

[Shri B. R. Bhagat]

the Table a copy each of the following
papers:—

- (i) Annual Report of the National Small Industries Corporation Limited for the year 1959-60 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon, under sub-section (1) of Section 639 of the Companies Act, 1956.
- (ii) Review by the Government on the working of the above Corporation. [Placed in Library. See No. LT-2804/61.]

[Placed in Library. See No. LT-2806/61.]

ESTIMATES COMMITTEE

HUNDRED AND TWENTY-THIRD REPORT

Shri Dasappa (Bangalore): Sir, I beg to present the Hundred and twenty-third Report of the Estimates Committee on the Ministry of Commerce and Industry—Development Wing.

NOTIFICATIONS UNDER SEA CUSTOMS
ACT, 1878, AND AMENDMENT TO THE
CUSTOMS AND CENTRAL EXCISE
DUTIES EXPORT DRAWBACK
(GENERAL) RULES, 1960

12.13½ hrs.

STATEMENT RE: WITHDRAWAL
OF ZONAL RESTRICTIONS ON THE
MOVEMENT OF WHEAT AND
WHEAT-PRODUCTS

The Minister of Revenue and Civil
Expenditure (Dr. B. Gopala Reddi):
Sir, I beg to lay on the Table:—

- (i) A copy each of the following Notifications under sub-section (4) of section 43B of the Sea Customs Act, 1878:—
- (a) G.S.R. No. 355, dated the 18th March, 1961.
- (b) G.S.R. No. 356, dated the 18th March, 1961.
- (c) G.S.R. No. 402, dated the 25th March, 1961.
- (d) G.S.R. No. 403, dated the 25th March, 1961.

[Placed in Library. See No. LT-2805/61.]

- (ii) A copy of Notification No. G.S.R. 400, dated the 25th March, 1961 making certain further amendment to the Customs and Central Excise Duties Export Drawback (General) Rules, 1960, under sub-section (4) of Section 43B of the Sea Customs Act, 1878 and Section 38 of the

The Minister of Food and Agriculture (Shri S. K. Patil): Sir, the House will recall that during Question Hour on 6th March, 1961, I had mentioned that the Government were considering the question of withdrawal of zonal restrictions on the movement of wheat. I am glad to be able to announce that after a very careful consideration of the matter, the Government have now come to the conclusion that the restrictions on the movement of wheat and wheat-products should be removed immediately throughout the country. The main factors that have influenced the Government to take this decision are bright prospects of the coming rabi crop, availability of large stocks of foodgrains in the Central reserve, heavy import programme from abroad and relatively low prevailing prices of wheat in the country.

2. The latest reports indicate that the wheat crop this year is going to be a very good crop. In view of the low prevailing prices of wheat in some

*movements of wheat and
wheat—products*

of wheat from the internal markets so as to ensure adequate supply of indigenous wheat to the general consumers.

6. Orders are now under issue withdrawing all restrictions on the movement of wheat and wheat-products. Henceforth, wheat and wheat-products will move freely throughout the country without any restriction.

Shri Braj Raj Singh (Ferozabad): May I know whether the Government are also considering removal of some restrictions on the movement of rice and having bigger rice zones in the country?

Shri Kasliwal (Kota): The hon. Minister has not indicated the present prices of wheat in the wheat growing areas. Will he kindly do that?

Shri Chintamani Panigrahi (Puri): The hon. Minister stated yesterday that Government are going to take some decisions also with regard to rice zones but in the statement there is nothing about it.

Shri S. K. Patil: Though this does not arise out of this, I can tell the House that the rice position is much better than ever before. If it continues to be so, there is every prospect that that could be done.

Shri Thirumala Rao (Kakinada): Will the Government see to it that sufficient transport is provided? There seems to be some complaint about moving rice and other food-grains from one place to another.

Shri Tyagi (Dehra Dun): There lies the trouble.

Shri S. K. Patil: My hon. colleague, the Railway Minister, is present here and he has heard this.

of the wheat-producing States and the expectation of a very good wheat crop, there was apprehension in certain quarters that the prices of wheat might get unduly depressed after the new crop came to the market unless the Government took special measures to prevent such a contingency. It was feared that if suitable measures were not taken in time, the interest of the cultivators might suffer and they might not be able to obtain a reasonable price for their produce. The withdrawal of restrictions on the movement of wheat and wheat-products throughout the country will now prevent the prices of wheat from getting unduly depressed in the principal wheat-producing States and will secure a reasonable return to the producers.

3. Under the zonal arrangements, the consumers in the deficit States had to depend largely or entirely on the supply of imported wheat to meet their requirements. With the withdrawal of zonal restrictions, they will be able to obtain the wheat of their own choice.

4. With the large stocks of wheat already available in the Central reserve and a heavy import programme, there is no reason to apprehend that the prices of wheat will rise unduly high in any part of the country. The Government are now in a position to make available any quantity of wheat required for meeting the needs of the different areas. The State Governments have already been assured that any quantity of wheat required by them for distribution in their respective States would be made available from the Central reserve.

5. It has been decided to continue to supply wheat from Central stocks to the roller flour mills in the country who will continue to remain prohibited from making purchases of wheat from the open market. This is intended to keep off these bulk purchasers