take. What is the point ?

MR. DEPUTY SPEAKER : If you go on speaking like this, I will adjourn the House. That is what I can do. I told you. If you have any objection, I will consider it.

This is not the way. You are senior people. You have to listen.

(Interruptions)\*\*

[Translation]

S. BUTA SINGH : Shri Janga Reddy, if you claim that your figures are correct—

[English]

— We will take them; but this is the information that I have received.

SHRI BASUDEB ACHARIA (Bankura) : You cannot challenge his figures.

S. BUTA SINGH : I am not challenging his figures. But I am trying to rely on my figures. (Interruptions)\*\*

MR. DEPUTY SPEAKER : The Minister is also saying that he got them

\*\*Not recorded.

[Mr. Deputy Speaker]

from the State Government records. Then why are you arguing like this, Mr. Reddy ?

(Interruptions)\*\*

MR. DEPUTA SPEAKER : I will not allow this kind of a discussion. Otherwise, I will adjourn the House. That is all I can do.

(Interruptions)\*\*

MR. DEPUTY SPEAKER : Mr. Janga Reddy, are you replying to the discussion, or is the Minister replying ? I want to know it. You take your seat.

S. BUTA SINGH : Having spoken about cotton, I would like to come to coconut now.

SHRI INDRAJIT GUPTA : Please check up the figures.

S. BUTA SINGH : Yes; I will do it. But why is he agitated ? I do not know, because these are figures from the State Government.

SHRI INDRAJIT GUPTA : Both the figures cannot be correct. Either his figures are correct, or the Minister's figures are correct.

S. BUTA SINGH : I will check up from the State Government. May be the period that he is quoting is not covered here; or the period I am quoting is not covered by him. (Interruptions)\*\*

MR. DEPUTY SPEAKER : The Minister says he will check up. You are wasting the time of the House. That is all I can say.

[Translation]

SHRI C. JANGA REDDY : Sir, there is no coordination between the State and the Centre...(Interruptions)

S. BUTA SINGH : We have coordination with the Andhra Pradesh Government, Maybe you do not have any coordination Therefore, please sit down. We shall see your figures later...

[English]

SHRI C. JANGA REDDY : He is not purchasing at the rates you have fixed. That is our contention.

S BUTA SINGH : O.K.; we will check up. Please take your seat. Now, Sir, the hon. Member Shri Uttam Rathod spoke about coconut. I have said that it will be covered by the support price. He also said that cotton should be covered under the crop insurance scheme. The House will be happy to know that from next year, cotton will be covered under the crop insurance scheme This has been decided.

Now about the problem relating to coconut faced by the Government of Kerala : The Government of Kerala have intervened in the copra market through Kerala State Cooperative Marketing Federation, and Kerala Coconut Development Corporation from 27th June 1985, and are purchasing copra at a price of Rs. 1200/- per quintal. So far, 15,000 tonnes of copra have been purchased by the Marketing Federation.

Reserve Bank has given credit authorization for Rs. 22 crores to Kerala Government for the procurement operation of copra by the Marketing Federation.

Import of copra and coconut oil has been discontinued since May 1984. No import of these commodities has been made for edible purposes.

Now about financial assistance for controlling root-wilt disease and for rejuvenation of unproductive plantation :

(i) During Sixth Plan, a scheme for providing financial assistance to coconut growers for removal of diseased palms was implemented in Kerala, and an amount of Rs. 84.75 lakhs has already been released through Coconut Development Board. As per the scheme, cash assistance was given to the growers for removal of disease-affected trees @ Rs. 75 per tree, and 50% subsidy on the cost of seedlings and inputs such as fertilizers and plant protection chemicals.

(ii) Another scheme for rejuvenation of diseased and unproductive plantation in Kerala is being implemented in the State as a Centrally-sponsored scheme. The scheme envisages supply of 4.4 lakh hybrid seedlings and fertilizers at 50% cost. The total cost of the scheme during 6th Plan was Rs. 102.93 lakhs to be shared equally by the Centre and the State Government.

(iii) Assistance provided due to drought to Kerala for coconut :

- (a) Removal of root-wilt affected plants...Rs. 30 lakhs;
- (b) New plantation of coconut in the areas affected by drought... Rs. 15 lakhs.

So, these are some of the new steps that we have taken. (Interruptions)

SHRI A. CHARLES (Trivendrum) : What about the import of coconut oil for industrial purposes ?

S. BUTA SINGH : Only a limited quantity of coconut oil was allowed as replenishment to the exporters. As a matter of fact, there is no import of coconut oil. A last word on coconut, before I conclude. During the Sixth Plan period about Rs. 3.5 crore was given to Coconut Development Board as Plan and Non-Plan funds. It is proposed to strengthen the development programmes of Coconut Development

Board in the Seventh Plan. Accordingly, nearly Rs. 75 crore would be provided to the Board for taking up various developmental activities.

One thing I want to assure the hon. members that we, in the Agriculture ministry are very keen to see that our farmers are not allowed to sell their commodities in distress. I agree with the hon. members especially from the areas where this distress sale is taking place, whether it is oil seeds or perishable commodities like potatoes and onions, we will be planning well before the harvesting season, and Nafed has been instructed to take measures and also discuss with the State Governments concerned in these commodities to see that well before the arrival of the commodities in the market, adequate steps are taken to ensure that through the State Cooperative Marketing Federation, Nafed on its own and other Government agencies, are present in the market so that farmer is not cheated and fleeced by the middle men and the money lenders. There will be more more happy than myself, as Minister of Agriculture to see that the kisans are not cheated in the *mandis* by these anti-social elements, who are at the moment thriving on the pitiable conditions of the kisans in some of the *mandis* in the country. I will be happy if the hon. members could let me know which *mandi* they would like, either Nafed or the State Marketing Federation, to intervene and I will immediately issue instructions;

With these words, I must express my thanks to the hon members for having given me their valuable thoughts.

MR. DEPUTY SPEAKER : The House stands adjourned to meet tomorrow at 11 A.M.  
 11.23 hrs.

The Lok Sabha then adjourned  
 till Eleven of the Clock on Tues-  
 day November 26, 1985/  
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