

approval of continuance in force of proclamation in respect of Nagaland

[Sh. M.M. Jacob]

para-military forces by taking sufficient precaution. We want to see that the people of Nagaland, who are essentially peace loving and good people must enjoy the fruits of democracy and freedom, live in the country, in the great nation of India as a part and parcel of this great nation.

I request the House to endorse the extension and approve the motion.

DR. JAYANTA RONGPI (Autonomous District): So far as the short-term measures like election process, strengthening the public distribution system and holding anti-corrupting drive is concerned, I can understand. But my point is that holding elections and doing the anti-corrupting drive will not solve the Naga problem. As long as the Naga problem exists, even after having a popular government, this will linger on.

18.00 hrs.

We have seen this frame can past experience. One peculiar thing is that though insurgency is going on since decades, election time is somehow very peaceful. In States like Bihar and Uttar Pradesh, where there is no insurgency, there is a lot of violence during elections. But, in Nagaland and Mizoram, holding elections is no problem at all. But in my opinion, holding elections is only a short term measure. It is not going to solve the Naga problem on a permanent footing. I would like to know from the Government of India and the hon. Home Minister as to what action plan they are proposing, what steps they are going to take and what vision they have, with regard to solving the Naga problem permanently.

SHRI M.M. JACOB: Sir, we are prepared to go to any extent to have a dialogue with anyone in Nagaland who accepts the Constitution of India. We are prepared to meet even the militants or insurgents who are prepared to come to the negotiating table, accepting the constitutional obligations of this great country. We are prepared

to have any dialogue with any political party in the State to achieve peace and prosperity in the State.

MR. DEPUTY SPEAKER: I shall now put the Statutory Resolution to the vote of the House. The question is:

"That this House approves the continuance in force of the proclamation, dated the 2nd April, 1992 in respect of Nagaland, issued under article 356 of the Constitution by the President, for a further period of six months with effect from the 2nd October, 1992."

The motion was adopted

18.02 hrs.

HALF-AN-HOUR DISCUSSION

Re. Prices and availability of essential Commodities

[English]

PROF. K.V. THOMAS (Ernakulam): There is strident rise in the prices of a large number of commodities, especially essential commodities like rice, wheat and edible oil and also the life saving drugs. In the answer given by the hon. Minister Shri Kamaluddin on 7.5.1992 in Rajya Sabha, he himself has admitted that there was an increase in the prices of essential commodities. May I point out the difference in prices - both wholesale and retail - of essential commodities in Delhi alone between April 1991 and April 1992 I will also give their percentage variation, for the information of hon. Members. The wholesale price of rice in April 1991 per quintal was Rs. 483 as against Rs. 564 in 1992 April. In April 1991, the retail price of rice per kilogram was Rs. 6 and it went upto Rs. 7 in April 1992. The percentage variation is +16.8. Similarly in the case of wheat, the wholesale price per quintal was Rs. 303 in April 1991, which increased to Rs. 389 in April 1992, the percentage variation being +28.4. In the case of

chillies the wholesale price was Rs. 2975 per quintal in April 1991 and it increased to Rs. 5100 in April 1992. The percentage variation is as high as 71.4. Chillies have become as costly as gold. At the time of marriage, girls in Kerala are given some gold ornaments. Nowadays people are saying instead of gold, chillies may be given because they have

become more valuable than gold.

I will just indicate the price in the Capital city and also the difference. Today, I have got a chart with me. In different markets of Delhi, for the same item, the prices are different.

Items	super Bazar	Kendriya Bhandar	Bengal Market
Rice permal 1 kg.	6.75 (There is a difference of Rs. 3/-.)	6.55	9.50
Sugar	10.20	10.20	11.00
Hamam soap	5.15	5.10	5.25

So, from market to market, the price varies. Even in the same market, from shop to shop, the price differs. So, my question to the hon. Minister is what is he doing and what action he is taking. Firstly, I am not asking that the prices should be brought down to the last year level but at least, he should stabilise the prices or curtail the price rise. Secondly, within the city why, there is such a variation of prices? What action he is taking? During the Emergency period viz. between 1975-1977, in front of every cereal shops, in front of every retail shops, there used to be a list wherein the stock was shown, the price was shown. There may be difference of opinion regarding the action taken at the time of Emergency but people did appreciate this thing. Because of this, people were sure of stock position and also the prices. Why don't you do the something here? With the help of the State Governments, you can do it now also. I know that this thing cannot be done only by the Central Government, but they have to take the help of the State Governments. Why don't you insist that all the retail shops and the wholesale shops should publish their stock as well as the price list?

Sir, another point that I wish to bring to your notice is the rise in the prices of life saving medicines. This is unbelievable. Vitamin As price has now gone up. Secondly,

there is a scarcity in the market. Insulin Injection which is used for diabetic patients, within one month, its price has gone up from Rs. 17/- to Rs. 27/- per vial. Fortuberculosis patients, there is a tablet called RIMAT-ACID. For four number, its price has gone up from Rs. 12/- to Rs. 19/-.

Similarly Ampiciline injection's price has gone up from Rs. 1.50 Rs. 2.00 to Rs. 4.25.

Erythromycine Antibiotics (10 tablets) tablets' price has gone up from Rs. 12/- to Rs. 30/-

The medicine manufacturing companies simply change the name for increasing the price of the medicines. Take the example of Benadril Expectorant for cough Its price was Rs. 5.25. Now, they have removed the word 'Expectorant' from the cough syrup and now it has become ordinary cough syrup and they have increased the price to Rs. 16.15.

Glycodin's price was Rs. 14.25 and now it has been increased to Rs. 27.40. Ordinary inhaler's price was Rs. 45/- and within and within a month, it has gone upto Rs. 65/-.

What action, you are going to take on this? On this point, we had sent a number of

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letters. I know it does not come under your Ministry alone.

But you can also use your influence so that the common man in this country can get life saving drugs at a reasonable price. Now, the people are afraid of going to the doctor. Every doctor is charging differently. so, the people of this country are afraid because they cannot get medicines easily. Will you be able to supply at least some medicines like vitamins at a reasonable price through some cooperatives; some sort of arrangement can be made by you for supplying these medicines.

You yourself had made a statement on 14th May, 1992 in Rajya Sabha that public distribution system has been revamped and extended to farflung hilly areas to reach its benefit to the poor sections of the society. For this purpose, 1000 blocs have been selected in the country under the revamped PDS system. The allocations of rice and wheat for PDS has been increased from 182.10 lakh tonnes in 1990-91 to 217.79 lakh tonnes during 1991-92.

The Government has also announced an adhoc increase of 5 per cent in the monthly levy of sugar allocation of States and Union Territories from August 1991 to September 1992. So, this much allocation you have made; you have increased the allocation; even then the price of rice, sugar, wheat has gone up by 70 per cent. What action are you going to take on this ?

Similarly, you have said that you are taking action on hoarders and black marketers and such anti-social elements have been intensified under the Essential Services Maintenance Act of 1965. As a result of this, during the period 1-1-92 to 30-4-92, that is three months, as many as 29, 193 raids were conducted, 1131 persons were arrested, 1548 persons were prosecuted, 64 persons were convicted and goods worth of Rs. 5.10 crores had been confiscated. you have taken this much of action. But what is the result? That

means this action which you have taken has not produced any result. So, my request is with the help of the State Government you have to effectively implement the Essential Commodities Act. I understand some of the States are reluctant to do it; but you have to convince them so that these measures which you have taken within one year - we are happy that you have taken action - the results of these measures should reach the people.

Kerala is one of the states where there is an effective public distribution system; we have been doing very well. Looking at our system, we have got 13,150 ration shops; we have got 3500 stores; we have got 80 mobile stores; but, still, we need more. Every year, we need about 45 lakh tonnes of foodgrains; out of that, we produce 7 lakh tonnes of rice; 18 lakh tonnes of rice, you are giving; and still we need about 20 lakh tonnes of rice.

in Kerala, through the PDS system, we get one kg. of rice at Rs. 3.4; whereas in the open market, it is sold at Rs 7-8. Similarly, we need boiled rice, not raw rice. Kerala people like boiled rice. Last year, you had been very kind enough to give about 60 to 70 per cent of the total rice allocation of boiled rice. My request to the Minister is to increase this boiled rice allocation to one hundred per cent.

We use only the boiled rice.

Coming to the edible oil, in Kerala we have got only one oil, coconut oil. It is more or less industrial oil and the price is Rs. 50 per kg. So, the common man cannot use it.

So, what we are using is the Palmoline oil. You have given an allocation of 4,000 Metric Tonnes. So far we have not got it. And within another 30 days we are approaching Onam our national festival. Our request is to give us 5000 Metric Tonnes of this palm oil which is available in the Calcutta stocks. Nobody has taken from the Calcutta stocks. Even though it has been allocated to some other States, those States have not taken it. We are prepared to take from those stocks.

Go, I request the hon. Minister to allocate from those stocks 5,000 Metric Tonnes to us.

My request is that the Government should take strong action and insist with the help of the State Government that the prices of the essential commodities, prices of drugs, licensed medicines should be published so that the people know at what price they are available.

Then, at least within a city like Delhi the price should not fluctuate from one market to another probably within the market there will be fluctuation.

On all these fronts I request the hon. Minister to take strong action so that the people of this country feel that they can get the essential commodities at a reasonable price.

All other calculations like the inflation rate coming down from two digits to one digit are different. People are not interested in them. I am happy that you have brought it down from 16.5 to 9.5. That is welcome. But the common man is not interested in that data. He is interested to know at what price he gets wheat, at what price he gets rice, the price at which he gets edible oil, the price at which he gets chillies, and the price at which he gets the essential commodities.

I request the hon. Minister to take strong action so that people get all these items easily.

MR. DEPUTY-SPEAKER: Now, clarifications. Dr. Laxminarayan Pandeya.

[Translation]

DR. LAXMINARAYAN PANDEYA (Mandsaur): Mr. Deputy Speaker, Sir, I would like to draw the attention of the hon. Minister that the position of rain is still uncertain. The condition of States affected by famine has not yet improved. Keeping this in view and the situation of scarcity, whether the Government has proposed to take any

new steps or not? What is the position of foodgrains?

I would like to know from the hon. Minister as to what were the reasons which compelled the Government to first export the wheat at lower rates in the last December and then to import wheat at a higher rates?

I would like to draw your attention towards this fact that the Government is giving low procurement price to the farmers while paying higher prices for importing wheat. Had the Government paid such higher prices to the farmers, then there would have been no need of importing wheat. I would like to draw your attention towards a news item appeared in a newspaper. In which it has been said:

[English]

"Today the procurement price in India for wheat is Rs. 280 per quintal but the market price is Rs. 350. Instead of paying Rs. 350 for raw wheat the Government is preparing to pay Rs. 450 for imported wheat. This can only mean a higher price."

[Translation]

Along with this, I would like to know another thing from the Government. I would not like to deliver a detailed speech. The Government is also importing edible oils. What quantity of edible oils the Government has asked the National Dairy Development Board to import and the amount of foreign exchange likely to be incurred thereon? Regarding the edible oils I would like to draw your attention that I represent the State which is known as Soyabean State. In short you may say it Soya State. The production of soyabean is too much in the State and there is tremendous potentiality of its production. If Government encourages the soyabean growers the country will not have to import edible oils.

This thing has been started in Rajasthan also and soyabean has been started growing there. If Government encourages the farmers, give them reasonable procure-

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ment price then I think there will be no need of importing edible oils through NDBD or through any anyother agency.

Today, the Government is going to import the edible oils. I would like to know whether Government propose to import edible oils and whether it has been imported or not, if so, the total quantity of the edible oils propose to be imported as also the quantity out of that already imported by Government and how much it is yet to be imported ? Similar is the case of Wheat. I would also like to know the same information about wheat. Kindly give the actual position.

Mr. Deputy Speaker Sir, I would like to draw the attention of the House towards one more serious issue. People in adicasi and inaccessible areas used to eat coarse grains like millet, maize etc. The prices of maize have gone up to Rs. 7-8 and that of wheat is to /Rs. 5. The price of the coarse grains, the food of the poor adivasi has gone up to Rs. 7-8. It is too costly to purchase by them. some arrangements should also be made for the people of hilly, advise and inaccessible areas, where coarse grains are the main food item.

We talk of the Public Distribution System. But there are no proper arrangements of PDS in farflung hilly and advasi areas. Recently, some days ago I have visited Sikkim and Darjiling. These people there told me that essential commodities were not available at PDS shops. One of its reasons may be the high transportation cost of the and it is the duty of the concern State to carry it there. And the Government pays less transportation expenditure. Due to this very reason these commodities do not reach there. Similarly, the quantity of the essential commodities demanded by the State Governments are not supplied fully and thus there is shortage of the commodities. Similarly the Government has made difference between urban areas and rural areas. We do not say that commodities should be given in the urban areas in low quantity but it should also

be supplied sufficiently to the rural areas. Per unit allocation of sugar in rural areas is 300 grams and in urban areas it is 1 kg. This disparity of the system should be done away with. I would like that attention should be paid in this regard.

Similarly, the Government declared that efforts were being made to reduce the price of commodities, but the date shows that the price of commodities are soaring and have sky rocketted The price of sugar has gone up from Rs. 9 per k.g. to Rs. 11 per k.g. the price of arhar dal which is also called *tuar* has gone up fro Rs. 13 per k.g. to Rs. 18 per k.g. So far as the rice of Basmati rice is concerned nothing much can be said as it must have gone up to around Rs. 30-40 per k.g. The price of coarse rice has nor touched Rs. 10 per k.g. mark. The Government has therefore been unable to check the increasing prices of the commodities. The price index is shooting up. The rate of inflation which was 12.2 percent in April 91 and which rose to 15.7 percent in September last has now gone up to 16.2 percent. These data make it amply clear that the price index is not under control and that the Government has been unable to make any improvement. I would like to know as to what steps are being taken by the Government in this regard.

The situation today is that the public distribution system which has always been appreciated by the Government and which should have been helpful in solving the difficulties of the general public has failed to do so. The Government cannon give as much to the Indian farmers as it is going to give for import of goods to the farmers of the other countries. There will be no paucity of grains if the Government is ready to give the same price to the Indian farmers. Similarly, there will be no paucity of edible oil in our country if the farmers are encouraged to raise the production of ground-nut, soyabean, the sunflower etc. There will be no need to import them. Although this matter of remunerative price is concerned with the department of agriculture, but this cannot be ruled out here at the moment.

Mr. Deputy Speaker, Sir, I would like to know as to what special arrangements have the Government made for the Tribal hill and remote areas for smooth supply of essential commodities. I have already told that the areas like Sikkim, Darjeeling, Jhabua or Bastar are not getting the essential commodities through the public distribution system and like wise the State Governments have similar complaints that commodities are not made available to them. I would like to cite the example of Madhya Pradesh where when a demand of kerosene was made, it was told that adequate kerosene was not available, when diesel was demanded, the reply was same. Same is true about wheat and sugar and consequently normal supply of the essential commodities is not maintained. The Union Government says that it is the concern of the State Government to do the needful. The Central Government should not hold only the State Government responsible for this, rather the Central Government should take up the task of making the essential things available in ample quantity and should also try to improve this system.

Tall claims have been made about taking action against hoarding. The Government has declared that hoarding is to be banned and a number of persons have been arrested in this connection. There is a provision of punishment for such persons. The hon. Minister has also given the details of such arrested persons in the course of his reply to different questions, but the question is now many of them were punished. What is the reason of their evading the punishment? I do not want to go into the matter that there is laxity in the laws that the person who is arrested today manages to get out of the jail the very next day. Hoarding continues despite laws. I would like to know whether efforts are being made to make the laws more stringent to ban hoarding? I would like specific and a definite answer to these questions.

[English]

SHRI RAM NAIK (Bombay North): Sir,

I have very few questions. The first question is that price monitoring is being done for the wholesale prices. While it is being done on the wholesale prices, the consumer is required to pay retail prices and there is a wide difference between the wholesale prices and the retail prices. So, I would like to know whether the Government would also have an arrangement by which the increase in retail prices is properly reflected and whether the Government will have that system as an open system for ever.

Secondly, the Congress Manifesto had said that within hundred days they would roll back the prices, but the prices have not been rolled back. They have not been even static... (Interruptions).

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMAD): This is an old matter.

SHRI RAM NAIK: It is you who pointed out this.

[English]

You can afford to forget but we cannot afford to forget. So, whatever you have assured to the nation, you must be reminded of that, and it is our duty also. If you say that what you said one year before, one should not remember that, you can say that, but we would like to remind you about it.

Sir, not only the prices are not static, there is no effective control on the price increase. So, I would like to know what the Government is doing about keeping the prices under control.

Thirdly, the public Distribution System is not reaching the tribal areas. I am from North Mumbai. Probably somebody may feel that it is entirely a city constituency. But there is a tribal Assembly constituency called palghar. For the last three months, the

[Sh. Ram Naik]

people there have not received even fifty per cent of whatever ration articles are due to them. So, I would like to know what the Government is going to do to see that the PDS items reach the tribal areas and also to the cities. Mumbai does not produce any agricultural products. So, it is a classic city by itself. There also the supplies are forty per cent of the last year's supplies. So, neither you are supplying the commodities to the cities nor to the tribal areas. I would like to know from the hon. Minister how they are going to do that at places particularly where there is no production. It is the responsibility of the Central Government to ensure that big cities like Delhi, Mumbai, etc. are given proper supplies under the system. So, I would like to know what they are going to do about Mumbai and also about the tribal areas.

The fourth point that I would like to make is that the salaried people get Dearness Allowance on the basis of Consumer Price Index. That Price Index does not reflect the actual prices which are prevailing in the market. So, there has been a continuous demand from all sections of the trade unions to reconstitute the price Index to check up the items which are in the basket and to ensure that the prices in the retail market are reflected in the price Index so that the workers get the Dearness Allowance without demanding it. So, I would like to know from the hon. Minister what he is going to do about the reconstitution of the price Index, on the basis of which the Dearness Allowance is paid to the salaried employees.

These are the four questions on which I seek the reply from the hon. Minister.

SHRI CHITTA BASU (Barasat): Sir, I also like to ask specifically four or five questions. I do not like to discuss about the failure of the Government in controlling the prices because the hon. mover of the Motion has already, by stating certain facts, shown that the statement which has been made by the Government to the effect that during the first sixteen weeks of the current financial year,

there has been only 3.2 per cent increase in the prices, compared to 5.6 per cent in the corresponding period of the last year, is not correct.

This very statement has been ably contested by my predecessor, Mr. Thomas, who raised this discussion. Therefore, I do not like to waste my time on that.

Sir, the prices are constantly on rise and the reason for it I shall not discuss today because this is not the occasion to do so. But I am convinced and I think the House is convinced and the Government also agrees that effective functioning of the Public Distribution System can provide effectively some relief to the victims of the constant rise in prices and here the Government has failed.

Sir, permit me to say that the public distribution system currently faces the following problems: (1) *Low Procurement*: There has been less procurement this year in comparison to the last year's procurement. There has been depletion of buffer stock and that is also due to, I would say, injudicious decision of the Government for export of foodgrains particularly rice and wheat. Sir, there has been a constant complaint from the State Governments that irrespective of the political complexion of the Governments, there have been shortfalls of committed supplies to the States of almost all commodities which ought to be supplied through the PDS.

The fourth problem is restricted coverage of items of various articles and inadequate reach of the system, particularly for hill and desert and other inaccessible areas. There are the major constraints for the effective functioning of the public distribution system. My simple question directed at the Government is: What specific steps you have taken so far to remove this basic problem now being faced by the Public Distribution System?

My second query is whether the Government is aware of the decision of the All India Foodgrains Dealers' Association and

who has decided to go on strike which adversely affects the normal channel of trading in foodgrains like rice and wheat throughout the country. I am not conversant with the demands of the foodgrains dealers. But may I know from the Government whether that actually happens? The Public Distribution System will be grossly affected in the sense that more offtake will be required and there will be disruption of the normal trade. What steps the Government propose to take in this regard?

The third point is that it is very peculiar to see the export-import syndrome. You export and you also import. It is alleged that export has been made relatively at less price. At the same time complaints are being made that imports are being made at a relatively higher price. May I know from the hon. Minister whether his Ministry is consulted and whether the Ministry of Commerce has taken the trade into confidence? Is the Department which is in charge of food aware that foodgrains are being exported? Have you been consulted whether export is to be allowed? I would also like to know whether you have also recommended that imports are to be made. I am sorry to make the remark that you are not at all consulted; you are not even taken into confidence, although you hold the portfolio of a department which is principally responsible to feed the nation. Therefore, I want to get clarified on this export-import syndrome.

Sir, my last point is that there has been an increase in the issue prices. The Government has decided to reduce the food subsidies. Naturally, there is an apprehension with me and with many hon. Members of this House that there may be fresh attempts at the increase of issue prices of wheat, rice etc. May I know whether the Government can assure the House that having regard to the distress of the people of our country, there will be no further proposal to increase the issue prices of foodgrains through the Public Distribution System? I will be happy if the hon. Minister replies to all my points. Speaker, Sir, I am grateful to the hon. Members, who, by way of seeking the clari-

fications, have brought certain points to my notice. There has been hardly a Session wherein we have not discussed this issue of prices. The hon. Member, Shri Thomas has referred to my statements in Rajya Sabha also. He has given some figures pertaining to April and pre-April price. While we discuss about the prices, we have to admit and accept that our society is not a stagnant society. The economy is always of the march and reasonably a certain amount of increase in the prices is justified. Now, coming to the increase in prices and how it is gauged or assessed, the only criteria is the rate of inflation with which the prices go up.

Sir, if we look the price structure of various commodities during the past two-and-a-half years or three years starting from 1990, or even if we go back a little more backward to 1988, we can realise that in the year 1987 we had the worst drought and taking advantage of that situation, the increase in the prices was to some extent natural and along with that, the unscrupulous trading community had enhanced the prices abnormally and the trend is still continuing. Our efforts have been, throughout, to see that this trend is somehow checked. We wanted to see that it is contained and if there is going to be an increase, it should be natural. The growth should not be unnatural. In this various factors are there. I do not know how much time I will be taking to explain all these things. The problem is that whenever we have to look into this prices aspect, we have to look at various factors.

SHRI CHITTA BASU: Reduce the prices.

SHRI KAMALUDDIN AHMED: I am talking of first containing the prices, at least checking the trend of prices.

We have to look at various factors what is the production in the country? I am talking particularly of the foodgrains which is normally the basis for determining the price trend because the price increase of other commodities is also reflected by the increase of the foodgrain items.

[Sh. Kamaluddin Ahmed]

If we look at this foodgrains matter, we achieved self-sufficiency in foodgrains. Our production went beyond 170 million tonnes. Based on that, the prices also remained reasonable for some time. As the production got stagnated at a certain point, then the problem started. On the one hand, we are increasing our population by 60 million per year. It is not an ordinary thing and the requirements started growing. The climatic conditions are there. It is not a sort of automatic situation that we should expect the rainfall every year at a particular rate. The rainfall variations were there. A number of other circumstances were there which all put together cumulatively affected the production. We expected that the production of foodgrains would be around 176 million tonnes or 177 million tonnes but it so happened that it did not take place. The production was less. The monsoons were not according to our expectations. Even if the monsoons were good in the non-production areas, the production areas were starving. The rainfall was not good.

My hon. friend referred to coarse grains. If you take into account the one particular aspect of coarse grains, I do admit that the prices of coarse grains have gone up far beyond beyond the reach. But what is the reason? The reason is that instead of 33 million tonnes being produced in the country, the production this year was 27 million tonnes. There was a shortfall of 6 million, for nobody's fault. It is because of the climatic conditions. These are the factors which we have to take into account while we determine and when we talk about the prices.

I submit that particularly the rise in prices during the last few months is to be seen in the background of nearly stagnant level of food production, reduced procurement of wheat and rice during the current financial year, existing gap of about 2 million tonnes in demand and supply of pulses, nearly 7 lakh tonnes gap in the demand and supply of edible oils, lean season in vegetable supplies and fall in production of jowar, bajra,

regi, maize, and barley etc. Khariff production pushed up the prices of coarse grains also. It is not correct to say that the rise in the prices of essential commodities is more significant and hence responsible for overall price rise. The 29 selected essential commodities accounting for a rate of over 23 per cent in the WPI, contributed only 3.05 per cent to the total inflation rate of 9.3 per cent. (*Interruptions*). Today, the inflation rate has come down to single digit. Our effort is to further take measures whereby the inflation rate further falls.

SHRI RAM NAIK: Are the price likely to come down?

SHRI KAMALUDDIN AHMED: About the point to which Shri Ram Naik referred, about this whole-sale price index and the consumer price index, I may submit that there is very slight variation between the wholesale price index and the consumer price index. I will give you the figure. If we take it from January 1992 to June 1992-the figures are with me - the Consumer Price Index in January was 228; in February it was 229; in March it remained at 229; in April it was 231; in May it was 234; in June it was 236 and the variation from January to June is 3.5

SHRI RAM NAIK: Is it not increasing substantially? According to this figure, the prices are not increasing substantially. But is it true? That is what we want to know. Kindly note that you are assuring us that there is one-point increase, two-point increase. But when we go to the market, what is the increase in the prices? That is to be seen.

SHRI CHITTA BASU: It is more than 100 per cent.

SHRI KAMALUDDIN AHMED: I had submitted the other day also that the variation in the retail price is bound to be there. Even in one city, there cannot be a uniform price. So, for example, the wheat price here and wheat price in Trivandrum and Bombay is bound to be different. Even in the case of Delhi, my hon. friend Thomas-jj was saying

certain things about price. He was quoting the prices in Super Bazar, Kandriya Bhandar and also in Bengali Market. The variation is bound to be there. The other day also, you were kind enough to raise this point. For your information, I am submitting to you that if we come to the Wholesale Prices, the January figure is 215.3; regarding February it is 216.4; regarding March it is 127.7; regarding April it is 219.5; regarding May it is 221.6; regarding June it is 221.8. So, the variation is 3.2 regarding the Wholesale Price. And here it is 3.51. So, I do not think that there is a significant difference between the Wholesale Price Index and the Consumer Price Index. (*Interruptions*)

SHRI RAM NAIK: It is because the basket which constitutes the price index is not proper. That is why it is not reflected. (*Interruptions*)

SHRI CHITTA BASU: Whatever might have been there, the statistics is not reflected properly regarding everyday increase. I am sorry to say this. There is nothing else.

SHRI KAMALUDDIN AHMED: I have taken note of all the points you have raised. I am going to answer them one by one.

Now, you have raised the point of review and the change in the whole basket. That is a matter I will take up with the Finance Ministry. Let us see what happens. One thing I can admit. I can tell you that we have to be realistic.

There is no question of hiding anything or suppressing anything. We have to be very very realistic in this matter. I will take up this matter, as you have suggested.

The hon. Member Thomasji has referred to the prices I have said these are the prices of April and pre-April. Then, he has said something about the allocations. My submission is that the State of Kerala is getting far more than its entitlement as compared to other States. Regarding edible-oil, they have got the maximum allotment. We are not regularly importing the edible-oil.

Because of our foreign exchange problem, we have not been able to import as much quantity of edible-oil as we would have wanted. The whole year, we have imported about 1.5 lakh tonnes. Out of it some quantities have been imported by the States themselves; some quantities we have imported through the STC which has been distributed. This year, how much we will be importing, I cannot just say because it all depends on various factors. The price factor is there. Now, the prices of our local oils has come down substantially. The price of ground-nut oil, the price of mustard-oil, the price of other oils have come down substantially.

DR. LAXMINARAYAN PANDEYA (Mandsaur): Is there any estimation?

SHRI KAMALUDDIN AHMED: Price are quoted everyday. You can go through the prices - the wholesale prices are given; the retail prices are also given in the newspapers and even in the market reports. We are getting reports about ten essential commodities everyday. We are monitoring the prices. I can assure you that the prices of indigenous edible oils have substantially come down. We have to see whether the oil that we would like to import from Malaysia will be feasible for us as compared to the price of our oil. These are the matters which I cannot just off hand say as to how much we can import and how much we should import.

About rice, Shri Thomas said that more allotment should be there. I can only say that the Ministry of Food which allocates the foodgrains, they have an overall criteria for allotment in the sense that what was the allotment made last year, how much increase has to be allowed, what is their requirement, over and above, what is available in the central pool. All these factors are taken into account for deciding the matters by the Ministry of Food.

About asking the retailers to publish the prices, I would say, in this vast country, I do not know how many million retail shop owners are there. It will be very very difficult for publishing the prices though, of course, for

[Sh. Kamaluddin Ahmed]

the package goods there are rules whereby they are supposed to print the prices and publicise it.

PROF. K.V. THOMAS (Ernalulam): We are doing it in Kerala.

SHRI KAMALUDDIN AHMED: It is very good. It would be an example.

PROF. K.V. THOMAS: But in Delhi, from market to market, there is wide fluctuation of prices.

SHRI M. KAMALUDDIN AHMED: You cannot control it. You have no mechanism; you have no machinery to control it. You cannot control the variation of prices. The best course would be to go to the market where we get cheaper things.

Dr. Pandeya has raised certain matters about inflation. I have told you now it has come down to 9.28. It may further go down. In the last two years, this is for the first time that the inflation has gone down below the double digit. It has come to a single digit. Our efforts are there. One thing I want to tell you is that we will not spare anything in our efforts to check these prices. I assure you for that.

About the NDDB, you have asked me a question as to how much foreign exchange has been allowed to them, I do not have information with me. But you can ask the Ministry of Agriculture because NDDB comes under the Ministry of Agriculture and they will be able to give all the necessary information.

About the PDS, with all humility, I must make one submission. There are certain States in our country where I would very much like to see that the PDS is fully utilised in those States. I won't name them. It is well-known. You have referred to your own State I would only submit that I will send you the figures as to how much grains were allocated to your State, how much they have lifted and how much the State Government has. I had been to Gwalior for the first time

to review the PDS, only two months ago. I was happy that figures that were given to us about opening of new shops, about elimination of bogus cards, about issue of new cards, about the door delivery, preparation of those things they have taken up not only Madhya Pradesh but all the States, after this the whole system was reviewed and about 79 per cent implementation has taken place so far. I am expecting that in the next two-three months this whole system will be totally revamped.

Effective administration of public distribution system, as hon. Member Shri Chitta Basu said, also helps us to contain the prices. As you are all aware, as soon as we came into the Government, the Prime Minister announced that we have to make the public distribution system reach the poorest of the poor. Various meetings were held with the Chief Ministers. The Public Distribution Advisory Council also met and various things were considered. Then ultimately a very scientific method of locating and identifying the deserving cases were found. What we thought was that the basic problem of backwardness comes with the area. (Interruptions)

So, poverty is very much linked with the backwardness of the area. We have to locate the backward areas. When we have located them, naturally we have located the poorer people. That was the criterion which was adopted. I am happy to say that by adopting this method we have covered almost 20 per cent of the population of the country.

In these 1700 blocks, about 19 crores of people are residing. Our effort has started to reach them. The hon. Member has raised the point of Adivasi and hilly areas. We have asked the States as to what are their difficulties to go for the door delivery, whether they want any vehicles. We are willing to give vehicle assistance for them.

There was a scheme earlier whereby Rs. 2 lakh per vehicle used to be given to the States at their request in which 25 per cent used to be the subsidy. Now the Prime

Minister has increased it to Rs. 4 lakh. Instead of Rs. 2 lakh, now Rs. 4 lakh is being given per vehicle and then the subsidy part of it also is enhanced from 25 per cent to 50 per cent. This is only to see that through these vehicles the State Government reach the poorer people who are inaccessible.

I am happy that your Government also has made some request for this assistance and that is being looked into. I can assure you that it will reach. This is the way where we thought that the public distribution system has to be strengthened.

Shri Ram Naik spoke about the Adivasi segment of his constituency. I do not know whether it has been included in the 1700 blocks. If it is included in the 1700 blocks, our guidelines and our efforts are to see that per family, a minimum of 20 kg. grains are given. That is our minimum criterion. It is not that only these six commodities are confined for the public distribution. We have requested the State Governments to include as many items as they want. But so far as the Centre is concerned, we said that these are the six items that we would like them to distribute for which we will make the supply.

I would also like to submit that recently we had the PDS Advisory Council meeting in which all the State Civil Supply Ministers are members and we had reviewed the whole thing. I personally have gone round the whole country and almost reviewed the working of this revamping of public distribution system in all these States. I am happy to say that they have started working and more than 70 per cent achievement is already there.

About the excess supplies to Bombay city, I am telling you the factual and actual position. Whenever such requests come from Maharashtra, we are aware that Bombay is in Maharashtra and we know Bombay's requirements also.

19.00 hrs.

We know Bombay's size also. Keeping

that in view, we have always been trying to meet the requirements that are asked by the State Government.

Shri Chitta Basu has raised certain points. I think I must give an answer to all the points. He has raised the point of lower procurement. I cannot say anything about it. As I have submitted more than once, this year and last year, procurement was very much short of our targets and expectations. But the Government of West Bengal should not have any grievance about the PD supplies. I do feel that many of the States have to learn the techniques adopted by the State of West Bengal and try to emulate them to become self-sufficient. Previously, West Bengal had to import potatoes from Uttar Pradesh and Himachal. But today, they are not only self-sufficient, but also exporting potatoes. So is the case with regard to rice also. Population-wise and area-wise, West Bengal is almost equivalent to Andhra Pradesh. Now with regard to production of rice also, they have reached the Andhra level. I think, they have even exceeded it. They are producing 11 million tonnes of rice every year.

But what about their performance with regard to procurement? Their procurement is hardly worth mentioning. As far as allocations of rice and wheat to West Bengal are concerned, they are always made. I am not regretting that I have made allocations. I am only bringing it to Shri Chitta Basu's notice that in spite of the fact that they are not procuring anything, Government of India have been trying to give them the allocation of rice and wheat.

SHRI CHITTA BASU: Since you have accused us, please listen to my point.

SHRI KAMALUDDIN AHMED: This is no accusation at all. In fact, I have requested the other States to emulate you and learn from you.

SHRI CHITTA BASU: Procurement is being made by the State Government though it may not be huge. West Bengal might have

[Sh. Chitta Basu]

become self-sufficient in feeding its people without your assistance. But you must appreciate the fact that nearly four lakh hectares of land is diverted for production of jute. This historical fact has also to be borne in mind. Paddy land was converted into jute land, in order to feed the jute mills which are an exclusive feature of the State of West Bengal...

MR. DEPUTY SPEAKER: The time allotted is only half an hour. But over and above that, you have taken yet another half an hour. Please conclude.

SHRI KAMALUDDIN AHMED: This problem of diverting crops is not confined to West Bengal alone. In Punjab, Haryana, Andhra Pradesh, Madhya Pradesh and many other States, traditional crops are not being cultivated any more. Madhya Pradesh is not producing coarse grains any more. They have diverted to soyabean cultivation. In Andhra Pradesh and Haryana, a large area has been converted for sunflower cultivation. Of course, these may be more remunerative. And that is also a welcome step.

SHRISYED MASUDAL Hossain: I would like to bring it to the attention of the hon. Minister that West Bengal has lifted only 4.85 lakh metric tonnes of wheat, whereas Andhra Pradesh has lifted 17 lakh tonnes.

SHRI KAMALUDDIN AHMED: You must also note the fact that Andhra Pradesh has procured 35 lakh tonnes of rice.

That is also a matter which has to be seen. One more thing which Shri Chitta Basu has said that the allocations are made but the grains are sometimes in short supply. There are certain logistic problems for the Food Corporation of India. I am trying to explain what the situation is. It is very easy to derive any conclusions but the factual position is that they have certain logistic problems, they do not get the rakes. Sometimes, the Railways do not find rakes to be given to the Food Corporation of India. Then

comes strikes, etc. These are the problems whereby, they find some difficulties in making the whole thing available some time. There may be some shortfalls somewhere but that is not the case to be accepted universally. Then Sir, about the export and import of wheat. I think, I had explained yesterday the whole position in detail. Today also, a very lengthy statement on behalf of the Food Minister I made. I have made everything very clear about the whole export and import of wheat.

About the issue price, Shri Chitta Basu has said something. As the hon. Members are aware, the food subsidy which is provided in the Budget as I submitted yesterday also it is Rs. 2750 crore including the revamped PDS. How much the Budget can bear this subsidy and how much subsidy should be there? As on today, the subsidy is available and the Government is meeting that part of the burden. Because of the increase in the procurement price this year, there has been an extra burden on the Food Corporation of about 55 paise or 60 paise per kg. of wheat that has been procured. So, this is an extra burden. This is a matter which the Food Ministry and the Finance Ministry will have to thrash out.

So far as the Government is concerned, all these steps which are necessary to check rise in prices are being taken and we are also monitoring the prices. There is a Cabinet Committee on prices which is headed by the Finance Minister. Apart from that, there is also a Committee of the concerned Secretaries to the Government. We get the prices of essential commodities and then we try to somehow contain this trend. In addition to this, we have Essential Commodities Act. The enforcement of the Act is also there. As far as the State Governments are concerned, the enforcing agencies of the States are taking all the measures to see that no hoarding takes place. I have also given the figures a number of times. I can also give the figures again but that is not required now. We are giving incentives for higher agricultural and agro-based products also from time to time. Then, monitoring is there. We are rational

ising the distribution of essential commodities also through PDS. We are also taking action against the hoarders and blackmarketeer.

Broadly, these are the three-four steps that we are taking. But I can only assure you that we are making all efforts to see that we somehow are able to at least check this trend of rise in the prices.

MR. DEPUTY-SPEAKER: The House stands adjourned to meet again on Monday, the 17th August, 1992 at 11.00 a.m.

19.09 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, August 17, 1992/ Sravana 26, 1914 (Saka).