

(a) whether Government propose to set up any textile mill in Bihar during the Eighth Five Year Plan;

(b) if so, the details and places selected for the mills; and

(c) if not, the reasons therefor?

THE MINISTER OF TEXTILES AND MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) to (c). Government of India do not propose to set up any textile mill in Bihar, since such investment is not a priority for the public sector.

Production of Vanaspati Ghee

378. SHRI PHOOLCHAND VERMA:
SHRI MANJAY LAL:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) Whether the production of vanaspati ghee has declined during the past few months due to scarcity of raw material;

(b) whether Government's attention has been drawn to it by the manufacturers of vanaspati ghee;

(c) whether Government had recently imposed a ban on the use of mustard oil for the production of vanaspati ghee;

(d) whether the production of vanaspati ghee has declined as a result of these factors;

(e) whether the prices of vanaspati ghee have registered a sharp increase during the month of July, 1990; and

(f) if so, the steps being taken by Government to increase the production and bring down the prices of vanaspati ghee?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI RAM PUJAN PATEL): (a) Yes, Sir. The production of vanaspati has declined marginally in the month of June, 1990.

(b) Yes, Sir. There have been some representations received from Associations of vanaspati manufacturers.

(c) Yes, Sir.

(d) No, Sir.

(e) The prices of vanaspati have shown a rising trend in the month of July, 1990.

(f) With a view to increase the production of vanaspati and to curbing the rising trend in edible oil prices, following steps have been taken;

i) The supplies of imported oil through PDS have been stepped up in recent months.

ii) Reduction of stock limits with the wholesalers/retailers as well as manufactures of edible oils and vanaspati.

iii) Stock limits of edible oil seeds restored to lower levels.

iv) Increase in minimum margin for bank advances ordered by RBI.

v) Central Government is in constant touch with the State Governments to take up dehorning operations and maintain price line of essential commodities.

vi) Permission to blend refined non-conventional oils with conventional oils to augment the availability of oils has been given.

- vii) Exemption of excise duty on refined rape seed mustard oil has been given.
- viii) Withdrawal of usage of Expeller Mustard oil to the extent of 20% in vanaspati has been ordered to check the prices of mustard oil.

[English]

Rise in Price of Essential Commodities

379. SHRI MANORANJAN BHAKTA:
SHRI GULAB CHAND KATARIA:
SHRIM.V.CHANDRASEKARA MURTHY:
SHRI SAYTAGOPAL MISRA:
SHRI KALPNATH SONKAR:
SHRIMATI BASAVARAJESWARI:
SHRIDILEEP SINGH BHURIA:
SHRI V. SREENIVASA PRASAD:
SHRI MADHAVRAO SCINDIA:
PROF. P.J. KURIEN:
SHRI R. GUNDU RAO:
SHRI ERA ANBARASU:
PROF. RASA SINGH RAWAT:
SHRI PALAI K.M. MATHEEW:
SHRI PARATAP RAO B. BHOSALE:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government are aware about the abnormal rise in the prices of sugar, tea, foodgrains, pulses, salt, cement, soap and other essential commodities during the year;

(b) if so, the reasons thereof; and

(c) the details of measures taken to curb the price rise?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI RAM PUJAN PATEL): (a) There has been a mixed trend in the behaviour of Wholesale Price Indices (WPI) of selected commodities during the last 29 weeks (between 30.12.1989 and 21.7.1990). While the WPI of vanaspati, groundnut oil, mustard oil, potatoes, onions, arhar, gram, gur and cement have recorded significance increase during this period, those of rice, wheat, moong, tea, sugar, salt and toilet soap have moved up moderate. The price indices of commodities such as jowar, chillies, and atta have declined; those of laundry soap, matches, coke and kerosene have remaine steady.

(b) The rise in prices of some of the essential commodities may be attributed to sharp increase in money supply in 1989-90 and earlier years; supply and demand imbalances in respect of some essential commodities (i.e. pulses, edible oils); seasonal factors and inflationary expectations signalled by shortfall in production of some of essential commodities particularly edible oils and other factors, such as, increase in administered prices of petroleum products, upward revision of procurement/minimum support prices and increase in railway Freight and fares etc.

(c) Government has accorded highest priority to check the rising trend in prices of essential commodities. Both long-term and short-term measure are being taken for the purpose. The measures taken by the Government broadly include steps to increase effective procurement and buffer stocking operations of foodgrains; strengthening of Public Distribution System, monitoring of price and availability situation; strict enforcement of the provisions of Essential Commodities Act and other regulatory measures and augmenting domestic supplies through imports, wherever necessary, to check any abnormal rise in prices. Apart from the