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(i) *Storage and Transit Losses*

(Figures in lakh tonnes)

**Surplus stock of rice and wheat with
Food Corporation of India**

*184. SHRI MURLI DEORA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the surplus stock of rice and wheat according to the latest figures;

(b) whether the Public Distribution System is sufficiently and properly geared to undertake effective reaching of the essential commodities to people all over the country, especially in the rural areas;

(c) the percentage of the total foodgrains which is annually lost from various godowns of the Food Corporation of India through rodents, pests, vagaries of weather, floods, etc. and through pilferage; and

(d) the steps being taken by Government to prevent such losses in future, in view of the growing stocks resulting from high surpluses ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) As on 1st April, 1986, public agencies had 3.5 million tonnes of wheat and 1.0 million tonnes of rice as surplus over and above the requirement under buffer stocking policy of the Government.

(b) Yes, Sir, to the extent possible.

(c) and (d). A statement is given below.

Statement

(c) The percentage of foodgrains lost during transit and storage, as also damaged, due to various reasons which include rodents, insects, vagaries of weather, floods, pilferage, etc., since 1982-83 are as under :

Year	Total quantity (purchase plus sales)	Total quantity lost	Percentage of loss
1982-83	312.78	7.40	2.37
1983-84	319.00	6.74	2.11
1984-85	295.14	5.72	1.94

(ii) *Loss on Account of Damage*

Year	Quantity of stock holding (Average)	Quantity damaged	Percentage
1982-83	96.02	0.48	0.50
1983-84	118.85	1.01	0.85
1984-85	163.15	0.65	0.40

(d) The steps that are taken to reduce such losses include :

- (1) Augmentation of the covered storage capacity and reducing CAP storage;
- (2) Better preservation and scientific storage;
- (3) Adoption of strict Quality Control measures at purchase points;
- (4) Installation of weigh bridges;
- (5) Avoidance of movement in open wagons; and
- (6) Effective and intensive supervision including surprise checks.

SHRI MURLI DEORA : Sir, according to an FCI report, the total grain inventory is expected to mount up, till July 1, to well over 29 million tonnes valued over Rs. 5,500 crores, and according to a report submitted by Grain, Rice and Oilseeds Merchants

Association, Bombay, heavy stocks of wheat are not lifted because the price at the Fair Price Shop is higher than the open market price. I would like to ask the Minister, is it a fact that the carrying and handling cost of wheat of FCI is nearly Rs. 45 per quintal against the average cost of Rs. 10 to Rs. 15 per quintal of private wheat.

SHRI A. K. PANJA : I am giving the break up per kg. The Hon. Member has asked for information per quintal. I have worked out the cost per kg. So far as the pooled cost of wheat per kg is concerned, it is Rs. 1.61. The procurement incidental is 26 paise, distribution cost 52 paise. The economic cost of Rs. 2.39. Sale realisation on the average is Rs 1.76 per kg. The consumer subsidy comes to Rs. 0 63. Within the procurement, incidental carrying cost is involved. In the distribution cost of 52 paise, carrying cost is not involved.

SHRI MURLI DEORA : It is correct that in order to liquidate heavy stock of wheat and other grains Government is giving grains for Food for Work Programme and Anti-Poverty Programme, IRDP, NREP, etc. Is Government considering to export wheat and other grains ?

SHRI H. K. L. BHAGAT : It is correct that we have stocks. We are prepared to export. But that also depends on the conditions in the world food market. Where there is possibility, we can export. So far as other programmes are concerned, we have taken a number of steps, for example upto a certain date you can draw rations to any quantity. Within Poverty programme and other programmes, in tribal areas we have undertaken a number of schemes so that more food grains can be distributed.

DR. DATTA SAMANT : The wheat is procured from the farmer at the rate of Rs. 1.57 and rice @ Rs. 1.52. The Food Corporation's storage, transport charges are 70 to 80 per cent. On that they are giving Rs. 16 crores subsidy. This is beyond imaginable proportion.

My point is—this year the wheat and rice stock is sold to the private people @ Rs. 2.00 Rs. 2.10 which the Food Corporation

has procured @ Rs. 2.62. They are giving subsidy to the public. The same stock is stored by the private people and sold in the coming months @ Rs. 3.50 to Rs. 4.00. Even the farmer is getting @ Rs. 1.75 and it is sold to the people @ Rs. 4.50. In between the Food Corporation and private people are benefited. My question is whatever stock is available with the Government, can it be sold through the public distribution system at the cheaper rate so that the average people in the villages, adivasies, they get the benefit, say they may get at Rs. 2.00 or Rs. 2.10 ? Can the Government do that without selling it to the private agency ?

SHRI A. K. PANJA : It is being done through the public distribution system. According to 1981 census, the population is 68 crores and 40 lakhs. We require two thousand persons for a fair price shop. We have already set up a little over 14,000 fair price shops. Food grain is being sold through the public distribution system and not through the private agencies. It is being done throughout the villages. There are 5,80,000 villages and 5092 blocks. So, in the distribution pattern although we have reached near about 2000 we could not reach the entire figure.

Whatever the excess stock is, it is given for the purpose of tribal welfare, for nursing mother and children and not to outside.

THE PRIME MINISTER (SHRI RAJIV GANDHI) : After my first tour of the tribal areas, we have got a programme for giving wheat at Rs 1.50 per kg. to all the tribal areas. This is already in force. We have got a similar programme for giving rice cheaply also, but the rate of rice varies depending on the quality of rice; and we are looking at this aspect very actively. Our attitude is very clear that we want to give cheaper food to our people especially to those who are more badly off; and we are bringing out a programme. Unfortunately, I have also noticed one thing during my tour. Certain States—I don't think I need to mention the names here; opposition members know which State I am talking about—are giving rice at a higher rate than we supply to them to be supplied in turn to the tribals. We have said, Rs. 1.90 for a certain quality of rice; they are getting

it at Rs. 2.00 per kg. We have categorically said that we feel this is not fair.

PROF. MADHU DANAVATE : The quality might be different.

SHRI AMAL DATTA : Does it mean making profit ?

SHRI C. MADHAV REDDI : The statement mentions the losses on account of storage and on account of transit. While it is on the high side, but I would like to know what is the basis on which you work out the loss because it is a carrying stock; the stocks are never exhausted. Is it a fact that manipulation is being done at that stage and the actual loss is not reflected in the books ? Is it also a fact that when you transfer these stocks to the State Governments, part of the loss is being transferred to the State Governments; the contents are little less than they are actually shown on the bags.

SHRI A. K. PANJA : For the loss that has been given in the statement, we have made two divisions : one is storage and transit loss and one is loss on account of damage. The storage and transit loss, from the question, it follows, it includes rodent, insects, vagaries of weather, flood and pilferage. While it is being procured and it is carried and stored by bullock-cart or by small vehicle, then from storage either by rail it goes to various States; there are 22 States and 9 Union Territories. Therefore, we have made this division and we have made check-points in which such losses are occurring. In fact, three committees have gone into it under the direction of the Prime Minister; three committees have gone into it only to find out what are the components which are causing more losses. It transpires that during the railway movement most of the losses are occurring.

SHRI UTTAM RATHOD : Is it a fact that the damaged food is sold unfit for human consumption to the private parties which again comes in the market ?

SHRI A. K. PANJA : In a damaged condition when it is certified unfit for human consumption, it is sold by auction as a

fodder either for the poultry or some other fodder or sometimes for other uses. But if it comes back, under the Prevention of Food Adulteration Act, we can take steps against them.

SHRI V. KISHORE CHANDRA S. DEO : The Prime Minister had just now intervened to say that the Central Government are providing rice at Rs. 1 50 per kg. .

SHRI RAJIV GANDHI : No.

SHRI V. KISHORE CHANDRA S. DEO : Wheat for tribal areas at Rs. 1.50 per kg. I do not know whether the Prime Minister is aware of the fact that in many of these tribal areas—I represent one such area—the tribals are not in a position to purchase wheat let alone at Rs. 1.50 per kg; not even at Re. 1 per kg. they are in a position to purchase it; their purchasing power is so low; my be a zero at times. In such cases, what does he propose to do for the stock that is earmarked for the tribal areas, poor belonging to those areas without increasing their purchasing power or doing something else to increase their avenues ? How does he propose to make this programme success ?

SHRI RAJIV GANDHI : In those areas where tribals do not have the buying power, we are having a special programme like NREP so that they have the buying power and they will get wheat; and I have been to these areas, and the quantity of wheat that has been allocated has by and large been reaching the tribals. We have also I may add just a word—allowed wheat to be distributed, and wheat and rice at reduced rates in the NREP and other food for work programme to almost an unlimited extent.

[*Translation*]

SHRI ANOOPCHAND SHAH : Mr. Speaker, Sir, I would like to know whether it is a fact that when wheat is supplied through auction and tender, the F.C.I. godown employees supply best possible quality wheat and on the other hand the quality of wheat being supplied through the Public Distribution System is deteriorating day by day ? If so, what steps Government propose to take in this regard ?

SHRI H. K. L. BHAGAT : Sometimes such complaints are made in general, but no specific complaints have been received by us in this regard. We shall certainly look into the matter if specific complaints are received. It is our endeavour to see that good quality foodgrains are supplied through Public Distribution System.

[English]

Model Law on Consumer Protection

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***185. PROF. K.V THOMAS ;
SHRI MANIK REDDY :**

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether any Consumer Protection law is to be brought into being soon;

(b) whether due place will be given to the consumers voluntary organisations;

(c) whether any time frame been been fixed for the enactment of the law; and

(d) whether all goods and services will be covered as pleaded by major consumer groups ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A K. PANJA) : (a) A law on Consumer Protection is under the consideration of Central Government.

(b) and (c). These aspects are under the consideration of the Central Government.

(d) Presently, the Consumer Protection law proposes to cover goods only and to exclude services.

PROF K V. THOMAS : Sir, the worst hit person in the country is the consumer and there is no effective step to control the quality of consumer goods. For example the sugar supplied is mixed with fine powdered sand. The rice we get contains pebbles. In

view of all these things what effective steps will be taken in the proposed Consumer Protection Law to take action against those persons responsible for contaminating food-stuffs and other consumer items.

THE MINISTER OF PARLIAMEN-TARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT) : There are various aspects of consumer protection which are under the consideration of the Government. Now, the consumer complaints are sometimes regarding quantity, quality, weight, etc. There are various categories of complaints which are there. There are number of laws. These laws are fifteen at present which are administered by the Government. Some are administered by the State Governments. As I said, there are 15 laws at present. But the fact of the matter is that we ourselves are not satisfied. The Prime Minister is keen to see that there should be effective consumer protection. To use his words 'It should not be a bureaucratic arrangement'. It shou'd be a consumer movement. We are going into all aspects of it so that we can bring a proper consumer protection Bill. With regard to sugar etc. the Hon. Member mentioned that there is a mixture with sand etc. We have asked the State Governments and also FCI that they should release sugar which is of proper quality. We have also suggested that wherever possible they can give it in packs. There may be some additional cost involved. The Delhi Civil Supplies Corporation is going to experiment after some time by supplying sugar in packs.

PROF. K. V. THOMAS : Sir, there is undue delay in the legal proceedings. Sometimes the case takes 3 to 4 years. What steps will be taken to see that the legal proceedings are completed within a particular time limit ?

SHRI H K.L. BHAGAT : It is true that under the present legislation the proceedings are prolonged and there are delays taking place. There is no doubt it. We have prevention of food the Adulteration Act for example and there are various other Acts. For example, there is check on unfair trade practices under the MRTP Act, etc. Number one, we have asked various Ministries to change their laws and cut down the delay in proceedings. The