

the House the probable date on which the project will be commissioned?

SHRI JANARDHANA POOJARY : The project implementation will come after the project has been approved. It has to go to Public Investment Board for approval. The feasibility report has to be prepared. The availability of water which is the most important factor has to be considered. Water to the extent of 15-20 lakh gallons per day is required; and the water will be provided through the tubes. We have to think of the security angle also. For example, when we print the notes worth about Rs. 1500 crores, that will be a big treasure. The notes have to be carried from one place to another. All these factors have to be considered. There is no delay as such. The feasibility report is being prepared and after the feasibility report, it would go for approval and only after that further action will be taken.

PROF. MADHU DANDAVATE : If there is any difficulty in carrying the notes, they can be left in Bengal.

SHRI SATYAGOPAL MISRA : The Hon. Minister has stated in his reply that action is being taken to depute a team to visit a few countries abroad for selection of process technology and choice of machinery. May I know from the Hon. Minister which are those countries?

SHRI JANARDHANA POOJARY : We would not like to disclose that at this stage.

(Transition)

SHRI GIRDHARI LAL VYAS : The Hon. Minister has stated that the scheme has not yet been approved. Therefore, may I know from the Hon. Minister whether before giving approval to the scheme, he would ensure adequate safety for the proposed currency note press? Have you also considered the aspect as to how much bungling would take place there?

(English)

MR. SPEAKER : Next question.

Fall in coffee price

*88. **SHRI VAKKOM PURUSHOTHAMAN :** Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that coffee growers in the country, especially in Kerala, are destroying their coffee gardens to switch over to other cultivations due to the fall in price of coffee; and

(b) whether Government propose to take any steps to ensure a reasonable price to coffee growers?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). No, Sir. In fact coffee growers have been getting remunerative returns.

SHRI VAKKOM PURUSHOTHAMAN : I am sorry to say that the answer is not correct. Coffee growers are not getting enough price of the high cost of production. Therefore, they are destroying the coffee gardens to switch over to other more remunerative cultivation. Kerala, Karnataka and Tamil Nadu are the major coffee growers; I know that personally. Probably, coffee is the only agricultural commodity where there is an incidence of export duty. Taking into consideration the difficulties faced by the coffee growers, will the Government take steps to abolish this export duty for the coffee?

SHRI P. SHIV SHANKER : The assumption that the Hon. Member made does not appear to be correct. The entire coffee produced has got to be surrendered to the Coffee Board. Out of this one-third is used for the internal consumption and two-thirds for the export market. When it comes to the question of internal consumption, the minimum release price is fixed taking into consideration the cost of the cultivator plus 10 per cent of the post tax profit that he should get. When once this formula is applied, naturally the grower gets the profit. It is not a case where he is getting the price at a lower rate, so that he suffers. Therefore, the position as it emerges with the reference to the release price in the internal market, the prices range in a better position as a result of which there is a case of sufficient profit to the grower. Apart from that, as I said, two-thirds of the coffee has got to be exported and this is based on the international prices, which are much higher as compared to indigenous prices. Now, when it is a question of two-thirds of the coffee of the grower being

exported, he gets his profit there also, which is much higher than what is fixed in the country based on the minimum release price. Therefore, I am sorry to say that the assumption of the Hon. Member does not appear to be correct. In fact various incentives have also been given for the purposes of the growth of coffee and on the question of the export duty, we have found that there is no case for the abolition, as has been suggested.

SHRI VAKKOM PURUSHOTHAMAN:

The growers' complaint is that the cost of production has not been assessed properly. Anyway, I understand that the revision of the minimum release price, consistent with the increased cost of production is now pending before the Government for some time. Will the Government take an immediate decision in this regard?

SHRI P. SHIV SHANKER : The minimum release price was fixed last in 1983. Thereafter in January 1985 a directive was given for the purpose of going ahead and fixing a minimum release price and a Committee was constituted. Its report is expected within about a month or two and once that report comes, the minimum release price would certainly be revised.

SHRI E. AYYAPU REDDY : Is there any confederation of coffee growing countries in the world? If there is no such confederation, will India take steps to organise such a confederation? All the coffee growing States are in the South and the external market is in the North. In order to protect the poor countries of the South which are coffee growing States, will India take steps to organise a confederation of the coffee growing countries of the world?

SHRI P. SHIV SHANKER : It is very difficult for me to immediately react to the proposal that has been put forward. But the fact of the matter is that India is one of the exporters of coffee. Along with Brazil, there are many countries which are catering the international market. So far as the international prices are not concerned, they are governed in the London market and these fluctuations do take place, but they do not take place so often.

MR. SPEAKER : Do they still govern there?

SHRI P. SHIV SHANKER : That market was supposed to be an international congregation for purposes of fixing the price of coffee and tea, both. The point that is urged by my friend is with reference to confederation. As I said, it might be a case to be considered. But it is not possible to give an immediate answer for a confederation. If we go for it, it is possible that we might suffer a loss in the international market because we are the major exporters.

DR. K. G. ADIYODI : The assumption of the Minister is not correct. The minimum release price has to be fixed every year before the harvest, but that is not being done regularly. Another thing is this. Though the price in the international market is high, one-third of the production is sold at a discount price to Russia. Russia is the only buyer outside the non-quota countries. So, the price fall is there in every year and as the cost of production is high, coffee is replaced by some other crops by the growers. Will the Government take action to prevent it?

SHRI P. SHIV SHANKER : I have already submitted that so far as the minimum release price is concerned, it is under review. The moment the Committee gives the report on the basis of the cost estimations, the price will naturally be fixed accordingly. But even the prices that have been fixed in 1983 are not against the interests of the growers. That is what I have already submitted. I have also said that from the export quota also, the grower gets his own profit which is much higher than the minimum release price. On the question of what is called as favouritism to Russia, I must submit that Russia is a prominent non-quota country to which we supply. There had been agreements. And on the basis of the agreements, the supplies have been effected. There are quota countries also. This is the prominent non quota country so far as we are concerned. And on the basis of the agreement, every year, we had been supplying Coffee to this country on a very reasonable rate. It is not as though undue-favour has been shown to this country. In fact, if we take into consideration the figure of 1984-85, we have been able to supply Coffee to the tune of Rs. 61.34 crores to this country.

SHRI H. N. NANJE GOWDA : Regarding the Export Duty, you have raised it from

Rs. 3000 to Rs. 6000 on 31st January, last I do not know whether coffee lobby is not powerful as such or tea lobby is more powerful and Government has abolished export duty on tea. What are the criteria for fixing export duty and that too for increasing it? You were telling us that this Export Duty is having a direct bearing on the income of the Coffee growers and the remunerative prices I am coming from the coffee growing area. I know the problems of coffee growers. What you have estimated as the cost of coffee cultivation is not correct. It is double actually. The margin of profit provided for a small Coffee grower per tonne is such that he is not in a position even to earn about Rs. 1,000/—, I may say. Will you please re-consider abolishing Export Duty as you have done in the case of tea?

SHRI P. SHIV SHANKER : The question itself answers the poser that has been put by my friend. He says that it is lesser profit and he pleads for a higher profit. That part of it I have said. In respect of the minimum release price, that would be fixed on the basis of the report that would be submitted within about two months' time, which we are expecting. The Committee was constituted in January, 1985 to go into it and revise the costs.

Sir, on the question of the guidelines, with reference to export duty, a revision of Export Duty has been effected. I must submit that the Export Duty is a proportion which is normally 50 per cent of the difference between the London Terminal Price and the base remunerative price. This is how normally the Export Duty is fixed. The Export Duty was last revised on the 31st January, 1986 to a level of Rs. 6,000 per tonne.

At that time, London Terminal Price was about Rs. 44,700. In fact if it is a case, it is a case of increasing the Export Duty and not reducing it.

[Translation]

Loans under State sponsored schemes through nationalised banks during Sixth Five Year Plan

*89. **SHRI DILEEP SINGH BHURIA :** Will the Minister of FINANCE be pleased to state :

(a) the total amount made available as loans under the State sponsored schemes through various nationalised banks during the Sixth Five Year Plan;

(b) the amount made available as subsidy by the Union and State Governments against this amount;

(c) whether it is a fact that the amount of subsidy is not credited for a long time to the accounts of beneficiaries in various nationalised banks and their branches and as a result thereof the beneficiaries have to bear the burden of interest on that amount unnecessarily;

(d) if so, whether the Government have issued any instruction in this regard; and

(e) whether Government propose to ask the concerned banks to waive the interest so imposed on the beneficiaries?

[English]

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

Statement

(a) The total amount made available under the Integrated Rural Development Programme (IRDP) by the banking system during the Sixth Five Year Plan was Rs. 3101.61 crores. Under the Scheme for Self Employment of the Educated Unemployed Youth (SEEUY) which was introduced in 1983 loans aggregating Rs.831.07 crores were sanctioned by banks during the two years 1983-84 and 1984-85.

(b) The aggregate amount made available as subsidy by the Central and State Governments under IRDP during the Sixth Plan Period was Rs. 1661.17 crores. Under SEEUY subsidy amounting to Rs. 173.97 crores has been released so far against the loans sanctioned during 1983-84 and 1984-85.

(c) to (e). Under SEEUY the subsidy amount received by the bank kept in a separate term deposit account for being adjusted towards the end of loan repayment. Under the IRDP the District Rural Develop-