

[Shri Uttam Rathod]

news. If it is against a Harijan it also becomes a State news but if it is an excriminal tribe and upper community it does not even become a district news. This is the irony of our promise given in the Constitution for equal rights. How is that not a single member who spoke today participated in the Punjab discussion? Only Hindus and Sikhs participated. Let us all fight together then only we shall see that we are one.

18.10 hrs.

ESSENTIAL COMMODITIES (SPECIAL PROVISIONS) CONTINUANCE BILL

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT): Sir, the Essential Commodities (Special provisions) Continuance Bill is listed for today. The previous Act is going to lapse and it needs to be extended in the present situation. This has to go through the Rajya Sabha also. I therefore request that this Bill may kindly be taken up now and further discussion on the communal situation taken thereafter.

SHRI EBRAHIM SULAIMAN SAIT (Major): What happens to the discussion on communal situation?

SHRI INDRAJIT GUPTA (Basirhat): When will the Minister reply?

SHRI H. K. L. BHAGAT: So far as communalism is concerned, the Minister will reply only after all of you have spoken.

PROF. SAIFUDDIN SOZ (Baramulla): We have no objection.

MR DEPUTY SPEAKER I think the House accepts the Minister's request. We will now take up the Essential Commodities (Special Provisions) Continuance Bill.

SHRI H. K. L. BHAGAT: I also wish to inform the Hon'ble Members that after 8 O'clock - I hope this Bill finishes by then - dinner will also be arranged for the Members.

SHRI EBRAHIM SULAIMAN SAIT: We can continue further discussion on the communal situation tomorrow after Zero Hour.

MR DEPUTY SPEAKER Up to 3.30 we will discuss it. Tomorrow we are discussing definitely.

PROF. SAIFUDDIN SOZ: Kindly understand. It is a very good suggestion.

MR. DEPUTY SPEAKER: They will take into consideration your suggestion.

SHRI H.K.L. BHAGAT: Sir, I beg to move: "That the Bill to continue the Essential Commodities (Special Provisions) Act, 1981 for a further period be taken into consideration "

The Essential Commodities Act, 1955 provides for the regulation of production, supply and prices of essential commodities. This act has been amended from time to time to make its provisions more effective. The Essential Commodities (Special Provisions) Act, 1981 was brought into force with effect from the 1st of September, 1982 for a period of 5 years. The objective behind the enactment of the above Act was to make the penal provisions of the Essential Commodities Act, 1955, more stringent for dealing more effectively with persons indulging in hoarding, black-marketing of an profiteering in essential commodities.

The Essential Commodities (Special Provisions) Act, 1981 which is to expire on the 31st of August, 1987 also provides for summary trials to ensure effective and quick disposal of cases, setting up of special courts to expedite the process of prosecution. It has provision for a mandatory minimum punishment of three

months' imprisonment and also for making the grant of bail more strict.

Sir, in view of its basic objective of effectively dealing with socio-economic offences, the continuance of the Essential Commodities (Special Provisions) Act, 1981 is considered absolutely necessary. It is all the more necessary now when a large number of States are under the grip of drought and when anti-social elements in trade and industry are likely to exploit the situation and take undue advantage. In the context of the present situation, continuance of this Act has assumed greater importance and utility. The question whether the provisions of the above Act should be continued for another period of five years has been considered in consultation with the States and Union Territories who are of the view that the Act has proved useful and effective and has served its objective very well. The States/UTs have therefore recommended that the said Act be continued so as to ensure expeditious disposal of cases and to prevent hoarding, black-marketing and profiteering in essential commodities.

Sir, in view of the reasons stated above, the Government is of the opinion that the Essential Commodities (Special Provisions) Act, 1981 be extended for a further period of five years. I am confident that the House will extend its full support to this Bill.

With these words, I beg your permission to move that the Essential Commodities (Special Provisions) Continuance Bill, 1987 be considered and passed.

MR. DEPUTY SPEAKER: Motion moved:

"That the Bill to continue the Essential Commodities (Special Provision) Act, 1981 for a further period be taken into consideration"

MR. BANATWALLA.

SHRI G.M. BANATWALLA (Ponnani):
Mr. Deputy-Speaker, Sir, I rise to support

the Bill that has been brought forward by the hon. Minister. As far as the Bill is concerned, it is an evil, but it is a necessary evil, because of the various tendencies that we find in the present days. Indeed, there can be no two opinions about the objectives of the Bill, namely to deal more effectively with persons indulging in blackmarketing and profiteering in essential commodities leading to inflation in prices. Therefore, any person interested in a proper functioning of the society, in bringing down the inflationary rate, has to give his support to the Bill. I have risen here to emphasise that the stringent possible measures are needed in order to check the inflation, the unabated inflation that we are having. However, we have also to consider as to whether the provisions of this Act have really helped in checking inflation. I must emphasise the need for a proper implementation of the provisions of the Act if desirable effects are needed.

Everyone knows and it is very agonizing to find that the price increase has continued to gallop during the recent times. Even if we take the weekly comparisons, we find that the price index has continued to gallop in the weeks ended in the month of August also. The index for all commodities with base 1971 as 100 stood at 402.7 provisionally during the week ending 1st August as against 401.5 for the previous week. We thus find that every week, week by week, there is a galloping trend in the prices. If we look at the index for food articles, we find that here too, there is serious inflation. I need hardly refer to the prices of vegetables and all other necessary articles. I do not want to take the time of the House in reeling out here the prices of most essential articles for the common man. Great gallop is taking place every where and all necessary steps are needed in order to check this particular situation and the rise in prices is taking place with respect to the commodities which are most essential for the common man. The price rise therefore hurts where it hurts the most. Therefore, while the economic policies and everything has to be seen, we have also to come down with

[Shri G.M. Banatwalla]

very stringent measures against the black-marketeers and hoarders. There can be no two opinions about that particular fact.

Sir, I must, however, ask a few questions to the Hon. Minister. The first of them is that the House should know as to how the Act was being implemented; the manner in which the Act was being implemented for the past 5 years? You are seeking an extension of 5 years. For the past 5 years the Act was there, but I am sorry to say that an earnest implementation of the Act has been mostly lacking. What is the position of number of raids made during the year 1983? 229519 was the number, that means about 2,30,000 raids were conducted during the year 1983 and the value of goods confiscated is hardly worth Rs. 30 crores. In the year 1984, 2,69,386 raids were conducted but the value of goods confiscated are hardly worth Rs. 9 crores or 10 crores because the exact figure is Rs. 9.96 crores. During the year 1985, 2,29,865 raids were conducted and the value of goods confiscated is hardly Rs. 14 crores. Therefore, I must say that when you are talking about the need to confiscate the stock of essential commodities hoarded by these black-marketeers, we must be very sincere in the implementation of that particular provision. But the figures here are hardly satisfactory.

Sir, if you look at the number of persons arrested: during 1983 the number of persons arrested were 9186 but the number of persons convicted were hardly 554. Sir, 9000 persons were arrested and only 554 were convicted. Similarly, during 1984, 8860 persons were arrested but hardly 194 people were convicted. So, what is the percentage? What is the ratio? Either there are defects in law, and if there are they should be removed. But I respectfully submit that there is bad handling of cases for reasons best known to almost every section of this House. Sir, during the year 1985, 7,809 raids were conducted and hardly 1,188 persons were

convicted. I, therefore, submit that something will have to be done in order to see that they will result in proper conviction. In this connection, I must say that while on the one hand the ratio of conviction to arrest is very very unsatisfactory which points out to the need for an earnest implementation of the Act, at the same time I must also submit that hardly 13 to 14 per cent of total offences allegedly committed during the past 3 years were found to be genuine. This shows also the misuse and the abuse of the provisions of the Act. I say that the provisions are necessary and imposed on us to much of our dislike. But then at the same time the provisions of the Act should not be used merely to harass persons for minor offences or the technical offences. Let there be proper categorisation of the offences. We find that large percentage of cases relate to technical offences. Even false cases have been instituted.

Therefore, I submit to this House that while the provisions of the Act are a necessity under the present situation - a necessity forced upon us on to our disliking - at the same time, it is necessary that the Act is used for the purpose for which it is framed, namely, to curb blackmarketeering, to curb hoarding, if any that is found and not merely to abuse and harass. Certain safeguards are necessary. In this connection, my attention is drawn. I believe certain guidelines by way of safeguards have been laid down by the Government of Gujarat. Let us borrow those guidelines. Let us take advantage of those guidelines as a matter of safeguards against misuse and abuse of the provisions of the Act. Those guidelines have been adopted by the Government of Gujarat.

We have to fix the stock limits when we make hoarding and offence. It is necessary that stock limits and time limits have to be laid down. These are to be laid down with all practical considerations. Otherwise, it will lead to harassment of petty people and the sharks go scot free, which we all know.

The stocks have to be confiscated. The

stocks which are hoarded have to be used in order to improve and strengthen our distribution systems. Unless those stocks are drawn in it in order to augment our distribution system, the necessary advantage of the provisions of the Act will not be obtained. But, then there are so many defects in the distribution system also. I must also emphasise upon the Government that if inflation is to be met, if the rise in prices is to be curbed, then, it is also necessary to improve our distribution system.

Another point that I have to place before the House relates to one provision of the Act, whereby the appellate authority is not a judicial authority but the Government itself. Now, when the Government itself becomes an appellate authority, then so many bad features do creep in. It is therefore necessary that the appellate authority, should be the judicial authority. The State Government cannot sit in appeal, reviewing its own orders - orders of the Collector and so on and so forth. Therefore, the proper run of the judicial authority is the appellate authority, which needs to be provided.

Mr. Deputy Speaker, Sir, while I lend my support to the Act, but as I have said, the provisions of the Act are a necessary evil. It is the situation that forces us to give a further extension of five years for the provisions of the Act of the Bill to continue in force. However, let the Government also think that merely because of such provisions of the Bills, prices could be brought down or the inflationary trend could be arrested, but an earnest implementation of the economic policies and earnest implementation of the provisions of these very Bills and not a misuse and abuse are also an absolute necessity. Therefore, it is not taking the side of the shop-keeper when I say that the minor and petty people should not be disturbed for very minor and technical offences. But you should go after the sharks, as they are called, who go scot-free. I have just placed all the figures before you, showing the great disparity between the number of

those arrested, and the number of those convicted. Let the Government arrest them. But we have to see that such acts lead to convictions, and the cases do not fall, for want of necessary evidence etc. and because of bad handling in the courts, as I have said, for reasons well known to all. We have, therefore, also to provide for the safeguards in the matter of implementation of the various provisions.

With these words, I support the Bill.

[*Translation*]

SHRI GIRDHARI LAL VYAS (Bhilwara):
Mr. Deputy, Speaker, Sir, I rise to support the Essential Commodities (Special Provisions) continuance Bill, 1987. Through you, I want to draw the attention of the Prime Minister to the conditions through which the country is passing. There is drought in almost all parts of the country. Some areas which have not been hit by drought are in the grip of floods. This law needs to be implemented rigorously in both of these situations. Public Distribution System, which is almost negligible, needs to be strengthened. As has been said by the hon. Members, the price of every commodity has risen sharply during the last few days. The increase in wholesale prices has been between 10 to 15 per cent whereas the retail prices have registered an increase of as much as 100 per cent. The poor, whom we call the people living below the poverty line and the labourers are having a very hard time. The prices of vegetables etc., in the market have gone up by 100 per cent. Therefore, the Government should make such an arrangement under which these commodities could be easily made available to the common man. Today, the price of oil has risen enormously. A kilogramme of oil costs Rs. 30 to 35 in the market. As for ghee, it is Rs. 70 per kg, which nobody can afford. Even at such a high price, it is not available. If a poor man cannot afford even oil, how this system of yours can function? You have sought this law to be extended for another five years which we welcome, but there is need to implement this legislation properly.

[Shri Girdhari Lal Vyas]

Since the Government has not been able to implement it effectively, it has in a way benefited the smugglers, black-marketeers and hoarders. As these anti-social elements have become more powerful as compared to the Government, there is need for the Government to be more strict in this regard. These blackmarketeers and hoarders should be put behind the bars. If we are to meet the unprecedented drought situation in the country effectively, this system needs to be further strengthened. Every law has some inherent lacuna. The officers who draft these legislations deliberately allow these lacuna to creep into the law so that the big blackmarketeers, hoarders and smugglers, when caught, could go scot free in the court with the assistance of lawyers. Thus, no action can be taken against them. As has been provided by the Government in some laws, the ones of producing evidence rests with the accused. The accused is told why legal proceeding should not be initiated against him and punishment meted out. It is he who has to produce evidence in his defence. On the same lines, if some goods, contraband or otherwise, are seized from the blackmarketeers or hoarders, they should be asked to produce evidence in their defence. In the event of their failing to do so, stern punishment should be given to them. According to the provisions of this Bill an imprisonment for a term of only three months has been provided for a black-marketeer or a hoarder or a smuggler which to my mind is much on the lower side. The person who plays with the life of the common man deserves capital punishment. Some countries have such laws whereunder stern punishment is meted out to the adulterators and those who play with the lives of the people. To throw someone into the jaws of death, as these blackmarketeers, hoarders and smugglers do, is by no means a petty crime. They deprive others of their rights and snatch away the loaf of bread from their mouths. Such persons should be sternly dealt with. But no such stern action is possible against them under the flexible

provision which they have made in the Bill. None of the Ministers is present in the House, to whom should I make my submission? When not a single Minister is present in the House to listen to the discussion on such an important bill, how the entire system can function or else they are not aware of its importance. Here I would like to draw your attention to the statement of Objects and Reasons, para 3 of which reads:

[English]

"Providing minimum mandatory imprisonment for a period of not less than three months for all offences except an offence of abetment in regard to procuring of food stuffs or drugs by persons for their own use or for the use of any member of their family, and not for the purpose of carrying on any business or trade which is punishable with fine only"

[Translation]

By adding this proviso, you have destroyed the very spirit behind this legislation. If this proviso remains there, there will not be any use of the enactment of this legislation. I do not understand as to why did you bring in this proviso which allows a person to store for use in his household. If I want to store 500 maunds of foodgrains at my house for my consumption for the whole year, shall I be allowed to do so under this law? If not, what is the necessity of having such a proviso in the Bill? If a person hoards more than the fixed quantity, whether for a private use or for carrying on any business, he should be punished, because he is playing with the lives of the others, is snatching away the rights of the people and is thus doing injustice. If you want these anti-social elements to be punished, this proviso should be removed from the Bill, because if this proviso remains there, he will get acquittal from the court with the legal assistance of a lawyer and will, thus go, scot free. If you want to take stringent measure against such elements, there is no need to keep this proviso. Every person will take undue advantage of it and your law will be rendered infructuous. By keeping this proviso in the

Bill, you have encouraged these mischievous people, whereas they deserve stringent punishment. If this proviso remains there, any number of raids and arrests will not suffice to get even one of them punished. Since there is commotion in the entire country today, the traders want to loot the people by taking undue advantage of the situation and the Government knows pretty well that this proviso comes handy to them. I am of the view that if you do not take proper step timely, it is certain that it will render all other provisions infructuous. Therefore, I would like to say that the Public Distribution System needs to be reorganised. Today you distribute only sugar or wheat and nothing else through the P.D.S. The prices of other items such as cloth, vegetable etc. have risen sharply. Therefore, these items too should be included for distribution through the Public Distribution System. Will you continue to issue only sugar, wheat and Oil from these shops? Even oil is not being made available to the people. You made an announcement through the newspapers that so many lakh tonnes of oil and so many lakh bales of cloth have been released for sale through the fair price shops, but have you ever seen where these commodities go, whether they reach the fair price shops or not? You issue a press note that so many lakh shops have been opened in the rural areas. Have you ever cared to see as to what is being sold in these shops? Nothing except wheat and sugar is available in these shops. Have you ever tried to see how commodities released by the centre disappear at the State and district level? That is the reason why prices are sky rocketing. No stringent action is being taken.

[*Translation*]

At this time when there is severe famine in the country, unless you enforce this law strictly, all these laws will become infructuous. The black marketeers, hoarders and smugglers are exploiting the people and this will further encourage them. Therefore, this provision should be made properly.

Hon. Minister, Sir, I would like to draw your attention towards one point. In these provisions it has been given—

[*English*]

“—providing for enhancement of the term of imprisonment awardable in case of conviction in summary trial from one year to two years,”

[*Translation*]

You have made this provision in this Act. Now one will be awarded imprisonment for one to two years. But these are such issues in which case imprisonment for one to two years is not adequate. Provision for life imprisonment or for at least ten years imprisonment should be made. Otherwise there is no use of it. The public distribution system should be streamlined, even if you have to spend crores of rupees on it. The Government should make essential commodities available to the people at reasonable rates through these shops. With these words, I support the Bill.

[*English*]

SHRI P. PENCHALLIAH (Nellore) : Mr. Deputy-Speaker, I welcome the Essential Commodities (Special Provisions) Continuance Bill, 1987 and I wholeheartedly support it. The country is facing unprecedented drought this year. The entire North-Eastern area is under the grip of floods. So the entire country is subjected to one form of natural calamity or other. This is the time for hoarders, black-marketeers and other anti-social elements to play havoc with the society. Hence this Bill, which seeks to extend the Essential Commodities (Special Provisions) Act, 1981 by five years more is timely.

While speaking on this Bill it is essential to mention about the present situation in the country. Taking advantage of the drought and floods the hoarders and black-marketeers have become active once again and essential commodities are in short supply. Prices of these commodities

[Shri P. Panchalliah]

are shooting up. Just to cite an example the prices of edible oil have gone up by more than one hundred per cent. In the country where majority of the people are far below the poverty line, how can one expect that the people would purchase these commodities by paying heavily. When the rich cannot afford to purchase these items, how can the poor afford to purchase them. The purchasing power of the people has gone down. The value of rupee is sliding down every day.

The Government at the Centre has now reduced to a mere spectator. Our public distribution system is defective. Sir, the public distribution system was devised by our planners to make goods available at the right time and at the right place to the consumer. Right place in the sense that it is acceptable to both the consumer and supplier. The Government adopted the ideal of a socialistic pattern of society for the country. Mere production of goods is not enough. The distributive justice is equally necessary. Ensuring availability of consumer goods at reasonable prices to our masses is a matter of great importance. An effective and efficient distribution is a must for achieving this goal.

The Public Distribution System depends on production, procurement, transportation, storage and distribution of selected commodities. Any weak link in this chain can adversely affect the entire system.

Sir, some time back the Hon'ble Minister for Food and Civil Supplies, Shri H.K.L. Bhagat had written to all the Chief Ministers regarding improvement of the public distribution system in order to check the activities of the hoarders, black marketeers and other anti-social elements. The Public Distribution System would have real meaning only when it was effectively operational in remote, inaccessible and far-flung areas as well. But it is not only the duty of State Governments but also the duty of Central Government to

make the distribution system more effective.

Sir, nearly three fourths of beneficiaries are from low income groups. Hence the satisfaction of the low income group consumers is the success of the system. Since low-income-group consumers are not at all happy with the functioning of the system, we can say that has not been successful so far. Even the hon. Minister for Food and Civil Supplies while addressing 7th meeting of the Advisory Council admitted the fact that the system is not running effectively and efficiently.

Sir, essential goods are not available to the consumers in time. One has to visit the shops several times for getting the essential commodities. In rural areas, it is next to impossible to find the essential commodities in fair price shops. Why to speak of our Villages, even in Delhi, the Capital city of India, one can not find the essential commodities in the fair price shops. It is very difficult to get a litre of Kerosene or a kilo of sugar in city fair, price shops. The consumers will be told that either the stocks are not available or they are exhausted.

If this is the position in Delhi and other metropolitan cities, one can well imagine how the system is functioning in rural areas. Hence, the entire system has to be thoroughly overhauled. There should be a better and effective supply management. A cadre of motivated officers should run the system. The grievances of fair price retailers also should be redressed.

Andhra Pradesh sets a good example in the effective distribution of essential commodities to the poor even in the remotest areas. Lower sections of society, tribals and weaker sections get 1 kg. of rice for Rs. 2. Janata cloth is being distributed to all the poor through fair price shops at the cheapest price. Other States can emulate the example set by NTR's Telugu Desam Government in Andhra Pradesh.

I thank you for the opportunity given to me to speak.

[*Translation*]

SHRI SYED MASUDAL HOSSAIN (Murshidabad) : Mr. Deputy Speaker, Sir, I would not like to speak more in opposition to this Bill because Shri Girdhari Lal Vyas has already spoken a lot against this Bill. He although supported this Bill, but made much criticism of it.

The Government has sought extension of five years through this Bill. It seems that there may be some time bound programme to put to an end black-marketing and hoarding altogether from this country after five years' time. But if there is shortage of production, the tendency of black marketing and hoarding will persist. Unless Government does take the responsibility of production and procurement, it will be very difficult to check blackmarketing and hoarding. But this Government does not want to undertake all these measures. On the other hand, it is working in the reverse direction.

For example, the production of oilseeds is inadequate in our country and every year the Government has to import oilseeds from other countries, but we have seen that for the last three consecutive years, the production of oil seeds is going down and the Government is also reducing its import from other countries. As a result thereof, the price of mustard oil has gone up to Rs. 35 to Rs. 37 a kilo in the market of Calcutta and it is Rs. 40 a kilo here. Why does the Government not import edible oil when the production goes down? They import only when the production goes up. May I know what is the reason for it?

Similarly after the introduction of the new textile policy, the subsidy on the cloth has been withdrawn. This is bound to increase the blackmarketing and hoarding of cloth. How will you check it? The Government is responsible for this situation. If the Government does not make cent per cent procurement and there is no

proper distribution, the traders will adopt unfair means in the open market. Only yesterday it was stated that a substantial quota of imported oil is being allotted for the vegetable oils. There is, of course, levy on sugar, but there is no levy on vegetable oils. I would like to give suggestion to the hon. Minister to formulate policy to impose levy on vegetable oils as is applicable in the case of sugar. The responsibility of its distribution will also lie on the distribution system. Unless the Government streamline the public distribution system and cooperative sector properly, it would be very difficult to check this tendency. But, the Government does not want to strengthen the Cooperative sector. Onions are being sold at Rs. 7 to Rs. 8 a kilo and potatoes more than Rs. 4. Similarly other items are also being sold at high prices. People think that the other name of cooperative is bungling. I agree that some cases of bungling do take place in cooperative sector, but this is not always so. Unless the Government streamline cooperative sector which comes between public sector and the Private sector and take its help and undertake distribution through it properly, it would be difficult to check black marketing and hoarding. You had sought extension of five years' time earlier and now again you are seeking extension of five years' time through this Bill which you have brought in this House. Does this show that it is your time bound programme? But this will not help. You will have to take some concrete steps. There are 13 to 14 items in the list of essential commodities. Unless you make arrangement to sell all these items at an uniform price throughout the country, you cannot check black marketing and hoarding. I do not oppose the move for the extension of the Act for a further period of 5 years, but I certainly oppose the way in which action is being taken to check black marketing and hoarding.

Mr. Chairman, Sir, with these words I convey my thanks to you for giving me time to speak.

[English]

SHRI SRIBALLAV PANIGRAHI (Deograh) : Mr. Deputy Speaker, Sir, I rise to support the Essential Commodities Continuance Bill which has several welcome features. This Act is in force and since it is going to expire on the last day of the current month, the hon. Minister has come before the House seeking its extension for another period of five years.

I share my feelings with the other hon. Members who observed that this five years extension is a short period. Why? Because from our experience we find that this menace of black-marketing and hoarding is not going to be over in the next five years' time. So, this should go into the Act as a permanent feature or measure. Why extend it for five years or something like that? I am particularly happy that this Act, having come into existence and having been applied, has yielded results. As the hon. Minister has indicated in his preliminary remarks, the State Governments were also consulted and they were also of the opinion that it should be extended. It is because this is giving good results in effectively checking hoarding and black marketing. I am particularly happy because in 1974 when I was holding charge of Food and Civil Supplies Department in Orissa, I pleaded with the Government of India then for very stringent measures to be brought in this Act because it was liberal. We were catching thieves, we were rounding them off, but on some plea or the other they were getting free. We were in fact for summary trial in the court and to make offence non-cognizable. It came into force from 1982. I whole-heartedly welcome this and support this. I plead and request the hon. Minister not to have it only for five years. It should be as long as this menace is there. I am talking of the menace of hoarding and black marketing.

19.00 hrs.

Pandit Nehru, our first Prime Minister and the architect of modern India, used to say and that was welcomed all over the

country—that the black marketeers would be hanged on the nearest lamp post. That was his opinion and thinking to curb black marketing and hoarding.

In our country we have a parallel economy run by these black marketeers and hoarders. They in fact pose a problem. They are a threat to our economy. It is time that these people are dealt with very severely, very firmly. Any stringent punishment is welcome. I would say that the provisions minimum three months imprisonment and making the offence non-bailable' is far short of the requirement of the situation in many cases. I agree with Shri Vyasji, who came out for very stiff punishment, life punishment even capital punishment. They are contributing to the slow poisoning that is going on in and around us in the country. They are engaged in large scale pollution, dilution and adulteration. What are they doing after all? They contribute very much to a process of slow poisoning to the entire nation. Very very stiff punishment should be there. It should be ten years life imprisonment. In some cases even capital punishment should be there for these people and at the same time I would give one or two suggestions about the implementation part of it.

We should see that such provisions should be there so that real, genuine customers do not face any hardship, due to different provisions of law, for their own personal consumption. If we have different provisions, that is misused more. Then the corrupt officials find a handle in it to earn money and also to fulfil their own selfish motives. That is why I would request hon. Minister to impress upon the State Governments for speedy, for proper implementation of all these things.

Sir, this is a very bad year. In fact rightly it is called the worst tragedy of the greatest calamity of the century. When there is scarcity, when there is short-supply of any commodity in the market, compared with the demand, that gives rise to blackmarketing, and such a situation

turns to be a paradise for blackmarketeers and hoarders and we have to keep a vigil on this class right from now in view of the deteriorating situation due to large scale drought all over the country. It calls for streamlining or strengthening of our public distribution system which is in disarray, which remains unorganised in different States. I would suggest that popular committees, peoples' committees be formed at different levels—district levels, block levels, depot levels and also to be attached to every fair-price shop. In fact, I had the experience of this type of arrangement in Orissa. At that time also, near famine condition was prevailing and in the committees attached to the fair-price shops, there were three Members, the Ward Member of the area or the locality, the minority community or the weaker sections of society Member were all attached to the fair-price shops. They were giving certificates that they were satisfied with the distribution. Then only the next allotment was given to them. That was the system prevailing at that time. So, naturally, it has got to be a mass movement because of the bad situation ahead of us. Unless we build up mass movement, we involve the people, right type of people, in our distribution system, it is not going to work. It is just the beginning. The distress is just beginning. It will continue upto the next harvest season, upto 1968 harvest season. Right from now, we find prices are rising very much abnormally because they find that the weather god is unkind and panicky situation has already started prevailing in many parts of the country and the outcome of that is price-rise. Therefore, I would suggest the formation of citizens' committee also at the district level which should sit from time to time and fix prices, prices for several goods. Sometimes vegetables, local products, etc. without any restriction, may cost high and without such restrictions, I am afraid, we will not be able to control the rising prices.

Sir, there was a Seminar in Bombay some time back, on the use of drugs and many intellectuals, many knowledgeable people participated and one of the

participants was the Police Commissioner of Bombay. In that Seminar, what he said was that they had rounded up more than one thousand drug pedlars, those who are dealing with the drugs. But nobody could be prosecuted and taken to the jail. Not only that. Any law that we are having which is a very useful law, such a law is very essential for this purpose, should be a fool-proof one. It should be free from any loopholes or lacunae. Then only it can be implemented properly and the laudable objective is really fulfilled.

I would request one thing to the hon Minister. He should at least impress upon the State Governments that there should be some exemplary punishment to the guilty.

When these people are arrested and produced before the law courts, they should not be taken in Government police vehicles. They should be paraded on the street with rope around their waist. They should be made to parade along the main streets of the town while they are taken to the law courts. That would have an exemplary effect among the blackmarketeers and traders.

With this, I wholeheartedly support this Bill and I wish it will go a long way to fulfil the laudable objective underlying this Bill.

SHRI V.S. KRISHNA IYER (Bangalore South) : Mr. Deputy-Speaker, Sir, I welcome this Bill. It is, no doubt, a simple Bill which is proposed to continue the provisions of Essential Commodities (Special Provisions) Act, 1961 for a further period of 5 years with effect from 1st of September, 1967.

I concur with the other Members who spoke today. I do not know how the Minister came to the conclusion that after the next 5 years, everything will be all right. Does he hope that the traders will become honest by next 5 years? If they have not become honest in these 5 years, how could we hope that the traders and other people will become honest in the next 5 years? It is

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certainly not. If you read the writing on the wall and see the circumstances under which our country is today, I feel that it is impossible in the present situation to control it. Therefore, I feel that this provision should find a permanent place on the statute book. When everybody becomes honest, when there is plenty of essential commodities in our country, when we do not need public distribution at all, under such circumstances, the Act itself can be repealed. So, I suggest that the hon. Minister instead of coming once in 5 years before us for extension, he may at the shortest possible time, bring another amendment to the effect that so long as the Essential Commodities Act is there, this provision also must be there.

Just now we are under the worst drought of the century. It is reported in certain papers that if we do not get rains within a next few days, it will be the worst drought in thousand years. That is what the historians say. That is what the papers reported today. We should fight this drought as one man just as we fought against external aggression. We should all put our heads together to see that this drought situation is fought with.

I am glad that the Government of India and the State Governments are taking steps. But whatever it is, it is not sufficient. Everything now depends upon the public distribution system. I know the hon. Minister, Mr. H.K.L. Bhagat is very sincere. He is taking all steps. I have seen his correspondence with our own Chief Minister and there is inter-action. But whatever it is, there are some lacunae in the system. Even now, we find, whenever there is little scarcity, immediately the traders will create artificial scarcity and all essential articles will go underground. That would be followed by hoarding and blackmarketing. Another evil which still exists is adulteration. Even now, adulteration is going on. So, the Essential Commodities Act should be invoked to

take action against those who are indulging in blackmarketing and other things.

Only last year, all of us unanimously passed the Consumer Protection Bill. I would like to know in this connection from the Minister, how far this Act has been implemented. Has this Central Consumer Protection Council been constituted? Or, have the State Protection Councils been constituted? Have all the redressal councils at the district level and at the State level been constituted?

More than that, I firmly believe that unless there is a strong consumer movement the Act cannot be implemented successfully. What action the Governments—the State and the Centre—are taking to educate the public? Even today the common man does not know anything about the Consumer Protection Act. So, through the media of Press, radio and television, everyday the Government should see that ordinary man is made known about the provisions of the Consumer Protection Act. Only just a few minutes ago, one of our Members from Telugu Desam was telling about the price rise. Taking advantage of the drought situation in our country, they create artificial scarcity and the prices of all essential goods like rice, brinjal, onion and everything have risen. There is 100% rise in prices. I am not exaggerating. I have been here for the past one and half months.

I would like to tell the hon. Minister who is also a family man and who also knows it, that the cost of living in Delhi for the past one month, has increased by 100%. I can place the account of my small family on the Table. I am prepared to give it. The price of everything including rice has gone up. In North Avenue there is no Branch of Super Bazar and there is no vegetable market also. We have to purchase everything from the bazar. Not only for the common man but even for the MPs it has become impossible to make a living. The price of edible oil particularly has gone up very high. Its price has risen sky high. I would

like to know from the hon. Prime Minister what he is going to do to control the prices of these things.

I know in the Super Bazar things are a bit less costly. But how many people can go to Super Bazar?

I would like to ask the hon. Minister that he should make arrangements, not only in Delhi city but in farflung areas in the villages, in the tribal areas and everywhere, to see that every man is covered by this public distribution system. This P.D.S. should benefit every individual in our country.

Particularly in view of the very serious drought situation, I would like to request the hon. Minister to see that some flexible norm should be fixed. There should be one fair price depot for every 2,000 population. But this norm should not apply to the hilly areas and particularly for the North-Eastern region. In areas like that, it is impossible to have that norm. That should be changed.

I would like to request the hon. Minister to strengthen the consumer protection movement. Monitoring of the public distribution system is very important. I know everything cannot be done. It is not possible for the Central Government to monitor everything. Whatever it is, as the Minister at the Centre through State Government he must know what is happening in the fair price depot even in Kanyakumari in the Far South. Inter-action must be there. Information must pass on from the fair price depot to the Central Government and from the Central Government to the State Government and from State Government to the Central Government. That is very important.

My experience with regard to fair price depots is that the owners of fair price depots do not lift the stocks in time. So, the consumer is put to lot of inconvenience and he is held at ransom. He is at the mercy of the owner of the fair price shop. I would request the hon. Minister to consider whether the Government can supply the

PDS item direct to the doorsteps of the fair price depot owner and recover the transport cost from him. I read in some newspapers that it has been suggested by some important bodies also. I would request the hon. Minister to study that point also.

The hon. Minister must first of all state in this House as to who will bear the expenses of the consumer movement. Who will pay the expenses of this consumer movement? About a few days back, I was speaking to the Chief Minister of Karnataka. They have suggested that the Central Government must meet the expenditure of the Consumer Protection Councils at the district level, State level and Central level. It should become part of the Plan. I would like to know from the hon. Minister whether any decision is taken on this matter.

There are some States like Andhra Pradesh and Karnataka. They are supplying rice to the poor, economically poor people and to the weaker sections of the society at a subsidised rate of Rs. 2/- per k.g. Andhra Pradesh Government is doing this. We are doing this in Karnataka. So, you could understand the heavy strain on the finances of the State Governments. I would request that the Government of India should bear this point also in mind. So far as the hon. Minister is concerned, the Government of Karnataka is always grateful to him because whatever quota the State Government is demanding, they are getting whether it is rice or oil. My suggestion to the hon. Minister on this occasion is that the Government of India should not increase the administered prices of food articles. It will have harsh effect on the finances of the State Governments. Due to severe drought conditions, nearly 14 to 15 States have been affected. My plea is that nobody should die out of starvation. You must see to it that every person is supplied with essential food articles.

With these words, I would like to end my speech. I am sure, the hon. Minister will see to it that effective steps are taken for the

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implementation of the Essential Commodities Act. I support this Bill.

[*Translation*]

SHRI VIJAY KUMAR YADAV (Nalanda): Sir, although I support the Bill, but in my view this Bill has been brought forward in haste, without having extensive discussion on it, because the Act was going to lapse. At present, there is drought in one part and floods in another part of the country. Before this also, there was need for such type of legislation. The profiteers, hoarders have a golden chance of making profit at present which was there earlier also. This is a different matter that with whatever capacity we have, we can face this situation by resorting to proper distribution system of commodities and thus lessen the difficulties of the common people. But there is some materials which we need today and which are in short supply at present. With the cooperation of the people and by implementing our policies, we can wage a war against profiteers and those who exploit the common man. The penal provisions incorporated in the Bill are not adequate to punish such criminals. In such a situation the profiteers hoard essential commodities and indulge in blackmarketing. In a sense, they commit the offence which is not less than a murder. A murderer kills only one man while a hoarder kills thousands of people by hoarding the foodgrains etc. and not supplying the same to them. Therefore, in my view the penal provisions incorporated in this Bill are not adequate. Such persons should be sentenced to death as happens in some other countries. If such step is taken, we will be able to solve the problem. The profiteers and hoarders should be meted out such treatment as is done in the case of dreaded criminals. When such persons are put behind the bars, they get all types of better facilities. They don't feel that they are in prison. Such persons should not be provided any facility. We talk of special courts but who will prosecute such offenders? We see many such cases

in Bihar where the Government generally loses the case in the absence of a prosecutor who is a man of integrity. The prosecutor should be a person of integrity. The Government should appoint honest persons or a special policeforce which could deal with such cases, otherwise nothing will happen after registering F.I.R. and the cases would be disposed of without any result.

This work should be entrusted to Police Force with integrity. Apart from this, you should ensure that they are granted the right to appeal only once. Such people who want to destabilise our economy, play with the lives of common people and push them into the jaws of death should not be allowed to appeal more than once from any point of view

As it is closely connected with the Public Distribution System (it is connected with other things as well, I do not deny that), but the Public Distribution System is not working properly in Bihar. Here this system is merely on papers. People do not even have ration cards. Let alone the village, even the people in the cities do not possess ration cards. How will you supply essential items to them? Those who have the connections have got bogus ration cards. They will get more than their requirements, but those without ration cards will have to suffer. At present more ration cards are required to be issued to enable maximum number of people to get the benefit of this system. Essential commodities have started disappearing from the market from now onwards and the prices are also rising. In such a situation essential goods have to be made available to the people through the Public Distribution System and the ration shops. The committee which has been constituted to look after it has the representation of only one party. I do not want to mention the name of this party, but people can understand as to which party I am hinting at. When all parties are prepared to assist you in this hour of national calamity, then why are you not interested in getting the cooperation, advice and assistance of all of them? If you are able to get the coop-

eration of all the parties, then perhaps you will be able to run the consumer's movement properly. It is not possible to look after this work without the cooperation of all the people. Apart from that, there are some provisions in the Bill which will not apply to people hoarding essential commodities for the use of their families or for themselves. It appears to be a good thing and it is also true that you cannot launch legal proceedings against a person who wants to store essential items for his own use and for the use of his family but the definition of family for this purpose is nowhere given. There must be a limit in respect of the quantity which can be stored for personal use. In the absence of such a limit these provisions will definitely be misused by unscrupulous traders who will keep some commodities in his own house, some in his son's or grandson's house and so on. In this way essential items weighing hundreds of maunds can be easily hoarded and huge profits earned on that. Hence, in this hour of national calamity when all parties are very concerned and all are eager to cooperate with the Government in ensuring that people do not die of hunger and anti-social elements are able to cut no ice, Government should invite all parties to cooperate with it and should take them into confidence. Before drafting this Bill you could have at least called all the opposition parties and asked for their suggestions in regard to your decision to extend it by 5 more years and perhaps our suggestions could have helped you in combating the existing situation in a better way, but you did not think it appropriate to invite our suggestions. If you had taken us in your confidence, then perhaps a more comprehensive Bill could have been brought forward to deal effectively with anti-social elements and this problem could have been solved.

[English]

SHRI K.S. RAO (Machilipatnam): Mr. Deputy-Speaker, Sir, the question of not supporting the Bill will not arise, the reason being everyone knows that we have to

check the malpractice, black-marketing, hoarding that is going on in a big way, particularly in respect of important items like foodgrains, oils etc., to be distributed to the poor people. And I certainly support and congratulate the Minister also for giving another five year's life to it. But I only wish to ask the Hon. Minister whether Shri Bhagatji is aware that this particular Act, which the Government has brought in earlier, and also being extended by five years more, is being misused not by individuals—individuals may be there anywhere—but by certain Governments. I can understand certain unscrupulous officers misusing for their personal ends, or for making money by threatening under the Act which is a very stringent one. But when it comes to the Government as a whole, to serve its personal ends, party ends, then how to protect it, what purpose will it serve? Did you ever look into the complaints or allegations made or published many a time in the newspapers in Andhra Pradesh, where particularly in regard to the fair price shops whose dealers are mostly the poor people, unemployed, Scheduled Castes and Scheduled Tribes? These people have been fixed. This public distribution system or this Act or fair price shops has not been brought by any local Government. State Governments cannot take the credit for this. It is the Central Government which has brought this. But when they have fixed the fair price dealers in Andhra Pradesh with an intention that they are all changed totally—maybe a few are left—utilising the provisions of this Act, using their political powers, even when there was a difference of one Kg, which is possible in the transit or in stocking or because of various other reasons, because of the nature and not because of any malpractice, they were harassed, they were prosecuted, their material was confiscated. And in certain genuine cases, people with certain respect in the village who were accepted by everyone that he is a rational, honest man, a man of integrity who is running fair price shops, is prosecuted in political ground. He is taken out and a corrupt person whose career is proved and known to the

[Shri K.S. Rao]

entire village, they are making the fair price dealers only to look after the interest of the party, only to see...*(Interruptions)*

SHRI V. SOBHANADREESWARA RAO: Should we take it that he is supporting those people who have done corruption and malpractice?

SHRI K.S. RAO: Yes, I am telling. Let them know. *(Interruptions)* I am not denying. *(Interruptions)*

When there is difference of half a Kg on the ground of party with a view to take vengeance, with a view to build up their party, they are getting harassed. I can show hundreds of cases where man of integrity have been taken out. Their career is full of corruption. Mr. Minister will you kindly look into this aspect and make provision to safeguard the misuse of this Act by not only individuals but by Governments?

I can say that in my constituency certain officers, while using your Act, have become awfully corrupt. They don't issue the materials in correct quantity by weight to the fair price dealers and when they ask that these materials have to be given by measurement or by weight, they refuse and threaten that the dealers will be prosecuted under this Act.

SHRI V. SOBHANADREESWARA RAO: He is telling all the distorted versions of the fact Sir.

MR. DEPUTY SPEAKER: The Minister will reply.

(Interruptions)

SHRI K.S. RAO: In my constituency, the Hon. Member knows very well, there is a society. For years it has proved its integrity and its services. Today that society is not in a position to pay money wrongfully to that supplier officer and that particular society

is not being given the materials. When I complained to the collector, he does not take any action at all.

So, Mr. Minister please understand, this has become a weapon for them to harass, to increase their party cadre, to strengthen their party cadre, to demoralise the men of integrity and men whose character is known for years and whose performance is known for years. I can understand if an individual is corrupt. But if a society run by men of integrity are not helped by the local Government, then what is that Act going to do? It only increases the corruption, it only helps those parties which have vested interests. My only plea is that, as my Hon. colleague was telling, we would not ever mind if it is made more stringent. We only want that the culprits should be punished... *(Interruptions)*... Your Government is misusing it and threatening. That is the only weapon with it.

SHRI V. SOBHANADREESWARA RAO: He is directly supporting those people indulged in malpractices.

SHRI K.S. RAO: We will not support them. We only want protection from these vested interest people. We are supporting this Bill, we will not oppose this Bill... *(Interruptions)*... There is an instance where one dealer died of heart attack.

MR. DEPUTY SPEAKER: You take up the individual cases with the Minister, he will look after them.

SHRI K.S. RAO: When the local Government, through the Collector, do not take action for years, this Bill does not provide for anything to keep it unsettled for years.

Rationally, the local officer must decide at the earliest. It is all right if they apply the same yardstick to everyone. We can understand that. But, if it is their party men no law, no Act, no provisions and all talks

about character and integrity will go away. When it comes to our party, no matter whether it is Congress, Jan Sangh or any other party than Telugu Desam, they will be harassed.

[*Translation*]

SHRI V. TULSIRAM: Can you prove this thing?

[*English*]

SHRI K.S. RAO: When we talk to them, they say that they are not responsible for this Act because this has been brought by the Central Government and the Central Government is responsible. But people who are harassed know this. Let them take both. We are prepared to take both the credit and also if there is anything wrong the discredit. But they don't have the courage to take that responsibility either way. They are only habituated to make statements, to try to impress on people not with action, not with real implementation, but with two yardsticks.

My only plea is that—our support to this Bill is wholehearted and we would not mind even if the Minister were to bring more stringent measures—the Minister should include certain guidelines to see that innocent people are not published on party lines. No matter to whichever party he belongs, or to whichever party he has got sympathy, if he is a culprit, let him be punished not only in this manner, but beyond that. We have no difference of opinion in this respect. But I request the Hon. Minister to think whether certain guidelines can be provided to save these people as the Gujarat Government has brought certain guidelines which are admired by everyone. In their newspapers they wanted to say that Congressmen have opposed this Bill but they should remember we are supporting it. People who have done mistakes should be taken to the streets no matter to which party they belong to (*Interruptions*)

Do not make noise and say that you care more for the people and not we. (*Interruptions*)

Sir, fixation of the prices must be done both for issue and sale to the smallest fair price dealer. The State Government fixes the prices in such a manner that indirectly make him to do wrong things and then threaten him to take into the party-fold. So rational prices on the basis of the workability must be fixed. Let Government come to their rescue in arranging loan facilities at reasonable interest. Those people who are making so much noise when major dealers who are supplied oil, wheat and other rations sell it in black-market Government does not speak and take any action but when it comes to the small dealers they speak about the law provisions and harass them. This is the pathetic state prevailing in Andhra Pradesh. It has come in the newspapers. I wish the Minister to take this into account and make provisions to save from such biased governments.

(*Interruptions*)

SHRI V. SOBHANADREESWARA RAO: Sir, he is misleading. This should not go on record.

[*Translation*]

SHRI V. TULSIRAM: This should be expunged from the record because he is misleading. (*Interruptions*)

[*English*]

MR. DEPUTY SPEAKER: He has not made any individual remark. Order. Order. Now, Mr. C Janga Reddy....

[*Translation*]

SHRI C. JANGA REDDY (Hanamkonda): Mr. Deputy Speaker, Sir, everyone is supporting this Bill, I will also make efforts to support this Bill, but I want to submit certain points before that. Just now our hon. Members from the Congress Party and those from the Telegu Desam were debating about it. I want to know as to

[Shri C. Janga Reddy]

who are involved in the distribution of essential commodities at present? The Civil Supplies Corporation and the essential commodities corporation under the Government are responsible for it. In our Karimnagar area in Andhra Pradesh, Palm oil has not been made available since the last 6 months. The collector and the Civil Supplies Officers must have sold them in the blackmarket. Palm oil supply reached Visakhapatnam, but not Karim Nagar. There is no one to inform about it in the Assembly. If there is a shortage of even 1 kg of Palm oil in any Fair Price shop, then the concerned shopkeeper is arrested. But was that Collector also arrested? You want to grant unlimited powers to the Government employees by this enactment. I want to submit that an Act was passed in this House regarding weights and measures. Now it is written on a cigarette packet that prices should not exceed 25 paise which means that if a trader sells it even at one paise more, he is to be arrested. A hotel called Kohinoor is located there. A packet of Charminar cigarettes costs Rs. 1.50 and this price is fixed due to which the shopkeeper is not able to make any profit, but he makes up this loss by selling betel leaves in which he earns a profit of 4 paise per betel leaf and which a person generally buys after buying a packet of cigarettes. One shopkeeper there charged Rs. 3 and 2 paise for two packets of Charminar cigarettes and he was arrested for it by the Weights and Measures Department. He was kept under detention for a week and then released only when he offered bribes to some of the concerned persons. All this happened after the Weights and Measures Bill was passed. Some people by forming an association approached me and complained in this regard. I told them to stop selling cigarettes. They said that if they stopped selling cigarettes, then they would not be able to sell betel leaves as well and would be compelled to close their shops. We make such laws by which the Government employees get powers to award punish-

ment. If they earn a salary of Rs. 200 only, they are able to earn Rs. 2000 unlawfully. Even an L.D.C. wants to join the Excise, Sales Tax or Civil Supplies Department. He is unwilling to join the Education Department, because he cannot earn under the table there. Hence, such legislation will only be misused. I want to cite an example. In one Fair Price Shop, there were certain commodities the weight of which was mentioned 4 kg on the Price list initially, but it doubled when a few drops of water fell on the Price list. When the officials found that the weight was at variance with what was displayed on the price list, they put the shopkeeper under arrest. If he protested and tried to make them understand the actual position, they would not pay and heed to that, but put him behind bars. However, he is released if he offered to pay Rs. 2000 as bribe. Therefore, I want to submit that Government should incorporate in this Bill some clear cut guidelines in this regard. I will give another example. Suppose a shop in Delhi sells an item with an ISI mark on it. Let us presume that this item is a pesticide and has less weight than what it should have been. Then shopkeeper is arrested, but the place where the commodity is weighted and packed is not touched. The case of salt is also the same. The shop-keeper is arrested for a slight adulteration in the salt packet. In this way with this enactment, Government employees are getting unlimited powers which they can use against traders and consumers. I want to tell you that while in cases of murder or rape, one can obtain bail without prosecution, but in this Bill it is provided that

[English]

" (vi) providing for stricter provisions for grant of bail and making it obligatory on the part of the Courts to give an opportunity to the prosecution to oppose the bail application."

[Translation]

How many such cases have come to you? I want to offer another example. Sup-

pose one person has 100 quintal of oil in his shop, but it is found to be 5 kg less or more in weight when checked and the shopkeeper is arrested. The weight can vary this much, but his licence is confiscated. What is being done in this regard? Andhra Pradesh requires 26 lakh quintals of grain and you are giving only 14 lakh quintals at Rs. 2 per kg. From where are they bringing the rest of the requirements?

[English]

From which place they are bringing? They are taking advantage. They are threatening the traders. You must come to a compromise to supply the rice and oil which we require at control rates.

[Translation]

The agreement price is higher by 5 paise or 10 paise and the State Government purchases if from the market. You buy it at Rs. 240 per quintal, the State Government buys it at Rs. 250 per quintal and the Food Corporation buys it from the same place and charges Rs. 370 per quintal 2 months later and you say that you are supplying it at subsidised rates of Rs. 250 per quintal which you want to be sold at Rs. 260 per quintal. In the case of sugar also, there is little profit. If this is the situation, then how can the shopkeeper sell it? He has to spend 20 to 40 paise per kg on transport for carrying the commodities to his shop. How can he made his two ends meet in this way? Therefore, he will sell only one bagful here and the rest of it, he will sell elsewhere. You should look into this problem. One has to spend Rs. 80 per for transporting the grain to a distance of 200 kms. You should look into this as well. Mr. Bhagatji, please listen to me....(Interruptions)....

Oil is being sold at Rs. 26 per kg in the market....(Interruptions)

[English]

MR. DEPUTY SPEAKER: Please conclude now. You can write about this to the Minister.

SHRI C. JANGA REDDY: I have already done that.

[Translation]

I have written to him. The farmer is being grilled between them. Different orders are being issued. The movement of oilseeds from one state to another is prohibited. The farmer from Hindupur cannot sell his produce in Bangalore and similarly the farmer from Adilabad cannot sell oilseeds and groundnuts in Nagpur. The market price of oil in Andhra Pradesh is Rs. 26 per kg, while Government by using this provision of the Act forces oil mills to supply oils at Rs. 14 per kg. This has led to supply oil at the above rate, they are put behind bars. You made so many promises to the traders, when they came here to attend the conference. But now what is happening to those promises?

I want to submit one more point. Government employees in Karimnagar committed thefts, but were not apprehended. An amount of Rs. 4 crores has been bungled. The collector and the Joint Collector were involved in it, but no action has been taken so far. Similarly, the palm oil which was to come to Karim Nagar from Visakhapatnam was sold before it could reach Karim Nagar and bogus bills were produced and transport expenses were charged. Oil was not supplied and therefore was not sold. Not only this, the oil provided was also swallowed up. The concerned Government employees were suspended, but not arrested. I want to say that if there is a variation of 5 per cent or 10 per cent in the weight of 10 quintals of certain commodity, then legal proceedings should not be launched.

In the end, I want to submit that Government is providing wheat in place of rice to Andhra Pradesh under NREP while the wheat eating population is not much there. Government should provide rice instead of wheat. The Block Development Officers are selling this wheat in the open market and paying the contractors. This should be enquired into.

[Shri C. Janga Reddy]

I want to submit a final point
...*(Interruptions)***...

[*English*]

MR. DEPUTY-SPEAKER: Please conclude now. I am calling the next speaker. Now, nothing more will go on record. I have to accommodate one or two more Members. I am not allowing anything to go on record what Mr. Janga Reddy is saying. You are not obeying what I am saying Mr. Patel.

You do what you want to do. You don't know where to stand and how to speak and you are threatening me. Where are you standing now? You are not speaking from your seat. You are standing in the well and speaking. This is not the way to speak.

SHRI C. JANGA REDDY: Is this the well?

MR. DEPUTY SPEAKER: Yes. More or less, it is a well. This is not a place from where you can stand and speak.

SHRI C. JANGA REDDY: I am not arguing with you. I am only requesting you to give me some more time but you are asking them not to record.

MR. DEPUTY SPEAKER: Already you have taken a lot of time. Shri D.B. Patil.

SHRI D.B. PATIL (Kolaba): Mr. Deputy Speaker, Sir, I rise to support the Bill. Not only under the normal circumstances, there is a necessity for such type of legislation but it is very much necessary under the present circumstances.

Actually, the Act is there. But now, the time limit is being extended for five years.

All sections of the House have supported this Bill, but I have my own doubts.

Even though I support it, but I would like to ask the Hon. Minister whether this Bill deserves to be supported? Because it would have been much better, if the hon. Minister while in his introductory speech, would have informed the House, by taking this House into confidence that under the Act, which was passed in this House in 1981, and brought into operation in 1982 about the implementation of this Act. What is there in this Act? The important provision is the appointment of special courts and whether such Courts have been appointed in all the States and if so whether they will appoint such courts in all the districts?

According to me, there are 407 districts in our country and only 345 special courts under this Act have been appointed. The main purpose of this Act was to appoint special courts and even though, it was the main purpose but not even a single court has been appointed in each districts. Then, what is the use of this whole legislation? That is why the doubt exists in my mind. The hon. Minister ought to have taken into confidence by giving the figures as to how many cases had been tried by these courts and in how many cases it ended in convictions. That was also very important. Checking price rise is not an easy job. By coming to this House and expressing some pious sentiments that the Government desires to arrest the price rise is not going to help.

The prices of essential commodities are sky rocketing in our country. I personally think that instead of simply extending the time limit of this Act, the Government ought to have taken this opportunity to provide for stringent punishment for black-marketeers, hoarders and profiteers. But this has not been done. The prices are rising at a very fast rate.

From 1st April to 11th July, the food-grains' price rose by 9 per cent. During the same period, the prices of pulses rose by 24 per cent.

Now, I will quote the latest figures. On 14th August, the prices of gram, per quintal was Rs. 360 and on 17th August, it rose upto Rs. 410. That is, within only three days, the price of gram, per quintal gone up by Rs. 50/-.

Here the provision is there. The Act is there. The Government says that there should not be any profiteering. There should not any price rise. But still, it is continuing. What is the use of this Act not only for the present but for future also? If it is not being implemented under these circumstances when the floods are there, when the drought is there crops are damaged to a large extent so there is bound to be scarcity of essential goods. Not only that because of that scarcity, there is bound to be hoarding. There is bound to be blackmarketing. There is bound to be profiteering. Over and above that, there is bound to be artificial scarcity, which will be created by the hoarders.

If scarcity is created by hoarders, what will Government do by simply enacting the Bill extending the time limit of the existing Act? So, I would like to submit that taking into consideration the fact that there is a possibility of scarcity of essential goods, all such goods should be supplied all over the nation through the public distribution system. At present, very few items are being supplied, but I would suggest that all foodgrains, all pulses, edible oils including coconut oil should be supplied through the public distribution system—that too in sufficient quantities, at subsidized prices. If you are not going to provide sufficient quantities at subsidized rates, it is not going to help the poor people in the country.

20.00 hrs.

Moreover, the consumer movement in this country should be strengthened. In spite of all the efforts on the parts of the Government to arrest the rise in prices, prices are going to rise. There is bound to be rise in prices. If this happens, people are not going to tolerate it. They will go into the

streets, even though there is a slight price rise. Because of drought and flood situation in the country, crops have been damaged; and in future also there will be damage to crops and the stock of food-grains is bound to be much less. Even though there are buffer stocks now, but if they are not distributed properly and efficiently all over the country, there is no use having such stocks. So, the consumer movement should be strengthened through the cooperative movement. It is our experience that the private distributors who are given the fair price shops, do not take whatever is given to them to the shops. Instead of doing so, they sell what is given to them i.e. sell it in the market; they do not give such items to the ration card-holders.

Very recently, in the papers there was a letter of complaint from a person—I do not remember the name of the paper and the complainant; I will supply them to the hon. Minister—and in that complaint, he has mentioned that as he did not have the ration card, he went to the rationing office. There, he was told that as there were only three members in his family, he was not entitled to get a ration card, and that he should have at least ten members in his family. How is it possible for him to have ten members in his family, when there are only three? It means that he is not going to get the ration card. Till now, since the price rise was gradual, it was all right. But taking into consideration the serious situation likely to develop in the case of essential goods because of floods and drought, this type of administration results in the ration cards being denied to people. This should not happen.

Lastly, I would like to submit that the public distribution system should be strengthened. This Act is no doubt good, but I would like to request the Minister that in his reply, he should at least assure the House that in each district, special courts would be established. Also, if the hon. Minister has got information as to how many cases have been tried in the courts and how many resulted in convictions, he

[Shri D.B. Patil]

should give it to the House. If it is not available readily with him, I request that it should be laid on the Table of the House.

MR. DEPUTY SPEAKER: We can extend the sitting by half-an-hour. The hon. Minister will also reply today. Now Shri Somnath Rath.

SHRI SOMNATH RATH (Aska): The country has witnessed unprecedented drought, and the Government under the leadership of our prime Minister Shri Rajiv Gandhi is prepared to face the situation. The implementation of the Essential Commodities Act is most essential. When there is scarcity, naturally the middleman, black marketeer takes the profit

The commodities are kept by way of hoarding and then they are sold in the blackmarket. The hon. Minister has said that the distribution system should be made popular and awareness should be created among the consumers so that they cannot be cheated about the quality, quantity and weightment of the commodities.

As far as the Essential Commodities Act is concerned it is for the State Government to implement the provisions of the Act and the guidelines given by the Central Government.

The Central Government give a huge amount to the State Governments by way of soft loans and subsidy to the cooperatives for distribution of essential commodities among the people, to implement the distribution system through the cooperatives, the managerial, the subsidy and subsidy, for rent. What has happened to subsidy. The Central Government only give the guidelines; there is no supervision whether those guidelines are being implemented or not. So, I would request the hon. Minister to make it mandatory on the part of the State Governments that in all the States the distribution system especially at

the fair price shops should be at least 70 per cent by the cooperatives. It must be made obligatory because the Central Government give huge money to the cooperatives by way of soft loans and subsidy. But that money is not being utilized for the distribution of the essential commodities; it is being misutilized.

How many wholesale dealers producers have been punished by this Act? It is only the small shopkeepers or the hawkers who are punished. The Food Corporation never supplies sugar or rice or wheat by weightment. The wholesale dealers in the States are not lift the stock if they do not lift it within a particular time, then they sell the same to individuals and the individuals sell them in the blackmarket. There must be a check on this and it should be done in a planned manner so that all the essential commodities such as sugar, rice, wheat and edible oil do not go in the blackmarket. The Act must be amended in such a manner that the Food Corporation or the wholesale dealers or any other corporation in the States are that the essential commodities do not go to the blackmarket. There are corporations in the States which deal with the essential commodities. They should distribute the same through the cooperatives within a particular time and with weightment. If that is not done, then what is the use of discussing this Bill here and passing it. After it becomes an Act, the consumer will not be benefited.

So, some stringent measures should be taken by the Centre by amending the Essential Commodities Act and not leaving it to the State alone.

We are spending crores of rupees from our foreign exchange reserve to import edible oil which never reaches the consumer; the middle men take advantage of it. They adulterate it and sell it at a higher price. The remedy as I said, is that the distribution should be only through the cooperatives, because at the block level, there are Extension Officers of Cooperative department who can exercise a check

beside regular check by the cooperative and supply departments also.

There can be checks by the Supply Department provided the State Government comes forward and implements this Act sincerely. It is said, by Mr. Janga Reddy that before the bail is granted by a court it should not be made obligatory to ask the Public Prosecutor to oppose it. I think that this is only a directive, but not mandatory. The hon. Minister knows for certain that in every case when bail is moved, notice is given to the Public Prosecutor and if the Public Prosecutor does not appear and oppose the certainty the courts will not wait for him. It is for the Public Prosecutor to oppose it.

About summary trials, there is a provision. But are the States implementing? No. Regular trials are going on. It takes years together. Who will implement it? Is there any specific provision of direction from the Centre to do it? In the Essential Commodities Act also there is a provision that the States can make rules. For Example, supposing in a State there is some excess of rice or paddy, do they export to other States? When there is surplus also it is not being exported. What is the Government going to do about it?

Similarly, it is not only enactment of the Act, but its implementation in its right perspective which is more important. Hon. Minister will kindly inform us of the action the Government is going to take for the implementation of the Act and also regarding guidelines to the State Governments.

[*Translation*]

*SHRI A.J.V.B. MAHESWARA RAO (Amalapuram): Mr. Deputy Speaker, Sir, I wholeheartedly support the Essential Commodities (Special Provisions) Continuance Bill. Sir, mere passing the Bill is not enough. It has to be implemented with all the force at the command of the Govt. and then only the benefit of this Bill be felt. (*Interruptions*). I stress this point because such Bills which are beneficial to the public at large were passed by this House ear-

lier also but were not implemented with sincerity. Hence I stress that the implementation process is as much important as passing the Bills. Sir, the country is facing unprecedented drought and floods this year. There is poverty every where. Hence this is the time for the Govt. to gear up its machinery to see that the essential commodities are available to every one at reasonable rates throughout the country. The Govt. must watch the situation very closely. Intelligence Wing should be alerted against the anti-social elements which may try to exploit the prevailing situation for their benefit. Sir, it is most unfortunate to hear Shri K.S. Rao of the ruling party criticising the Andhra Government bitterly. He charged that many irregularities are taking place in that State in the distribution of Essential commodities. He also said the people are being prosecuted on the basis of party politics. Sir, there is not a grain of truth in what he said. Let me tell you clearly that it is only our State Govt. in the entire country which has taken strictest measures to see that the essential commodities are made available to everyone. Our State Govt. has not hesitated to take action against those who violated the law. 25 Kgs of rice at the rate of Rs 2 is being supplied to the green card holders. It is only due to the efforts of our Chief Minister Shri N.T. Rama Rao and Telugu Desam, an atmosphere has been created in the State where a green card holder can demand his ration, should there be even the slightest delay. Sir, the efforts of our State Govt are worth emulating by others. Our State is densely populated. The edible oil and other essential commodities which are now being released by the Centre to our State for public distribution is too inadequate to meet the demand. Hence I request that the quota of the commodities should be increased in proportion to the population in the State. Sir, Shri K.S. Rao alleged that the dealership is being awarded only to those who belong to Telugu Desam party. I vehemently deny it. No partiality has been ever shown in awarding dealerships. In fact, it is the other

* The speech was originally delivered in Telugu.

[Shri A.J.V.B. Maheswara Rao]

way round. The dealership was awarded during Congress regime only. Our Telugu Desam Govt in the State had in fact allotted leaderships to scheduled caste and tribals. These communities which were neglected had been given preference in the allotment of dealership by Telugu Desam Govt. Not only that, several other measures like helping them in getting Bank loans and supplying their quota of essential commodities by an appointed time were also taken by our State Govt. All these steps have encouraged the SC/ST and other weaker sections to stand on their own legs. It is the only State Govt. and Shri N.T Rama Rao the only leader in the country who have taken these progressive measures.

Sir, the Govt. of Andhra Pradesh requested the Centre to permit it to have its own procurement of rice for public distribution. So far permission has not been granted. In Punjab, they have their own procurement system. Hence I appeal to the Central Govt. to permit Andhra Pradesh to have its own procurement of rice for a speedy and effective public distribution.

Sir, Andhra Pradesh is receiving a meagre quota of 55,000 metric tonnes of edible oil. The State Govt has requested for 2 lakh 50 thousand mt. of edible oil to meet the requirements of the State. Hence I request the hon. Minister to increase the quota of edible oil to 2 lakh 50 thousand metric tonnes.

I thank you very much for giving me an opportunity to speak.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L BHAGAT): Mr. Deputy-Speaker Sir, I must thank the hon. Members—Shri Banatwalla, Shri Girdhari Lal Vyas, Shri Panchalliah, Shri Syed Masudal Hossain, Shri Vijoy Kumar Yadav, Shri Krishna Iyer, Shri Sriballav Panigrahi, Shri K.S. Rao, Shri Janga Reddy, Shri D.B. Patil, Shri Somnath Rath and Shri A.J.V.P. Maheswara Rao having participated in this

debate. I must acknowledge it frankly. I appreciate the spirit with which they have made the points—not necessarily that I agree with every point they have made. But I appreciate the spirit and I must accept that in certain respects, I do feel enlightened by what the hon. Members have said and that will certainly help us in improving things further.

Now, Sir, so far as the sanction of this Act is concerned, there are no two opinions. The whole House is unanimous that this Act should be extended for five years. Some Members have suggested why not this Act be made as a regular feature. Some have suggested that punishment should be more stringent. Some have suggested that some technical offences are also punished and there needs some guidelines for seeing that these technical offences are not punished. Some have said more punishment should be given. Some have said life imprisonment should be given. The hon. Member Shri Vijoy Kumar Yadav has said that punishment should be given as is provided in certain States. So far as the extension of this Act is concerned, there are no two opinions. One or two hon. Members have said that on this, the opposition parties should have been consulted. I wish to inform the hon. Members that on this Act, all the State Governments, probably major opposition parties Telugu Desam, CPM, CPI, Janata, Lok Dal—almost all the major parties including AIADMK, who are in the State Governments in one or the other part of the country were consulted. Some are in more than one State Government. There is a combination of left party in West Bengal, in Tripura, and in Kerala. All the State Governments were consulted. It is not that the opposition leaders in Parliament alone were consulted. All the State Governments including the opposition ruled State Government were consulted and all of them have suggested that this Act should be extended for a period of five years. The States—Manipur and Chandigarh did not give any comment. We did not get their reply.

The question arises why can't we make it as a regular feature. We have done quite a lot in this country—green revolution has come, a lot of irrigation has been done and number of things have been done. The whole nation has done it. All these achievements are the achievements of all sections of the people. I feel that quite a lot of good work has been done in all parts of the country. That is my opinion. But still to a large extent, we are depending on the rain God. The situation that existed a month before or two months before is not the situation which exists today.

We were not expecting the drought of this magnitude, of which has come now. At that time, when the question of extension of this Act was considered, the situation was not what it is now. On the other hand, the hon. Members have said what is really needed is the better enforcement of this Act and if this Act, as it stand now, is enforced more properly and effectively, it could yield better results. Well I do not subscribe to this view that the Act has not been enforced. This Act has been enforced by the State Governments. The Chief Ministers and Ministers of all the State Governments, whether they are Congress I or non-Congress I Governments, have given an impression that the Act is being enforced very well in the States and they are taking all possible steps and measures. They all appreciate the distribution system.

It is not that I totally agree with what they say. My impression is that in the implementation of the Act there is scope for improvement in all the States, everywhere. I have repeatedly written to the Chief Ministers not once but more than once that the Act needs to be enforced more effectively, particularly after the drought conditions have come. I have written earlier also. I had discussed it in the meeting of the Council on distribution system. I have discussed it before the parliamentary session started in a meeting of the Ministers of Food and Civil Supplies from all the States, emphasising the importance of the distribution

system as also enforcement of the Essential Commodities Act. I do feel that there is scope for better enforcement. I do not say what the hon. Members are saying is without any basis. There must be some basis. But when you take action you take action on the basis of evidence which is there. But what is the part that the Central Government plays in this? I do not believe in shifting the responsibility. I believe that the Centre and States together owe responsibility to the people of this country. I stand by the States and States stand by us. If I go by what the Chief Ministers have said and what we have said, there is absolute understanding, coordination and cooperation between the Centre and the States. I have letters with me from the Chief Ministers of all the States praising the Central Government in regard to supply of foodgrains and edible oils. We have peculiar difficulty in the States. I believe that the States have tried to enforce the Act and improve the distribution system. They have tried to expand it also. This is not to say that the distribution system is as you would like it to be or I would like it to be.

A very important point was made during the debate that vigilance committees be set up. It should be made a popular thing. I entirely agree with this. The best solution of problems lies in vigilance by the people themselves. Precisely keeping that in view, the Ministry has suggested to all the State Government more than once that vigilance committees be set up on every fair price shop including rural areas. This should be a committee of at least five people which should include women also. I have got with me the status of the vigilance that every State has developed. In some States they have committees at the district level, some at the taluka level, some at the parishad level. Almost no State has it at the level of fair price shop. That is the position. I have emphasised that it should be done. And the sooner they do it the better it is. It is not that I have taken it up now. I had taken it up as soon as I took charge of this Ministry about a year ago. I have done it and I have repeated it. I am keen that this should be done.

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Now, the distribution system is very much maligned. While I certainly would not condone any deficiencies in the distribution system, whether they are deficiencies at the level of the Central Government, because our job primarily is to supply foodgrains and a few other items, so far as actual distribution and implementation of the Essential Commodities Act are concerned, that is the responsibility of the States. I have noted the suggestions which the hon. Members have made. I am sure, they will use all their power persuasion with their own State Governments so that the distribution system can be further improved and enforcement and implementation of the Act by the State Governments is done effectively.

I don't deny, I don't dispute the deficiencies that the distribution system has in this country. Some deficiencies and lacunae are there in the Central system of supply also which we are trying to remove. Some we have removed. In the State systems also some deficiencies are there. Some States have the Civil Supplies Corporation which are developing, some don't have it. I do not deny that the enforcement of the Essential Commodities Act is not as it should be. It should be done still better. But we cannot deny one fact, which is an undeniable fact, that the distribution system and the procurement system also which we are having in this country is unique in the world and this is being done at the cost of a subsidy of Rs. 2,000 crores which helps not only the consumer but also the farmers. If this distribution system were not there, if the procurements were not there and if there was too much of production, what price would the farmers get and what price would the consumers pay? Leave aside the deficiencies in the Food Corporation of India and some criticisms which are levelled. I can go into that matter at a later stage, otherwise the whole discussion will become very lengthy. Keeping all the deficiencies in view, India is one country where this system exists and

cheaper food is available to this country, and also the farmers get a price. Not one State, not only the Centre, but the Centre and the States, the people of India should feel proud that we have a distribution system which is helping us. We should try to remove the difficulties. Well, certain States have developed certain systems. Andhra, Karnataka, Tamil Nadu, Maharashtra, Gujarat, number of States have adopted certain systems but let us not forget one basic thing. I do not make any line of distinction because I do not want any quarrel between the Centre and the States. I would support a State, when it is a Congress (I) State or it is a non-Congress (I) State. That is my approach. That is the approach which the Prime Minister has very rightly taken. Therefore, I say that none of the States has any grievances against the Centre. But I would say that let us recognise that the rice that you supply, the wheat that you supply, the edible oils that you supply, the subsidy that you give, the cheaper food that you give, largely comes from the Centre. The improvement that you have made, I would give you credit for that. I will not grudge the credit for the improvement that you have made or others have made in the States, but certainly let us not forget that largely the subsidy comes from the Centre.

Now let us come to edible oils. So far as the edible oils are concerned, today their prices are rising very high. There is no doubt about it, absolutely no doubt about it. It is because of a number of reasons, because we have been short in production. The drought has made things still worse. We wanted to be self-sufficient in oils. Hon. Member Mr. Sen has been making a point. He is a member of the Consultative Committee of my Ministry. He made a point there also. He said that when there is less production, we make less imports. Not necessarily, not always is this the correct position. But this is a point for which I would give you due appreciation. I would honestly say what I feel. How much oil should we import is a question. One of the factors we have to see is the price that the consumer can bear or should bear, or the price which the farmer should get. There

has been a very strong opinion in this country, particularly by the Ministry of Agriculture, that don't import so much edible oils that the Indian farmer is depressed. Therefore, we have to keep this in view. If the Ministry decides to import more oils, the result would be—it has happened previously also—the prices will depress. So, we have to strike a balance between the interests of the consumers and the interests of the growers. We began with less import. Some months ago we increased it much. We began with eight lakh tonnes, now our decision is to import 15.75 lakh tonnes. We are still watching the situation and if necessary, we might import more so that the prices of edible oils which are going up can be contained. Now I am not at all happy with the situation on the oil front and also in regard to other items but as I said there are the limitations to import also. You cannot have unlimited import of edible oils. You cannot. Ultimately the Government has its own limitations with regard to foreign exchange and other things. Therefore, this has to be there. If you see the situation one, two or three months before, the situation was different. The production of sugar cane luckily for us has gone up. It is going to be 85 lakh tonnes during the year and the sugar prices by and large in the country have remained stable. The prices of wheat and rice also by and large have remained stable. The prices of certain commodities ble. The price of certain other things also remained stable. The prices of certain commodities have gone up. Some increase has been natural also. There is always and now too there is scope. I agree with the hon. Member because of drought artificial increase in price has been there. When an atmosphere of difficulty comes the psychology of every one even the consumer, the shop keeper, everybody is to corner so that what may happen tomorrow. I want to assure the people of India so far as wheat, rice and major items are concerned, we have enough in the country. We shall be able to feed everybody with the stock. This is an achievement of our farmers. This is the achievement of new techniques of production which were

resorted to by the Central Government and the State Government. I believe, this is an achievement of the entire nation to gear up and to see that we are in a position.

This un-precedented drought is there now. There have been situation of drought in various parts of the country during the last some years. They said that very difficult problems have arisen. Long back we were a very deficit country in foodgrains. We used to import lot of foodgrains. At one stage there was famine in Bengal during the British time. But during all this period of 40 years, since we became free, there have been a drought, there have been shortage of food here and there; people may not have been able to produce food, but I think for want of food supplies in the country nobody was allowed to die since we became independent and I assure the hon. Members...

AN. HON. MEMBER: It is because the State Governments....

(Interruptions)

SHRI H.K.L. BHAGAT: I am giving you the credit also. I am not speaking on partisan line. You should feel a sense of pride in national achievement which is the achievement of all of us. I am saying further, in this present drought situation, what we need today is to keep a close watch on the distribution system so that enough timely supplies are there. My job is to keep and give the State Governments their food requirements. Their job is to keep a close watch on the distribution system, expand the distribution system further. Wherever possible and necessary, vehicles can be sent. Shops can be opened. We have asked them to take the distribution system to the inaccessible areas. Prime Minister has been emphasising this regularly that we should do that and we have done that in some cases in the far east. We give transport subsidy also. We are trying to expand the distribution system. But it can be done with the co-operation of the States which I think all the State Governments are

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inclined to do. They want to improve. In some cases they have improved. I would say in some cases they improved more and in some cases far more, better improvements were needed. All the State Governments feel that the distribution system is good. All the same the Central Ministry gets complaint regarding distribution system—individual complaint and some time other types of complaints come. It is for the State Governments to deal with the complaints. I deal if there is any irregular supply, untimely supply, mis-use of the supply by any State Government, or anything of this sort. It becomes my responsibility. We have to deal with it. If there are any wrong supplies by us, we take action. And we have taken action in the matter. What I am trying to say is this—our job, we are trying to do. I do not say, there are no lacunae in our job. Some lacunae are there. I am conscious of it. But all of us have to work together to see that this unique distribution system which we have in this country it is serving millions and millions of people in this country. When there is over-production, what happens to the farmer?

Now, rains destroyed and spoiled a lot of wheat in Punjab which, under the situation, we could not purchase. It lost lusture and nobody was willing to purchase it and the open market purchaser would not give the price which the Government offers. Therefore, the whole system is to help the farmers, to help the consumers and at a huge cost of Rs. 2000 crores of rupees per year the Central Government are buying it.

Now, one hon. Member said that somewhere 3 members of the family were told that the ration cards cannot be issued to them. The ration card can be issued to one member of the family and it should be issued. We have also written to the State Government that ration cards should be issued on the verification of the MPs and MLAs so that they are not in trouble.

Now, with regard to the drought, as I said, so far as my Ministry is concerned,

our job is to supply the foodgrains and the job of the States is to improve their system further to meet the present situation. The Prime Minister has emphasised on me and all the Ministers that this whole thing should be dealt with on a war footing and specific strategies drawn. We are in touch with the State Governments with regard to the prices and enforcement of prices which are statutorily fixed and of course a voluntary containment of prices—after all you cannot fix the prices of every commodity—is needed. I have written to all the State Chief Ministers that a stage has come that under their own Chairmanship or under the Chairmanship of their Minister, they should have committees which should consist of representatives of consumers, representatives of trade and industry, elected people, MPs and MLAs and on a regular basis monitor the prices and try to contain the prices. Voluntary efforts or persuasive efforts should also be made for the enforcement of law and this Committee should be taken at the State level, district level, tehsil level and at the fair-price shops level, even at village level. This stand has been taken by the Central Government and I have written to all the Chief Ministers.

Now, one point has been raised with regard to people being punished for a small technical formality. Now, we have two views here in this regard. One is to tighten the law. The situation in the country demands it. While we should see the working of this Act, if necessary we need to tighten the law by further amending it. We will do it. The other point is that sometimes for small technical lapses, you are penalised. For instance, you are supposed to keep so much under the order and you have 5 Kilos or 10 Kilograms more, and I have got some complaints about this. In such cases, one must have to take a lenient view. A suggestion is given that there should be guidelines. Gujarat has done it and other States have done it and we are collecting those guidelines. We do propose to issue guidelines so that nobody is subjected to harassment unnecessarily.

If we can do it without that, we should try

to do it without that. If it is necessary, we shall do it with that also.

Now, one Member raised the question who would bear the expenses for the consumer councils. The reference is obviously to the Consumer Protection Act. Let me tell for the benefit of all the hon. Members that the Central Government has already taken up this matter with the Planning Commission and they have agreed in principle that since consumer protection council forms part of the 20-Point Programme, that should be treated as Plan scheme, and in principle, they accepted it as a Plan scheme from next year onwards, since allocation for this year has already been made. For this year, since it remains a few months, the States have been asked to make some provision from their own Plan funds. Why should they not do it? It is their responsibility to protect the consumers. The responsibility of the State in respect of consumer protection is as much as that of the Centre. They should not hesitate to provide funds. I am glad to tell you that though some States have raised this point, almost all the States have agreed to put up the machinery and so on.

A question was asked whether the consumer protection councils have been set up. At the Centre, it has been set up. In some States, some Councils have been set up already. Some others are in the process. They have given some time-bound assurances. In regard to the National Consumer Commission, in regard to the State Consumer Commission, district redressal forum, these are being processed. They have to find out so many things. Imagine, they have to find out, for every district a judge and two persons, including one lady essentially. They have to find out offices. Even in Delhi, for the National Consumer Commission, I have written to the Ministry of Urban Development for office and we are in the process.

Let me say, it is not the Government achievement. It is the achievement of all of us, the whole House. One of the most pro-

gressive measures, Consumer Protection Act was enacted by us, by this country. This compares favourably to any consumer protection law in the world. I am not being a sort of dishonest when I say that all of us did it. But the initiative, pursuing the matter, taking into logical ends by putting all services, public undertakings and corporations goes to the credit of the Prime Minister, who said, "Make it more progressive". It was he who said to me every week, "Make it more progressive".

Now, it is a question of its implementation. I agree with the Members that its implementation will be as good as the consumer movement. We have consumer organisations in the country. Some of them are doing good work. But I must confess that it is not as it should be. You have to have a very vast disciplined, responsible consumer movement right from village, taluka, district, State and to national level. It has not grown. That is one reason why we set up all this infrastructure. If the consumer is not organised, if he does not assert, does not use his right, does not work, then the movement cannot be effective. We have the simplest procedure now. Anybody sitting in one corner of the country in a district, can send a post card and that would be treated as a complaint. There is no fee; no procedure. Within a short time, either he has to replace the goods from the factory or has to pay the compensation which has to be paid. If he does not pay, he goes to the jail. One of the simplest procedures, one of the most progressive laws has been enacted in this country by you and me and all of us unanimously. Now, it is a question of its implementation. I have already spoken to the representatives of the trade and organisations that they should have their own consumer protection cell which should give time-bound protection to the consumer. Each one of us is a consumer in this country. Every trader is a consumer in many parts though he is a trader in one or two parts. It is the sacred duty of every trader, industrialist and of everyone to give justice to the consumer. If they do not do it, they will do it at their cost. I warned them also that the consumer is

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getting more and more conscious. One question is, what is the Government doing for the consumer movement? Let me tell you frankly that the Government does not stand for Government sponsored consumer movement. No. I do not want a politically sponsored consumer movement. I would like the consumer movement to be a genuine, honest spontaneous movement of the consumers. I would not like the consumer movement to be financed by the Central Government or the State Government though in some cases, the policy was to give them some little help. In some cases, help was given.

When I mentioned this point of leading the consumer movement to the Prime Minister, the Prime Minister told me "Mr. Bhagat, why don't you have confidence in the people of India?" and he said that "a time will come and it is coming soon when the people of India will be able to develop consumer movement by themselves." That is the type of consumer movement we want. I do not want a consumer movement, consumer organisation, sponsored by me, by you or anybody. You say it should be all-political-committees. I say 'No'.

SHRI V. SOBHANADREESWARA RAO:
Get it propagated through media.

SHRI H.K.L. BHAGAT: I am coming to the point of media. You are raising a very relevant point. Now you said that we should have all-parties Vigilance Committees. Somebody said that they are not all-parties. I am not aware whether there is any State where any Committee is set up where any ruling party member is in the Committee. If so, it is wrong. This Committee should not be a combination of mere political elements. This Committee should be truly representative of poor people and it should contain citizens from various walks of life, the consumer representatives, farmers, technicians, scientists, the school teachers and the teachers in the rural areas, all these people should be put and particularly women.

It is the women who know the pinch of the kitchen more. That is why we have provided in the infrastructure in the National Consumer Commission one will be essentially a woman, in the State one will be essentially a woman and in the district one essentially shall be a woman. For example, I must confess that my wife is a much better conscious consumer than me. I believe that it is true in the case of all women. The women are better and, therefore, we want to encourage them.

My friend raised a question, what should be the media. We are quite conscious of that. We took up a meeting with the media representatives and we have told them that there should be a campaign to educate the people regarding their rights. These things cannot be communal.

One of the most important things done by you in this House is that, previously the complaints were made by only the Inspectors in certain Acts and under the Inspector Raj, he could file a complaint or he could not file a complaint. You enacted a law during this term of Parliament where every consumer has a right to file a complaint direct in the court under Prevention of Food Adulteration Act or any Act. This is the right you gave them. They have to be made conscious. They have to utilise that.

So far as the media is concerned, in one foreign country, I remember I read an instance where some company raised some price. The people of a small town decided not to purchase that particular quality unless the price rise is withdrawn and in 7 days the company came down on their knees. I want this atmosphere to be created in the country which you and I have to work together to do it.

Regarding pulses, we are short of pulses in this country and it is the diet of common man. The prices of pulses are also rising. Ministry of Agriculture has already decided that more pulses should be imported so that the prices of pulses can be kept stable and so the Government is already giving consideration to this matter.

Now one point was raised which is very relevant that—I think hon. Member Mr. Janga Reddy made it or somebody made it—from the Food Corporation, sugar bags supplied by the sugar mills are not weighed by the Food Corporation and the wheat bags are not weighed. I think my hon. friend from Karnataka raised this question. I would say that so far as the rice or wheat bags are concerned, they have to be weighed. State Government representative can ask each bag to be weighed and they are weighed and they should be weighed and if they are not weighed, it is a violation. You tell me where they are not weighed. I hang them. Take action against the officers where they are not doing it. I can assure you. You ask your State Government. You tell me. I take action against anybody in the Food Corporation who does not give them properly weighed bags or if quantity is less. In some cases, complaints came. We took action.

In some cases even the quantity of weighed bags is in short and quality is also not good. Here, I would like to mention that the representatives of the State Government can see the seed samples there. They can take seed samples. They can check every bag before taking the delivery. So, these are the arrangements. If you do not follow or if my officers do not follow, then I must know of it.

So far as the sugar bags are concerned, the position is true. The other day I took a meeting and I found that the sugar bags are not weighed before being delivered. I was told that since they come in sealed bags and so on and so forth, they were presuming that the quantity is correct and they were not being checked. I think, about a week or 10 days before, I have instructed the Food Corporation: "you must weigh each bag which comes from the sugar factories and if you find any bag in shortage, then you must proceed against the factory taking legal action etc." I have already issued the instructions so that it should be done.

Regarding the question of action taken

and enforcement, I want to assure the hon. Member who raised this question of Special Courts. I will check up in which State such Special Courts have not been set up. If they are not set up, it will be pursued. At this moment, I confess that I do not have the figures with me as far as this aspect is concerned. I am putting straight forward that what I do not know at this time, I say I do not know! Anyhow, I will check up and tell the State Governments where the Special Courts do not exist—I do not know whether they exist everywhere or not—to set up Special Courts. I have the total figures which the hon. Members read regarding the enforcement of Essential Commodities Act. It was said that a large number of raids have taken place and the number of convictions is less and so on and the property confiscated is less. Even, I do not say that all the cases should be rejected; I do not say that all the cases should be convicted. But it is for the judges to convict. I do not say that every case which is put in the court is pursued with zeal. It is for the State Government to do that. They should do that. The State Governments should do that whether they are Congress (I)-ruled States or Non-Congress (I) States. It is their responsibility to do that. But such a large number of raids themselves may provide opportunity to some people for corruption. I cannot say that corruption does not exist and corruption is nowhere and perhaps corruption may be there. But at the same time where the raids have taken place, where action that has taken place, in that even three months minimum imprisonment has also done some job. Even the provision of no-bail or making the bail difficult does have a salutary effect. So, it is not correct to say that no enforcement has taken place and the whole thing is a total *tamasha*. It is not so. There are 3,37,000 fair price shops and imagine the work involved. I don't say that they are all working well; there is no difficulty; everything is available simultaneously, all these things are not available. One of my friends has mentioned about this. I think my friend from Andhra thinks that he knows Delhi better than what I know or he knows Delhi better than

[Shri H.K.L. Bhagat]

Andhra. I would say that the distribution system in Delhi also suffers some lacunae. But it is totally wrong to say that not even one kilo of sugar is available; this is not available and that is not available. This is wrong. There are deficiencies and difficulties in Delhi also. Not because that I have been elected from Delhi, I am saying this. I say that Delhi has got one of the finest distribution systems in the country, where they carry the stock to the consumers. There are complaints and I have told them about it. I am a little worried about the edible-oil distribution. I am not sure whether all the edible-oils which we give at a huge cost, there is a wide gap between the price of imported oil distribution and the prices of the indigenous oil distribution. There is scope for dishonesty; there is scope for theft. Daily, I have been insisting on the authorities to make raids and start a drive against the hoarders. I am sure that with all these enforcement and other things, the situation can be improved. With your cooperation, I hope it can be done. I must thank all the hon. Members with the spirit with which they gave their suggestions and some of their suggestions are quite useful. With these words, I commend this Bill to the House.

MR. DEPUTY SPEAKER: The question is

"That the Bill to continue the Essential Commodities (Special Provisions) Act, 1981 for a further period, be taken into consideration".

The motion was adopted.

MR. DEPUTY SPEAKER: The House will now take up *Clause-by-Clause* consideration of the Bill.

The question is:

"That Clauses 2 and 3 stand part of the Bill."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

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

MR. DEPUTY SPEAKER: The Minister may now move that the Bill be passed.

(Interruptions)

MR. DEPUTY SPEAKER: Let the Minister move first.

SHRI H.K.L. BHAGAT: Sir, I beg to move:

"That the Bill be passed."

MR. DEPUTY SPEAKER: Motion moved:

"That the Bill be passed."

MR. Hossain

SHRI SYED MASUDAL HOSSAIN (Murshidabad): I want to ask only one question, namely, whether the Government is trying to supply at least the 14 essential commodities throughout India at the same price through the public distribution system. He has not answered that point.

SHRI H.K.L. BHAGAT: I am sorry I did not mention about that. There are certain items which, we have fixed, should be given. On most of the items, subsidy is involved. Already the amount of subsidy is much more than Rs. 2,000 crores. If we include all the items, the subsidy becomes much higher and it becomes a lot of strain on the exchequer. One point which the hon. Members have raised is today every ration-card holder is getting subsidised foodgrains. Now the question is whether the subsidy should be removed from certain sections and should be passed on more to the weaker sections. If you add more items, it means more subsidy. It is not very easy to do that. But we will consider what possibly can be done, but I cannot give any positive assurance now.

MR. DEPUTY SPEAKER: The question is:

"That the Bill be passed."

20.57 hrs.

The motion was adopted.

*The Lok Sabha then adjourned till
Eleven of the Clock on Friday, August
21, 1987/Sravana 30, 1909 (Saka).*

MR. DEPUTY SPEAKER: The House stands adjourned to reassemble tomorrow at 11.00 a.m.