

ratio benefit to make India self-sufficient in edible oils ?

**SHRI P. SHIV SHANKER :** Sir, I have got the information with respect to the countries which had been asked for. The export of rice is to Gulf countries, U.K. and the USSR. The import of oil is mainly from Malaysia.

The hon. Member asked the question as to what is the value of the imports of the edible oils. The edible oils that have been imported during 1986-87 the programme that has been fixed for that would be...

**MR. E. AYYAPU REDDY :** My question has not been properly understood by the hon. Minister. I would repeat it. What incentives are being given for the production of edible oil this year ? Is there any perspective plan to make India self-sufficient in edible oils ?

**SHRI P. SHIV SHANKER :** I would require a separate notice for this. I am concerned only with reference to the question that has been asked and that too on the concept of the export of non-basmati rice in lieu of the edible oil.

**SHRI A. CHARLES :** The House has been demanding that there should be a total ban on the import of edible oils. The coconut producers are suffering. The Kerala Government has been requesting that coconut be treated as edible oil and distributed through the public distribution system. May I know from the hon. Minister whether he will consider the possibility of treating it as edible oil and distributing it through the public distribution system ?

**SHRI P. SHIV SHANKER :** I thought, I was dealing with the import and export part of the edible oils. So far as the coconut oil is concerned, that is not imported at all. The question whether it should be treated as an edible oil is a different issue which could be considered.

#### **Increase in foodgrains procurement prices**

\*389. **PROF. MADHU DANDAVATE :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) what is the latest increase in the procurement prices of foodgrains like wheat and rice announced by the Government;

(b) what are the corresponding increases in the issue prices of the same commodities;

(c) whether the increase in the issue prices is disproportionate to the increase in procurement prices; and

(d) if so, the reasons thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) It has been decided to increase the procurement price of wheat from Rs. 157 to Rs. 162 per quintal. In the case of paddy, for common variety the procurement price has been increased from Rs. 137 to Rs. 142 per quintal. Similar increases have been allowed for the fine and superfine varieties. In the case of wheat, the increase is effective from 1.4.1986 and in the case of paddy from 1.10.1985.

(b) The central issue price of wheat has been increased from Rs. 172 to Rs. 190 per quintal. In the case of common variety of rice, it has been increased from Rs. 217 to Rs. 231 per quintal with corresponding increases for fine and superfine varieties.

(c) and (d) With the increase in the procurement prices, there are in-built ad-valorem increase of diverse charges like mandi charges, interest charges etc. which cannot keep up the proportion even if the same amount is increased in the issue prices.

**PROF. MADHU DANDAVATE :** Sir, it is very clear from the reply that has been read out by the Minister that he has clearly admitted the disparity between the increases in the procurement prices of wheat and rice on the one hand and the increases in the issue price of the same commodities on the other.

Let me tell you, Sir, that our Government is following a strange agricultural economics.... (*Interruptions*). On the one side, the kisans do not feel that they

are getting the remunerative price for the agricultural produce because you are increasing exorbitantly the price of inputs that are required by the kisans and as a result of that whatever be the price that is offered to them, they feel that it is not remunerative; and at the other end, you are also increasing the issue price. Both are dissatisfied. I would pin down on the question. Is it not a fact that whenever the kisans ask for remunerative price, the Government tells them that the urban as well as the rural consumers are demanding cheap foodgrains, therefore, they cannot afford to give the remunerative price, and when the urban as well as the rural consumers demand that the issue price should be less, they are told that because the agriculturists are demanding more procurement prices, it is not possible for the Government to reduce the issue price ?

In order to solve this dilemma, will you have a second look over the problem of controlling the prices of inputs that are required by the agriculturists ? Then alone, you will be able to solve this problem.

SHRI A.K. PANJA : With all due respect to the senior and respected member, I may inform him that this is a request for action and not a question.

PROF. MADHU DANDAVATE : I can ask whether you will take that 'action'.

SHRI A. K. PANJA : We have answered clearly that whatever could be given to the farmers, that has been given as far as possible. There has been an increase of Rs. 5 in the support price. You have seen that. But immediately, other costs such as bank interest, Mandi charges etc. come in and automatically thereafter, a proportional increase takes place in the issue prices. Except for two times when there was an increase of Rs. 15 and Rs. 12 in the issue price of wheat during the last three years, there has been no consequential increase in the issue price at all. We have to look after the farmers and naturally the end users also. We have to tell the farmer that there are so many people who have to eat. We have to argue both ways.

PROF. MADHU DANDAVATE : Are you satisfied Sir ? I will leave it to you. You are the umpire and I will accept your decision. But anyway, I am not satisfied about the first question.

[Translation]

SHRI BALKAVI BAIRAGI (Mansaur) : I would like to know whether we are consuming wheat or sucking the blood of the farmers ? It appears to me that by denying them remunerative prices, we are sucking their blood.

[English]

SHRI DINESH GOSWAMI : Sir, nowadays the umpires are regularly beaten. Don't be an umpire.

MR. SPEAKER : A good advice !

PROF. MADHU DANDAVATE : My second question flows from the first one. Is it not a fact that we have a strange paradox in our country ? There is growing production and at the same time we are seeing that a large section of our poor population are semi-starved or they are at the starvation level. Is it not a fact that this is happening for a number of reasons, one of them being that our Food Corporation of India is actually in distress ? Is it not a fact that production is outpacing the actual storage capacity of the FCI ? Is it not a fact that as a result of these factors, the losses are increasing heavily ? (Interruptions) Do not worry ! The Speaker will take charge. Speaker is not decentralised.

As a result of all these factors, is it not a fact that to avoid giving subsidies, you are taking the softer option of increasing the issue price, thereby creating hardship for the consumers ? Will you avoid this ?

MR. SPEAKER : First facts, and then the question.

SHRI A. K. PANJA : Since you have allowed the question, I may say that in fact there are five questions.

PROF. MADHU DANDAVATE : I connected them well.

MR. SPEAKER : They are connected well with an unbreakable link.

SHRI A. K. PANJA : Since you have allowed it, so far as the last question is concerned, my answer is a categorical 'no'. So far as the first question regarding the FCI is concerned, we, along with the Minister-in-charge Shiv Shankerji, are looking into the entire functioning of the FCI from the stage of procurement upto the end use.

MR. SPEAKER : We had this question the other day.

SHRI A. K. PANJA : Yes. Last time also we answered a question on this. So far as production and storage are concerned, we are visualising the whole picture and this year we are having a monitoring system to see as to what would be the approximate production, and the storage capacity will be augmented to the extent necessary. But as you know, in spite of the best efforts, in spite of constructing a lot of storage facilities, we have to keep some quantity in the open, not in the open air, but under the 'CAP' system. So far as the loss is concerned, this question has already been answered. It is coming down. Not to our satisfaction, no doubt, but we are trying our best. Action being taken at various angles is being reported in the newspapers also. You have seen that. And we are taking action. Almost daily we are having some meeting over it, so that we can give some relief.

PROF. MADHU DANDAVATE : This answer is not correct. The year before last, it was 22 million tonnes and during last year it was 29 million tonnes. At that rate, difficulties are going to increase. So, unless commensurate progress is made in the storage facilities, you will have more storage losses.

SHRI A. K. PANJA : That is not correct, the figures they give. In 1980-81, the total quantity that was purchased and sold, that is, from the procurement upto the end was 232.55 lakh metric tonnes. Then, Sir, the value was...

*(Interruptions)*

May I complete it? It was 232.55 million lakh tonnes...

*(Interruptions)*

SHRI S. JAIPAL REDDY : How can it be when the total production is around 150 million tonnes?...

*(Interruptions)*

MR. SPEAKER : Might be the carry over stock...

*(Interruptions)*

PROF. MADHU DANDAVATE : I was referring to the storage...

*(Interruptions)*

SHRI A. K. PANJA : If they are anxiously hearing me and if they are not impatient, then I will give the percentage. We are not happy with 1980-81 percentage. But as per the Report, I was saying that in 1980-81, the percentage of loss in value was 2.89.

MR. SPEAKER : Mr. Panja, what they are agitated about is the quantity. They say that it cannot be 232.55 million tonnes because the total production itself is 151 million tonnes or something like that.

*(Interruptions)*

PROF. MADHU DANDAVATE : Sir, whether he is using classical mathematics or modern arithmetic!

MR. SPEAKER : It is just a question of reading. It is all right. Don't worry. Let him answer.

SHRI A. K. PANJA : This is purchase plus sales.

MR. SPEAKER : That is what I said and may be carry over stock.

SHRI A. K. PANJA : The total purchase of FCI plus sales. We are not happy with the situation. This is the figure...

*(Interruptions)*

SHRI BASUDEV ACHARIA : But the total production is 120 million tonnes.

PROF. MADHU DANDAVATE : I was referring to the responsibility with which the FC was saddled. Year before

it was 22 million tonnes and next year it was 29 million tonnes. These are the figures, which are available.

*(Interruptions)*

SHRI A.K. PANJA : But what we are saying is that so far, taking the transit loss and also the storage loss....

*(Interruptions)*

SHRI S. JAIPAL REDDY : We are not talking about that.

MR. SPEAKER : That we have got it....

*(Interruptions)*

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : Sir, I agree with the figures of stocks that have been given by Prof. Dandavate, 22 million tonnes last year, then later on it became 29 million tonnes, I am not disputing that. It is true that, these storage facilities are not in commensuration with the storage requirement. We are trying to develop that. There are some difficulties.

*(Interruptions)*

MR. SPEAKER : Let him answer, Sir.

*(Interruptions)*

SHRI P. SHIV SHANKER : There are financial constraints and other things. We are trying to get over it.

*(Interruptions)*

MR. SPEAKER : There is no question of conclusion. It is just a question of statistics. Don't depend too much on it.

*(Interruptions)*

SHRI MANORANJAN BHAKTA : Mr. Speaker, Sir, I want to ask the hon. Minister because the increase in procurement price of paddy and rice is applicable towards the Union Territory of Andaman, and Nicobar Islands and whether you will ensure that those procurement prices are ensured to the cultivators of that remote island ?

SHRI A. K. PANJA : It is applicable all over India.

SHRI V. SOBHANADREESWARA RAO : The Government is expressing its helplessness to procure the entire quantity offered by the Kisans due to constraints of finance, storage and all these things.

MR. SPEAKER : No. no. I think you are wrong there. They have assured only on the floor whatever is offered they will buy. Why are you diluting it ?

SHRI V. SOBHANADREESWARA RAO : Sir, in spite of their promise, they are not fulfilling it.

MR. SPEAKER : The Finance Minister is sitting here. He gave a categorical assurance that whatever money is needed we will give.

SHRI V. SOBHANADREESWARA RAO : In spite of that promise, they are not fulfilling it.

PROF. N. G. RANGA : That is not being done in Andhra Pradesh.

SHRI V. SOBHANADREESWARA RAO : In our State, they are not procuring.

MR. SPEAKER : That is what you should ask. In that, I go with you.

SHRI V. SOBHANADREESWARA RAO : I would like to know from the hon. Minister : instead of leaving it to private traders, why not Government itself try to export fine and superfine varieties of rice, to enable farmers of this country to get a more remunerative price ? Why not Government itself take up the task, because it can earn more foreign exchange and utilise it for the import of several other things ? Why not Government itself take the initiative ? Will the Government now take it ?

SHRI P. SHIV SHANKER : From Food and Civil Supplies, I seem to be going to Commerce, on the basis of this question.

SHRI V. SOBHANADREESWARA RAO : Because both are with you.

SHRI P. SHIV SHANKER : On the question of procurement, I do not know; I am not sure; I was not clear about the observation of the hon. Speaker. But I must submit that if it is a case of procurement on the basis of the levy price, there is a levy order under the Essential Commodities Act. And on that basis, the maximum that could be procured is being procured. This is what I thought I should explain.

Then, on the question as to why not Government itself export the *basmati* and non-*basmati* rice—both, as the hon. Members was saying—if at all there is any benefit, it should not go to the traders; that part of it is a matter which could be considered. And we will consider it.

SHRI V. SOBHANADREESWARA RAO : No, the export of this rice should benefit the farmers.

SHRI P. SHIV SHANKER : That is what I said. I said I would go into the economics of it. It will have to be gone into. It cannot be answered just off the cuff.

#### Functioning of nationalised banks in Sikkim

\*390. SHRIMATI D. K. BHANDARI: Will the Minister of FINANCE be pleased to state :

(a) the names of the nationalised banks which are in operation in Sikkim and the number of their branches;

(b) what are their activities in the sphere of encouraging savings habit amongst the people; and

(c) the total amount of agricultural loans these banks have advanced during the last three years and the number of beneficiaries ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A statement is given below.

#### Statement

(a) According to the information avail-

able from RBI, in the State of Sikkim, three public sector banks, namely, State Bank of India, Central Bank of India and UCO Bank, were operating as on 30.9.1985 with 19 branches. The bank-wise break-up was as follows :—

Name of the Bank	No. of Branches
State Bank of India	11
Central Bank of India	6
UCO Bank	2

(b) The public sector banks encourage saving habit amongst the people by way of providing interest on deposits and publicity through leaflets and campaigns highlighting the advantages of savings.

The total amount of agricultural advances outstanding and the number of borrowal accounts of public sector banks, in Sikkim as at the end of last three years were as follows :—

As at the end of December	No. of Accounts	Amount outstanding (Rupees in lakhs)
1982	747	18.00
1983	2028	41.00
1984	4613	98.02

SHRIMATI D. K. BHANDARI : We have got 19 branches of three public sector banks in Sikkim within a short span of time. I would like to know from the hon. Minister, what are their activities to encourage the savings habit among the people of Sikkim ? Secondly, what are the languages in which they are bringing out leaflets to educate the people, and how far is it successful ?

SHRI JANARDHANA POOJARY : So far as the savings habit is concerned, we have been giving incentives. So far as the 6th and 7th Issues of the National