

MR. SPEAKER : I can solve your problem. What is available to the whole of India. That is all

Sale of Subsidised Foodgrains

*62. SHRI SOBHANADREESWARA RAO : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether sales of subsidised foodgrains have declined leading to large carry over of stocks (News Time, dated 4 February, 1985) and if so, details thereof;

(b) whether slackness in sales is due to high prices and poor quality of grains marketed;

(c) whether Government have any plans to streamline Food Corporation of India and Central Warehousing Corporation in order to reduce losses in storage at all points; and

(d) details of total losses during the last three years in terms of percentage and finance involved ?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (RAO BIRENDRA SINGH) : (a) Yes, Sir. A statement is laid on the Table of the Sabha.

(b) No, Sir.

(c) The performance of Food Corporation of India and Central Warehousing Corporation in this regard is kept constantly under review by the Government.

(d) A statement is laid on the Table of the Sabha.

Statement

(a) Offtake of foodgrains from the Central Pool in the year 1984 was 12.09 million tonnes as against 14.66 million tonnes during 1983. The stock in the Central Pool was about 17.62 million tonnes on 1st January, 1985 as against 12.09 million tonnes on the corresponding date last year.

(b) The total shortages of foodgrains in terms of value and percentage suffered by the Food Corporation of India on the

total volume of operations (purchase and sale) during the last three years have been as under :

Year	Value (Rs. in crores)	percent- age
1981-82	115.91	2.28
1982-83	143.60	2.37
1983-84	140.65	2.11

SHRI SOBHANADREESWARA RAO : Mr. Speaker, Sir, the hon. Minister has given the reply for part (b) of the question as a categorical 'No'. But we have our experience...

(Interruptions)

MR SPEAKER : Did you want some other type of 'no' Sir ?

SHRI V. SOBHANADREESWARA RAO : Our experience regarding the supply of rice to the fair price shops is that it is erratic and the dealer is not getting adequate quantity of rice at a time to be given to the whole village. So, I would like to know whether the hon. Minister will ascertain the facts again and take necessary steps to see that the subsidised foodgrains are supplied in adequate quantity at a time to each village ?

RAO BIRENDRA SINGH : Sir, on the one hand the hon. Member has stated that the sales have come down and on the other hand he is asking for larger quantities to be allocated. I cannot understand this.

SHRI SOBHANADREESWARA RAO : We are not asking for higher quantity. We are asking for the supply of adequate quantity that is expected to be distributed in a village.

RAO BIRENDRA SINGH : You want the quantities to be allocated adequately according to the demand but part (b) of your question is whether slackness in sales is due to high prices and poor quality of grains marketed. I have said that the reduction in sales is not on that account. Nor is it on account of poor quality because the quality is expected to be ensured by the State agencies and the depot holders. When the lift foodgrains from the FCI

depots, they give a certificate to the effect that they are satisfied about the quality of foodgrains that they are taking. Therefore, there is no question of the quality of foodgrains being poor, nor is there any question of reduction in sales on account of high prices because the prices of foodgrains, particularly of wheat supplied over to roller flour mills, have been reduced. Earlier the price was Rs. 208 per tonne and later on it was fixed at Rs. 172 per tonne, which is the same price as for the public distribution system. Therefore, the question of reduction in sales on account of high prices does not arise.

SHRI SOBHANADREESWARA RAO : Is it not a fact that the procurement cost as well as distribution cost are going up every year? The FCI is able to utilize only 65 per cent of the storage capacity and the utilisation of modern rice mills is only 27 per cent. Will the Government take necessary steps and more stringent action so that the storage and distribution cost come down further, as it will help the consumer? The hon. Minister has told us that they have reduced the distribution price of wheat. Will they reduce the cost of rice also, as it is the main and staple food of the people in the Southern region?

RAO BIRENDRA SINGH : The cost of the FCI has increased on account of higher prices being paid to the farmers for procurement of foodgrains. There is no appreciable change in the losses incurred by the FCI, either on account of storage or loss in transit.

SHRI SOBHANADREESWARA RAO : Four million bags of rice were found infested when they were purchased.

RAO BIRENDRA SINGH : They were all included in the losses in storage, like deterioration of stock. FCI is taking a number of steps to monitor the management of foodgrains in transit, as well as in storage. Better vigilance is being exercised and we are constantly reviewing the position. We want to reduce the cost.

SHRI SOBHANEDREESWARA RAO : Will he reduce the price in the case of rice, as he has done in the case of wheat?

RAO BIRENDRA SINGH : Even at Present the issue price of rice is highly subsidised. The Government incurs a loss of

about Rs. 66 per quintal on the sale of rice through the public distribution system. The issue price of rice as well as wheat is reviewed and revised from time to time, considering the total cost incurred by the Government, as also the capacity of the people, particularly the poorer sections, to pay.

[Translation]

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, we have received complaints of corruption and bungling in warehouses of the Central Govt. wheat is issued from these warehouses both to the flour mills and fair price shops. The flour mill owners give Rs. 4-5 per bag as bribe and get the good quality wheat issued. On the other hand, fair price shop owners having limited profit have to accept whatever type of wheat is issued to them. Therefore, the wheat supplied by the fair price shops is not of good quality because they have to bring the remaining inferior quality foodgrain. Thus, people get poor quality wheat.

Another complaint of corruption is that some percentage regarding shortage in the warehouses has been fixed, but Mr. Speaker, Sir, during the rainy season there is no shortage. On the other hand, the weight of the bags increases. But what is done is that by manipulation, they take out the bags from the warehouses but issue them only after punching the permitted shortage of grains from the bags. Will the Hon'ble Minister look into this aspect personally and try to remove the corruption?

RAO BIRENDRA SINGH : I fully agree to the views expressed by the hon. Members. I am myself trying to curb this evil by taking personal interest.

So far as the question of issue is concerned, separate depots cannot be set up for roller mills and public distribution system. It is not possible. The foodgrains will be issued from the same godowns but procedure fixed for release of wheat to roller mills is that out of the quota fixed for them, the roller mills have to take 2/3rd of 'C' and 'D' grade wheat and remaining one-third of 'A' and 'B' grade wheat because roller flour mills can upgrade the quality of wheat by washing and cleaning before grinding it.

But for the public distribution system only 'A' and 'B' grade wheat is issued and as I have already stated, the agency taking the wheat is asked to give a certificate that the quality of the wheat is satisfactory. In addition to that, every retailer has to display a sealed sample of the foodgrain being sold by him. The customer can compare the quality of the foodgrain being sold with the quality of the foodgrain brought from the FCI. In spite of all these arrangements still if there is corruption, the same can be brought to give notice. If some one is found guilty, he can be punished. We go on cautioning the public time and again and try to curb corruption. This requires cooperation from all sides.

[English]

SHRI S. KRISHNA KUMAR : The Government of Kerala has been consistently complaining about the poor quality of rice supplied to the State. The rice supplied is colloquially known as 'iron rice' as against the boiled rice, which Kerala requires. I would like to know what the Government of India proposes to do about this. This has become a perennial problem.

RAO BIRENDRA SINGH : A very large quantity of rice is being supplied to the Kerala Government for public distribution system. I think Kerala is one of the few States which are given a very huge quantity of rice. First comes West Bengal, and, I think, next comes Kerala in our distribution system,

SHRI S. KRISHNA KUMAR : The adequacy of quality is debatable but my present complaint is about the quality.

RAO BIRENDRA SINGH : I have already stated on that. You have not listened that the quality issued is also inspected by the agency that is lifting it.

SHRI K.P. UNNIKRIISHNAN : That is not his complaint. It is infected already but the quality is poor.

RAO BIRENDRA SINGH : It is the same thing which you have been saying. I have already stated that if the quality of the foodgrains that is being issued is not acceptable to the agency, they can refuse it.

SHRI AMAL DATTA : Supposing they reject it, they do not get anything at all.

(Interruptions)

MR. SPEAKER : Not like this.

RAO BIRENDRA SINGH : If the quality is unacceptable, other quality will be given to the States.

SHRI K.P. UNNIKRIISHNAN : Are you aware of the complaints ?

RAO BIRENDRA SINGH : There is no specific complaint which he has given. It is a general complaint.

(Interruptions)

MR. SPEAKER : He is on his legs and he is replying to the hon. Member. You cannot interrupt like this.

(Interruptions)

MR. SPEAKER : Not allowed. Please sit down.

RAO BIRENDRA SINGH : I am not aware of any specific complaint from the Kerala Government, not at least for the last few weeks since I have taken over the charge. But I know that Kerala is being given a huge quantity of rice every month and our regulations are that if rice or wheat quality is unacceptable to the State Government, there is a joint inspection carried out by the State agencies and the FCI Officers and that commodity can be rejected. And then alternative arrangements are made to supply better quality which is acceptable to the State. (Interruptions) So there is no question of that quality being forced on anybody.

(Interruptions)

SHRI SOBHANADREESWARA RAO : It is stated in this Annual Report. The State Government has no option but to take whatever FCI gives.

(Interruptions)

RAO BIRENDRA SINGH : I have said it loudly.

(Interruptions).