

Shortfall in the target for Fertiliser Consumption

*246 SHRI INDRAJIT GUPTA : Will the Minister of AGRICULTURE be pleased to state :

(a) whether for the third successive year, target fixed for fertiliser consumption has not been realised;

(b) if so, the reasons therefor; and

(c) the steps Government propose to take to achieve the consumption target?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI ANNASAHEB P. SHINDE) : (a) to (c). A statement is placed on the Table of the Sabha.

Statement

(a) Yes Sir. The shortfall in the achievement of consumption target operational was however, 18% in 1970-71 as against 37% in 1968-69 and 23% in 1969-70. Some of the States like Madhya Pradesh, Mysore, Rajasthan and Maharashtra have realised the targets of fertiliser consumption fixed for them.

(b) The main reasons for the low level of consumption in comparison to the targets are :—

- (i) natural causes such as cyclones and floods in some States;
- (ii) constraints in the availability of credit for fertiliser distribution and use;
- (iii) inadequacies in the fertiliser distribution arrangements;
- (iv) gaps in extension and promotional efforts; and
- (v) unfavourable price ratio between inputs and the produce.

(c) The Government have recently set up a Credit Guarantee Corporation to encourage banks to provide greater credit facilities to farmers and dealers of fertilisers. The State Governments have also

been urged to ensure the availability of production credit to farmers in larger measure through cooperatives. The Government of India are also continuing to give short-term loans to the States for stocking and distribution of fertilisers. The distribution system was liberalised by replacing licensing by a simpler and quicker method of registration. Besides, the Central Fertiliser Pool maintains buffer stocks in various States where the distribution system is not efficient and transport infrastructure is weak. The Pool also liberalised distribution arrangement by making direct supplies to cooperatives, Agro-Industries Corporations, Zilla Parishads and even private dealers.

As regards extension, two important schemes having a direct bearing on fertiliser consumption are in operation, viz. (a) national demonstrations and (b) farmers' training programme under which latest technology, including optimum and balanced use of fertilisers, is sought to be extended to farmers. The Government are also considering the setting up of a Fertiliser Promotion Council as a joint venture between the Government of India, State Governments, Agricultural Universities and fertiliser manufacturers in order to supplement the promotional measures undertaken by the State Governments and manufacturers.

SHRI INDRAJIT GUPTA : In the statement I find certain reasons are given for the low level of consumption but the remedies are very unsatisfactory. Is it not a fact that the chronic trouble with fertiliser consumption has been maldistribution and secondly the fact that the smaller farmers cannot afford to purchase fertilisers at their existing prices. What is being done to improve the system of distribution. This has been going on for a number of years. Secondly, will the prices be adjusted in such a way that smaller farmers can avail of it to their maximum capacity?

SHRI ANNASAHAB P SHINDE : Before I reply to this supplementary, I want to make one correction in the statement : the statement should read the shortfall in the achievement of operational consumption target. The word 'operational' should be added.

Shri Gupta has raised a very fundamental question in regard to fertiliser consumption in the country. It relates first of all to the availability of credit to the small farmers. It is a major hurdle we have come across. The credit links are weak. Efforts are made to strengthen the co-operatives. The commercial banks have been asked to cater more to the needs of small farmers and a credit guarantee corporation has been established to guarantee loans to the tune of Rs 1,000 to small farmers. The loans were based on security and we have changed the security basis now. Crops have been adopted as security. Various measures are taken to improve the availability of credit. But this is a problem of vast magnitude. We have now relaxed some conditions and no licence is required to become a distribution agent. Anybody can become a distributor by registering himself.

SHRI INDRAJIT GUPTA : Figures show that the lowest rate of consumption is by and large in the eastern region of the country. May I know from the hon. Minister whether it is not a fact that consumption in the eastern region is mainly accounted for by the plantations which means that the smaller farmers are hardly consuming any fertilisers. May I know from him, in view of the fact (a) that the co-operatives are very undeveloped in the eastern region, (b) the banks, in spite of what he has said, are not yet giving credit easily to the small farmers, (c) in respect of the Credit Guarantee Corporation which is being set up, there is no guarantee also that it will cater primarily to the smaller farmers, the whole of the eastern region is being adversely affected, have they got

any special measures in view to step up the consumption of fertilisers in the eastern region ?

SHRI ANNASAHAB P SHINDE : It is true that in the eastern region the main bulk consumption is by the plantation crops and therefore there is need to look to the requirements of the small farmers. In the eastern region, we have also come across, in addition to the difficulties mentioned by the hon. Member, tenurial difficulties and also natural calamities. Tenurial difficulty is the basic one. For providing credit and fertilisers, even the names of the tenants are not recorded. Steps are being taken by the Government in West Bengal. We have also conferred permanent tenancy rights on the farmerse when there was President's rule.

As far as credit is concerned, we are taking a number of steps in the eastern region.

SHRI B S MURTHY : Is the Minister aware that most of the medium and small scale cultivators are slowly becoming averse to the use of more and more chemical fertilisers and, if so, what is the reason ?

SHRI ANNASAHAB P SHINDE : At least the reports in the Ministry do not indicate that the medium or the small farmers are becoming averse. Really, fertilisers in this country have become quite popular. The point is, resources are not available, credit is not available and the distribution arrangements are not satisfactory. These are the problems which we have come across.

श्री बी० पी० मौर्य : क्या कृषि के विशेषज्ञों ने ऐसी रपट दी है कि जहाँ जहाँ किसान को धाँवपाशी की सुविधा प्राप्त नहीं है, वहाँ वहाँ बहू खाद को इस्तेमाल करना फसल के लिए खतरनाक समझता है, क्योंकि खाद फसल को जीवन देने के बजाये उसको

खाने लगती है ? क्या मंत्रालय ने इस छोटे कोई ध्यान दिया है कि यदि खाद को ठीक सुविधापूर्वक इस्तेमाल किया जाना है, तो किसान को छाबपाशी की सुविधायें दी जायें, क्योंकि वे दोनों इन्टरलिक्ड हैं ?

SHRI ANNASAHEB P. SHINDE : This is also engaging our attention. A very large demonstration programme has been taken up in consultation with the State Governments. We are seized of it.

Taking over of Assam Silimanite Factory by Bokaro Steel Plant

***247 SHRI DINESH JOARDER :** Will the Minister of STEEL & MINES be pleased to state:

(a) whether any negotiations have taken place by Bokaro Steel Plant to take over the Assam Silimanite Factory which is in the private sector;

(b) whether Government are aware that the owners of the Assam Silimanite factory are facing prosecution for making false claims and the factory has incurred a liability of Rs. 60 Lakhs due to mismanagement; and

(c) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI SHAHNAWAZ KHAN): (a) Bokaro Steel Limited has been examining the feasibility of taking over a Refractory Plant and, in this connection, have had discussions with Assam Silimanite Ltd, as well as some other units in the private sector.

(b) Government are aware of the liabilities of the Company and also the fact that the Registrar of Companies had filed a case against the company for certain violations of the Companies Act.

(c) There is yet no proposal before Government for purchase of the Company by Bokaro Steel Limited. If such a proposal is received, all relevant factors will be taken into considerations before taking a decision on it.

SHRI DINESH JOARDER: Sir, may I know whether the Assam Silimanite factory has a capacity to produce the specified quality and the required quantity of fire-bricks, as it is alleged that it never can produce such sophisticated fire-bricks of Russian specification as required by the Bokaro steel plant? On the other hand, the Asian Refractories, Bhandardihi, is a modern plant, and may I know whether the Government have enquired if it can be a better proposition to purchase the same instead of purchasing the Assam Silimanite factory which was originally purchased by the Wali Brothers at UPCC at Rs. 1.4 crores and now its value is going to be fixed, as is alleged, at Rs. 2 crores, an over estimation of the price of the factory? May I know whether this is correct or not?

SHRI SHAH NAWAZ KHAN: The Assam Silimanite Refractory can produce the bricks that are required by Bokaro. It will require some remodelling and some extra expenditure will have to be incurred. It will take about two years to go into production. The other factory, the Asian Refractory, is also good. I quite agree with him that it could also serve the purpose. A committee is going in to all these aspects and we have an open mind. There are three refractories under consideration. They are examining the pros and cons of taking over one or more of these; that is under consideration. No firm decision has been taken so far.

SHRI DAMODAR PANDEY : Is the Minister aware of the fact that almost the entire investment of Assam Silimanite has come from the public exchequer either in the shape of loan or by some other method and the employer is misappropriating the money? He is not making payment to