

Title: Statement regarding imposition of customs duty on wheat.

16.34 hrs

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): Sir, currently, under the EXIM Policy on foodgrains, import of wheat is canalised through the Food Corporation of India. However, Roller Flour Mills are free to import wheat directly or through the STC, MMTC or PEC for milling purposes. Import of wheat does not attract any customs duty at present.

In view of the bumper production of wheat during 1998-99 and the higher Minimum Support Price of wheat fixed for procurement, the procurement of wheat during the current marketing season, 1999-2000 has been very good. During 1999-2000, a quantity of nearly 141 lakh tonnes of wheat has been procured for the Central Pool as against 126 lakh tonnes during the previous year.

With the availability of relatively cheaper imports, the offtake from the Central Pool has been low, despite the liberalisation done through the Open Market Sale Scheme. Between May and November 1999, almost 15 lakh tonnes of wheat has reached Indian ports. The landed cost of wheat is much lower than the open sale rate fixed for the FCI. If the current situation continues, it is estimated that there will be excess stock of over 100 lakh tonnes of wheat with the FCI by 1.4.2000 over the minimum buffer norm of only 40 lakh tonnes.

The carrying cost of foodgrains for FCI is heavy, estimated at around Rs.1600 per tonne per year. Carrying the excess stock would impose a massive financial burden on the Government, which would be detrimental to the economy.

With a view to rectifying the situation, and stimulating the offtake of wheat from the Central Pool, the Government have come to the conclusion that it is imperative to impose a customs duty of 50 per cent on common wheat and durum wheat. A notification seeking to amend the relevant entries in the First Schedule to the Customs Tariff Act, 1975 by invoking the emergency powers vested under Section 8A of the said Act is being issued and the levy shall become effective from today. Copies of this notification shall be laid on the Table of the House in due course. A resolution seeking the approval of Parliament to the notification shall also be moved shortly.

SHRI PRIYA RANJAN DASMUNSI (RAIGANJ): Mr. Minister, why did you allow this till yesterday? This is the question which I put to you...(Interruptions)

SHRI MANI SHANKAR AIYAR (MAYILADUTURAI): Why did you allow it till yesterday? Why did the Caretaker Government not do this?...(Interruptions)

SHRI PRIYA RANJAN DASMUNSI : The question is this. It is deliberate. Why did the Caretaker Government allow it knowing fully well the buffer stock position? Why did you allow the import with zero duty thereby causing crisis for the farmers?...(Interruptions)

SHRI MANI SHANKAR AIYAR : Only today, the duty has been raised to 50 per cent. This is the biggest scandal in the country...(Interruptions) This is the proof of total corruption of this Government in this country. For the last three months this is happening and you put hardship on the farmers...(Interruptions)

SHRI PRIYA RANJAN DASMUNSI : Sir, they are in the knowledge of these things. They allowed things to continue till yesterday and deliberately created this thing...(Interruptions)

SHRI RAJESH PILOT (DAUSA): Sir, the Government has to answer these things...(Interruptions)

SHRI MANI SHANKAR AIYAR : Today, it is 50 per cent. Why was it zero per cent till yesterday? This is the proof of the total corruption of this Government...(Interruptions) This is the biggest wheat scam.

SHRI BASU DEB ACHARIA (BANKURA): This is most scandalous. Wheat was allowed to be imported till yesterday...(Interruptions)

SHRI PRIYA RANJAN DASMUNSI : Mr. Deputy-Speaker, Sir, you have to allow us to seek clarifications...(Interruptions)

श्री गिरिजा व्यास (उदयपुर) : ये अपनी गलती को रैक्टिफाई कर रहे हैं। ... (व्यवधान) उपाध्यक्ष महोदय, इसमें बहुत बड़ी साजिश नजर आती है। मैं इससे पूरी तरह सहमत नहीं हूँ।

... (व्यवधान)

सरकार को इसमें पूरी तरह कैटेगोरिकली सफाई देनी पड़ेगी।

MR. DEPUTY-SPEAKER: Please hear me. Please resume your seat. I am on my legs.

... (Interruptions)

श्री राजो सिंह (बेगूसराय) : आप हम पर क्यों नाराज होते हैं, आप सरकार पर नाराज होइये, जिसने बिना पूछे गेहूँ ले लिया तो क्यों लिया। आप उन पर नाराज होइये, हम पर क्यों हो रहे हैं?

... (व्यवधान)

श्री हरीभाऊ शंकर महाले (मालेगांव) : उपाध्यक्ष महोदय, इस निर्णय से यहाँ का किसान मर जायेगा।

... (व्यवधान)

श्री रामदास आठवले (पंढरपुर) : क्या केन्द्र सरकार किसानों को मारने के लिए बनी है।

... (व्यवधान)

श्री हरीभाऊ शंकर महाले : इससे किसान की बहुत बुरी हालत हो जायेगी।

... (व्यवधान)

उपाध्यक्ष महोदय : आप बैठिये। आप बैठ जाइये।

श्री हरीभाऊ शंकर महाले : उपाध्यक्ष महोदय, इसकी कोई जरूरत नहीं थी। क्या ये लेवी लेकर सस्ता गोहूँ देने वाले हैं?

MR. DEPUTY-SPEAKER: Please take your seat.

... (Interruptions)

MR. DEPUTY-SPEAKER: Again you are standing up. What is this Member doing?

... (Interruptions)

MR. DEPUTY-SPEAKER: I may have to name you. Please do not interrupt like this. I am on my legs.

... (Interruptions)

SHRI G.M. BANATWALLA (PONNANI): I am also on my legs...(Interruptions) The entire nation has been taken for a ride. We cannot tolerate such a situation.

MR. DEPUTY-SPEAKER: Hon. Members, unlike the other House, the Upper House, you cannot put questions now.

... (Interruptions)

SHRI BASU DEB ACHARIA (BANKURA): We know the rule position. There is also a convention.

MR. DEPUTY-SPEAKER: Shri Basu Deb Acharia, I am only reminding you of the position. You are standing up. Let me complete it.

I am on my legs.

SHRI VARKALA RADHAKRISHNAN (CHIRAYINKIL): You are always on your legs.

MR. DEPUTY-SPEAKER: Rule 372 makes it clear that you cannot ask a question and you cannot seek a clarification after a statement is made. You have many other options. You can ask for a discussion.

SHRI PRIYA RANJAN DASMUNSHI : Mr. Deputy-Speaker, Sir, I seek your protection. I would like to address the hon. Finance Minister, though you, that the wheat import was going on and on for the last few months, even before the elections. The F.C.I. authorities, with all the responsibility, the Department of Agriculture, with all the responsibility, and the farming community apprised the Government of the expected procurement position and the crop position on time. In spite of that, the import of wheat went on and the scandalous import was allowed to be continued. When the Government found that things could not be managed and reached beyond certain proportions, they have come out with this statement today, allowing this country to be looted. We cannot take this matter lightly. This is a very serious matter. (Interruptions)

SHRI BASU DEB ACHARIA : Mr. Deputy-Speaker, Sir, the Government owes an explanation as to why the import of wheat was allowed till yesterday. The Government has imposed customs duty on the import of wheat now. Why was it not imposed earlier? Why did the Government allow a crisis to be created in the wheat market? So, we demand a statement from the Government.

MR. DEPUTY-SPEAKER: He has already made a statement.

SHRI BASU DEB ACHARIA: Not this type of a statement; we want a detailed statement. (Interruptions)

MR. DEPUTY-SPEAKER: You can ask for a discussion on this matter in a different form. You cannot ask questions now.

... (Interruptions)

MR. DEPUTY-SPEAKER: You can have a discussion in an appropriate form.

... (Interruptions)

SHRI BASU DEB ACHARIA : Sir, in spite of a bumper production of wheat in the country, why was the import of wheat allowed to go on? We want to know the reason behind it. (Interruptions)

MR. DEPUTY-SPEAKER: You can have a discussion on this matter in an appropriate form. Please take your seat.

... (Interruptions)

SHRI MANI SHANKAR AIYAR : Mr. Deputy-Speaker, Sir, a Minister, who makes a statement on any issue, is required to give full information to the House. The Finance Minister has told us as to why he has raised the tariff by 50 per cent today. What he has not told

us is as to why the interim Government did not address the problems of India's farmers while it had addressed the problems of a few international telecom operators. The Finance Minister's statement refers to imports from the month of May. From the month of May till October, they were running a caretaker Government which took important policy decisions. But one policy decision which it could have taken and did not take was with reference to raising the customs tariff on the import of wheat. Today, they have raised it from zero to 50 per cent. Why did they not raise it to 10 per cent? Why did they not raise it to 20 per cent? Why did they not raise it to 30 per cent? Why did they not raise it to 40 per cent earlier? Is it not because they were engaged in ... (Interruptions)

MR. DEPUTY-SPEAKER: Please hear me.

SHRI YASHWANT SINHA: Sir, it is absolutely wrong. I refute that allegation. (Interruptions)

SHRI MANI SHANKAR AIYAR : Why did he allow?

MR. DEPUTY-SPEAKER: Will you listen please?

... (Interruptions)

SHRI YASHWANT SINHA: You are levelling charges and allegations. ... (Interruptions)

SHRI MANI SHANKAR AIYAR : Why now? ... (Interruptions)

MR. DEPUTY-SPEAKER: Nothing will go on record.

(Interruptions) ... (Not recorded)

SHRI RAJIV PRATAP RUDY (CHHAPRA): Sir, he has said something objectionable.

MR. DEPUTY-SPEAKER: Nothing is going on record.

(Interruptions) ... (Not recorded)

SHRI PRIYA RANJAN DASMUNSI : We walk out in protest. ... (Interruptions)

16.47 hrs

(At this stage, Shri Priya Ranjan Dasmunsi and some other hon.

Members left the House.)

MR. DEPUTY-SPEAKER: I have already repeated that under Rule 372, a statement may be made by any Minister on a matter of public importance with the consent of the Speaker. But no question shall be asked at the time the statement is made. That has already been done. Therefore, I will not allow anybody to go on record.

SHRI RAJESH PILOT (DAUSA): Mr. Deputy-Speaker, Sir, he could have given the details. ... (Interruptions)

MR. DEPUTY-SPEAKER: Do not interrupt now.

... (Interruptions)

SHRI BASU DEB ACHARIA : Sir, a fullfledged discussion should be allowed on import of wheat. ... (Interruptions) Why was import of wheat allowed?

MR. DEPUTY-SPEAKER: Nothing will go on record.

(Interruptions)*

MR. DEPUTY-SPEAKER: Nothing is going on record.

... (Interruptions)

SHRI PRAKASH MANI TRIPATHI (DEORIA): Sir, when you have allowed him to speak, we must also be allowed... (Interruptions)

MR. DEPUTY-SPEAKER: I have not allowed anybody to speak. Nothing is going on record.

(Interruptions)*

SHRI PRAKASH MANI TRIPATHI : Sir, he has accused the hon. Minister ... (Interruptions)

MR. DEPUTY-SPEAKER: What are you doing?

... (Interruptions)

MR. DEPUTY-SPEAKER: Dr. Nitish Sengupta, please.

... (Interruptions)

SHRI BASU DEB ACHARIA : Sir, we have a right to get full information ... (Interruptions)

MR. DEPUTY-SPEAKER: Shri Acharia, please do not interrupt. I have called Dr. Sengupta.

... (Interruptions)

SHRI BASU DEB ACHARIA : Sir, the Government owes an explanation ... (Interruptions)

SHRI RAJIV PRATAP RUDY : What explanation?... (Interruptions)

MR. DEPUTY-SPEAKER: Shri Acharia, I told you that on a statement made, the hon. Minister is not expected to give any explanation. That is not the rule of this House. Dr. Sengupta, please.

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