

### Public Distribution Scheme

\*89. SHRI R. K. MHALGI: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) what is the progress made by Public Distribution Scheme (of essential commodities) which has come into being since 1st July, 1979;

(b) how many shops under the scheme are working throughout the country, (State-wise);

(c) whether the shops are being provided with adequate stock regularly and whether prices of the Commodities are regulated and controlled properly; and

(d) whether Government propose to make the said scheme more effective, if so, the measures under consideration?

THE MINISTER OF COMMERCE AND STEEL AND MINES AND CIVIL SUPPLIES. (SHRI PRANAB MUKHERJEE): (a) to (d): A statement is laid on the Table of the Sabha.

#### Statement

The Production-cum-Distribution Scheme was launched all over the country from 1st July, 1979, to strengthen the existing public distribution system by enlarging the area and population coverage and also adding some more essential commodities for distribution through the outlets of

the fair price shops. The additional commodities recommended for distribution under the Scheme were toilet soap, match-boxes, tea, coffee and exercise-books. The implementation of the Scheme has, however, varied from State to State depending upon the administrative set up already in existence for running the public distribution system. The agencies nominated by the State Governments and Union Territory Administrations are being supplied the various commodities recommended for distribution under the Scheme by the various National level agencies such as Food Corporation of India, Public Sector Oil Corporations, National Co-operative Consumers' Federation, Khadi & Village Industries Commission and toilet soap by the various private manufacturing units at prices fixed by the Central Government. The Production-cum-Distribution Scheme is under periodical review in consultation with the State Governments, Central Ministries and other agencies. The Central Government has also set up an Advisory Council at the National level to advise it regarding the implementation of the Scheme, and similarly the State Governments have been advised to set up State level Coordination Committees to supervise the functioning of the public distribution system to make it more effective to cater to the requirements of the vulnerable sections of our society. A statement showing number of fair price shops in the country, statewise is enclosed.

#### Statement

(Prepared on 15-1-80)

State	Number of fair price shops	Population covered (in lakhs)	As on
Andhra Pradesh	22,183	435.0	31-12-79
Assam	13,576	168.4	31-7-79
Bihar	27,109	632.3	30-6-79
Gujarat	8,578	324.4	30-9-79
Haryana	4,075	120.0	30-11-79

1	2	3	4
Himachal Pradesh . . . . .	2,530	37.7	30-9-79
Jammu & Kashmir . . . . .	1,369	30.1	31-3-79
Karnataka . . . . .	14,000	293.0	30-11-79
Kerala . . . . .	11,648	226.2	31-7-79
Madhya Pradesh . . . . .	17,487	398.5	30-11-79
Maharashtra . . . . .	26,737	578.0	31-10-79
Manipur . . . . .	525	13.8	30-9-79
Meghalaya . . . . .	1,466	15.3	30-9-79
Nagaland . . . . .	101	2.5	30-11-79
Orissa . . . . .	7,716	136.8	31-7-79
Punjab . . . . .	7,423	168.2	31-10-79
Rajasthan . . . . .	7,971	286.1	30-9-79
Sikkim . . . . .	13	0.2	31-3-79
Tamil Nadu . . . . .	17,002	491.3	30-11-79
Tripura . . . . .	692	1.0	31-5-79
Uttar Pradesh . . . . .	21,891	934.4	31-5-79
West Bengal . . . . .	17,914 <sup>7</sup>	518.4 <sup>£</sup>	31-12-78
<b>TOTAL (STATES)</b> . . . . .	<b>2,32,006</b>	<b>5,828.6</b>	
Union Territory	Number of fair price shops	Population covered (in lakhs)	As on
A & N Islands . . . . .	186	2.0	31-10-79
Arunachal Pradesh . . . . .	110	1.5	30-6-79
Chandigarh . . . . .	184	4.1	31-12-79
D & N Haveli . . . . .	24	0.8	31-5-79
Delhi . . . . .	2,156	56.9	30-11-79
Goa, Daman & Diu . . . . .	391	10.3	31-10-79
Lakshdweep . . . . .	22	0.4	31-10-79
Mizoram . . . . .	308	4.2	30-9-79
Pondicherry . . . . .	178	6.1	31-12-79
<b>TOTAL (UNION TERRITORY)</b> 3559 . . . . .		<b>86.3</b>	
<b>TOTAL ALL INDIA</b> . . . . .	<b>2,35,565</b>	<b>5,914.9</b>	

(£)—Includes 2805 ration shops in statutory rationing areas covering a population of 97.4 lakhs.

**श्री जार्ज फर्नांडीस :** जो विवरण सभा पटल पर रखा गया है उसके अनुसार दो हजार से अधिक आबादी वाले गांवों में ये दुकानें स्थापित करने का फैसला किया गया है। इसका मतलब यह है कि लगभग चार लाख दुकानें समूचे देश में स्थापित होंगी। इस में यह भी बताया गया है कि नेशनल कंज्यूमर कोओपरेटिव फंडरेशन की यह कहा गया है कि वह चाय का प्रोक्योरमेंट करके इन दुकानों के जरिये लोगों को देने का काम करे। इंडियन सोप ऐंड टायलेट्स मैनु-फैक्चरिंग एसोसिएशन को कहा गया है कि वह साबुन देने का काम करे। साथ ही खादी एंड विलेज इंडस्ट्रीज कमिशन वालों ने जो दिवासलाट्ट के बक्सों उसके द्वारा बनवाए जा रहे हैं उनको देने का काम भी शुरू कर दिया है। मैं जानना चाहता हूं कि अब तक कितनी दुकानें अस्तित्व में आ चुकी हैं। चार लाख दुकान होनी चाहिये अगर सरकार की जो योजना है वह सही माने में कार्यान्वित हो जाती है। चार लाख में से अब तक कितनी दुकानें अस्तित्व में आ चुकी हैं और अलग अलग संस्थाओं के जरिये यह सारा काम करने का जो संकल्प किया गया है उस में आपको कहां तक कामयाबी हासिल हुई है क्योंकि खादी एंड विलेज इंडस्ट्रीज के द्वारा जो आप दियासलाई देने की बात कर रहे हैं।

Khadi and Village Industries Commission is hardly producing one per cent of the total match boxes produced in this country.

ऐसी हालत में अगर इस पब्लिक डिस्ट्रीब्यूशन स्कीम में सिर्फ शासन रिपिजिशन करके कोई चीज देने का इंतजाम करने वाला है तो इसका मतलब यह है कि इससे कुछ लाभ नहीं होगा। मंत्री महोदय विस्तार से मेरे इन प्रश्नों का उत्तर दें तो बड़ी कृपा होगी।

**SHRI PRANAB MUKHERJEE:** Sir, so far as the first part of the question regarding the number of fair-price shops available is concerned, state-wise, the break-up of the information which we have received from the various States is that the number of fair-price shops operating is 2,32,006; in regard to the supply of the match box through the Khadi Village and Industries Commission, it is true that a very small percentage of the total production is covered by it. It is also known to you and to the hon. Member as he himself was in charge of the Industry Ministry, the Khadi and Village Industries Commission

was also under his administrative control.

We have identified the agencies for public distribution system; it is not possible for me to indicate by what time it would be possible for us to see that all these essential commodities which had been identified are distributed through the Public Distribution System I hope that we will be able to arrive at a stage of full satisfaction regarding this over the period. But, efforts are being made in this regard. Various State Governments and agencies are being involved with a vast area and so, much depends upon the cooperation of the State Governments. We are trying to streamline the procedure. Certain State Governments took initiative long time ago. Because of the change of policy—as the hon. Member already pointed out, we have more fair-price shops—what happened was this. The sugar was decontrolled, the dual price system was given up by the earlier regime and, as a result, a large number of fair price shops were closed down. So, it will take some time to put them into operation.

**श्री जार्ज फर्नांडीस :** अध्यक्ष जी, मैं मंत्री जी से जानना चाहता हूं कि क्या सरकार ऐसी योजना बनाने के लिए तैयार है जिसमें जीवनोपयोगी वस्तुओं जैसे अनाज, मिट्टी का तेल, चीनी आदि ऐसी जीवन आवश्यक वस्तुओं की समूचे देश के पैमाने पर एक ही दाम बनाव और उन चीजों की दुलाई में जो खर्च होता है उसको सरकार अपनी तरफ से भर कर समूचे देश के पैमाने पर एक ही दाम पर यह चीजें इस देश के गरीबों को मिलने का इंतजाम करे। जो जवाब मंत्री महोदय ने अभी दिया है उसके आधार पर मैं इतना ही जानना चाहता हूं कि राज्य सरकारों के माध्यम से ही इसकी सफलता जब होनी है तो अभी जो राज्य सरकारों की तरफ से इस व्यवस्था को चलाने का प्रयास है उसमें कोई कमियां आपको दिखाई दे रही हैं ?

**SHRI PRANAB MUKHERJEE:** Sir, there are certain shortcomings, for instance, the application of the Essential Commodities Act many State Governments have not taken up seriously. So far as the building up of infrastructure for the public dis-

tribution system is concerned, a lot of improvement is to be made in the various areas. So far as uniform price system is concerned, it is a big policy matter and I cannot reply to this question right now. So far as certain other items are concerned, essential commodities like foodgrains, cereals, etc. we are trying to distribute them through the Food Corporation of India, for kerosene, through Oil India Corporation, etc. Certain other items have also been identified and these are known to him.

श्री जार्ज फर्नांडीस : मैंने पूछा था कि क्या समूचे देश के पैमाने पर एक ही दाम पर कुछ जीवनोपयोगी वस्तुओं को लोगों को देने की कोशिश करेगी।

SHRI R. K. MHALGI: It has been stated in the reply that the Production-cum-Distribution Scheme is under periodical review in consultation with the State Governments, Central Ministries and other agencies. May I know whether any such review has been effected recently? If it is so, when and with what result? It has also been stated in the reply that the Central Government has also set up an Advisory Council at the National level to advise regarding the implementation of the scheme and similarly the State Governments have been advised to set up State level Co-operative Committees to supervise the functioning of the public distribution system, etc. May I know whether any of the meetings of such Advisory Council has been held? Who are the Members of this Council? If any such meetings have been held, what are the recommendations of the Council?

SHRI PRANAB MUKHERJEE: So far as the meeting of the National Advisory Council is concerned, one meeting was held last year. It is a committee consisting of the Minister of Civil Supplies as the Chairman of the Committee, representatives of the State Governments either at the Ministerial level or their nominees and certain other agencies. So far as the periodical review is concerned,

the hon. Member is well aware that this Government started functioning just a couple of weeks ago. So, it will take sometime to look into the review work. So far as information and other matters are concerned, we are in touch with the State Governments and one of the important predicaments in these areas is when the Ordinance for preventing black-marketing and profiteering was promulgated, some of the State Governments did not utilise it. This enabling provision was made and the State Governments were provided with the power to take care of the profiteers, hoarders and blackmarketeers. But some of the State Governments did not utilise it.

SHRI R. K. MHALGI: I asked a specific question. May I know the names of the persons who have been included in the Council?

SHRI PRANAB MUKHERJEE: I have already mentioned that the Minister of Civil Supplies and some of the agencies like Food Corporation of India, Indian Oil Corporation and National Cooperative Consumers' Federation are represented. I think their Chairmen of those organisations are the nominees of this Council.

SHRI R. K. MHALGI: When was the meeting held?

SHRI PRANAB MUKHERJEE: I told you that in November 1978 one meeting was held.

डा० राजेंद्र कुमारी बाजपेयी : क्या मंत्री जी यह बतायेंगे कि अकाल की जो स्थिति हमारे देश में फैली हुई है उस को देखते हुए प्रदेश की सरकारों को यहां से ऐसा आदेश दिया जायगा कि हर पंचायत लेवल पर एक केयर प्राइस शाप हो जिस में अनाज भी सस्ते दामों पर मिले, कपड़ा भी सस्ते दाम पर मिले और विशेषकर मिट्टी का तेल जो कि बहुत ज्यादा कीमत पर, कहीं कहीं पांच रुपये और छः रुपये बोतल मिल रहा है उस के बजाय कंट्रोल पर मिले। मेरी जानकारी है कि जनता राज में बहुत जगहों पर दुकानों को बन्द कर दिया गया था।

SHRI PRANAB MUKHERJEE: It is true that a large number of fair

price shops were not operating, particularly when the decision for decontrolling sugar was taken by the earlier regime.

**SHRI INDRAJIT GUPTA:** Were the shops selling sugar only?

**SHRI PRANAB MUKHERJEE:** Sugar is an important item and as a result of this when they found that it was not economically viable to operate the shop, they closed it.

As regards establishing fair price shops at the Panchayat level, as mentioned in the text of the reply, it will be the endeavour of the Government to see that a population of 2000 is covered by one fair price shop, and irrespective of that, each Panchayat headquarter will have a fair price shop. The State Governments have been asked to ensure that.

श्री मलिक एम० एम० ए० खान : अध्यक्ष महोदय, रबी की फसल हमारी एक इम्पोर्टेंट फसल है लेकिन डिजल और मिट्टी के तेल की कमी की वजह से अब तो बहुत सी जमीन बोनो से भी बाकी रह गई और अब सिंचाई के लिए डिजल अबलेबल नहीं है, उधर सूखे की स्थिति वैस ही चल रही है, ऐसी हालत में मैं मंत्री महोदय से जानना चाहूंगा, क्यों कि प्रिवेटिव डिस्ट्रिबुशन एक्ट को कुछ स्टेट गवर्नमेंट्स ने लागू करने से इन्कार कर दिया है, कुछ उसको लागू करने में दिलचस्पी नहीं रखती और यह देखते हुए कि ओपन मार्केट में डिजल और कैरोसिन अबलेबल नहीं है लेकिन ब्लैक मार्केट में चार रुपये और पांच रुपये के हिसाब से अबलेबल है, क्या सरकार सोच रही है कि डिजल और मिट्टी का तेल जो ब्लैक मार्केट में मिल रहा है वह रुके और किसानों को वह सही कीमत पर मिल सके ?

**SHRI PRANAB MUKHERJEE:** So far as the supply of diesel and kerosene is concerned, this question was discussed in detail by my colleague in the Petroleum Ministry and he has highlighted how the distribution system would be streamlined.

So far as the application of the Ordinance to restrict the activities of blackmarketeers and hoarders is concerned, the hon. Member is aware of the price of legislation before this House itself and as and when it will

get the approval of the House and the other House, we will see how it could be enforced.

**SHRI N. G. RANGA:** Has any administrative machinery been set up by the Central Government in order to see how the State Governments carry on the procurement of the essential commodities and organise their proper distribution. If there is no such machinery set up till now, will the Government consider the advisability of setting up a suitable machinery so that the officers concerned go round to ensure proper procurement as also satisfactory distribution through public institutions and semi-public institutions?

**SHRI PRANAB MUKHERJEE:** Certain agencies have been identified for the procurement, for instance Food Corporation for foodgrains, State Trading Corporation for edible oils etc. So far as the distribution is concerned, as mentioned in the earlier part of my reply, much depends to what extent we are able to build up the infrastructure and build up the distribution agencies at the various levels.

**SHRI N. G. RANGA:** My question is: Is there any such machinery to go round the States to ensure proper implementation of the scheme? That has not been answered.

**SHRI C. P. N. SINGH:** I would like to know from the hon. Minister whether, during the Janata Party rule, the hon. Member who has asked this question had given specific orders that licences given to certain shops which are known in the villages as Sasti Dar Ki Dukan be terminated and new shops opened. This was done just to harass certain people who had shops and who were Congress-supporters. Secondly, in Deoria district of Uttar Pradesh, kerosene and diesel are not available at all. Will the hon. Minister assure us, who are the representative of our respective constituencies—even though the State Government there is a Janata-

controlled one—and the people in Deoria that he will look into the matter of cancellation of shops, and of availability of kerosene, diesel and even things like washing soda?

**SHRI PRANAB MUKHERJEE:** So far as the cancellation of shops are concerned, I do not rule out the possibility, because a lot of things have taken place during the last 30 months, and it will take time for us to find out what has taken place. I will look into the matter and see whether a certain thing was done merely for political considerations. As far as the distribution is concerned, as I have already said arrangements are made to ensure distribution; but I am emphasizing that much depends on the streamlining of the distribution system. I am sorry to say that we are not getting adequate cooperation in this matter.

**SHRI C. P. N. SINGH:** Will the hon. Minister assure the House that the cases of shops that were cancelled during the Janata regime on the instructions of the then Minister Shri George Fernandes will be looked into?

**SHRI PRANAB MUKHERJEE:** I have already replied to it.

**श्री चन्द्रपाल शैलानी :** मंत्री महोदय ने अपने उत्तर में बताया है कि एसेंशल कामोडिटी का वितरण सस्ते गल्ले की दुकानों के द्वारा किया जायगा, और वे दुकानें उस सभी स्थानों में खोली जायेंगी, जहां की आबादी दो हजार या उससे अधिक है। पहली बात तो यह है कि अभी हर स्थान पर सस्ते गल्ले की दुकान की व्यवस्था नहीं की गई है, और जहां है भी, वहां ये वस्तुयें ब्लैक में बेची जाती हैं। गरीब किसान डीजल, कैरोसीन, कलम, पेंसिल और कापियां के लिए तड़पते रहते हैं, मगर उनको ये वस्तुयें उपलब्ध नहीं हो पाती हैं। मैं जानना चाहता हूँ कि इसकी रोक थाम के लिए मंत्री महोदय क्या कारगर और प्रभावशाली कदम उठाने जा रहे हैं और कब तक।

**SHRI PRANAB MUKHERJEE:** I have already replied to the question. I have never claimed that every village is covered by fair price shops.

There are 6 lakh villages, and only 2,32,000 price shops.

**SHRI K. LAKKAPPA:** It is most unfortunate that Mr. George Fernandes has put this question. This progressive measure of public distribution system was initiated when Shrimati Indira Gandhi was the Prime Minister. For the last 2-1/2 years, when there was a Janata Government—and after its break-up during the regime of the caretaker Government—they initiated a dialogue with black-marketeers, hoarders and smugglers, and created situation... (Interruptions) to sabotage the entire public distribution system. Even today, most of the Janata Governments in States are not cooperating with the progressive ideas and measures initiated by our Government. Will this national-minded Government take steps to meet this situation? Will the Minister assure us that the public distribution system for all essential commodities will be completely streamlined and that it will see that the State Government, also behave properly and cooperate with the Central Government? What measures are you going to take to ease the situation?

**SHRI PRANAB MUKHERJEE:** So far as hon. Member's observations in regard to the soft attitude taken by the previous Government are concerned, so far as blackmarketeers and hoarders are concerned, I do agree that if they were tackled properly and dealt with firmly perhaps the price situation would have been better if not altogether satisfactory. But, unfortunately, even the government which brought the Ordinance the other day, we found that they were working out something when we are trying to give effect to it. This is the state of reality. But so far as hoarders and blackmarketeers are concerned. I can assure the hon. Member that we will take care of them and we will see that when the Bill is passed and gets the approval of both Houses, it will be put into operation. So far as the distribution system is concerned, I have already

replied to the question of the hon. Member.

(Interruptions)

MR. SPEAKER: Next question. One more question is coming of this nature, at that time, you can ask your question.

### स्वर्ण की नीलामी

\*84. श्रीमती कृष्णा साही : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि जनता पार्टी के शासन के दौरान 13 मी० टन सोना नीलाम किया गया था ;

(ख) क्या यह भी सच है कि वह 13 मी० टन स्वर्ण के ल 86 करोड़ रुपये में नीलाम किया गया; और

(ग) यदि उपरोक्त भागों का उत्तर स्वीकारात्मक हो तो उक्त 13 मी० टन स्वर्ण की नीलामी के क्या कारण थे ?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) to (c). A statement is laid on the Table of the House.

### Statement

Pursuant to the decision of the Government announced by the Finance Minister in his Budget Speech on 28-2-1978 a total quantity of 12.556 tonnes of gold was sold by the Reserve Bank of India in 14 auctions held between May-October 1978 on behalf of the Government. The total value of sale proceeds was Rs. 86.5 crores.

While announcing the decision to sell gold the then Finance Minister stated the following in his Budget Speech of 1978.

“...Despite the utmost vigilance of the Customs authorities and con-

siderable seizures and confiscations of smuggled gold, it is an unfortunate and distressing fact that gold smuggling has to some degree continued. The substantial difference between Indian gold prices and International gold prices has served as a temptation to smugglers. Gold smuggling is not only illegal but has helped to sustain black money operations and foreign exchange racketeering. It is, therefore, necessary for us to think of economic measures in addition to preventive measures to tackle this evil of gold smuggling. We have given very careful thought to the question and have decided to commence the sale of gold from the stocks held by Government....’

Sale of gold by auction was thus introduced by the then Government on an experimental basis designed to supplement other anti-smuggling measures. It was also intended incidentally to mitigate the expansionary impact of the budgetary deficit.

Consequent to a sudden steep rise in the International price of gold towards the end of September, 1978, sharper increase in the internal price of gold due to speculative forces, the Government suspended the gold auctions on 26-10-1978.

SHRI R. VENKATARAMAN: There is another Q. No. 95 of Prof. Madhu Dandavate. If you allow, we can take up both the questions together.

MR. SPEAKER: If the Professor has no objection to it.

PROF. MADHU DANDAVATE: I have no objection. But my question is different from my wife's question. (Interruptions)

MR. SPEAKER: So, both the questions—84 and 95—are being taken up together. You can put two supplementaries. Prof. Madhu Dandavate can also put two supplementaries.