

Clause 3 (Insertions of new sections 8A, 8B, 8C, 8D, 8E and 8F.)

Amendment made :

Page 4, line 8,—

for "1987" substitute "1988" (3)

(*Shri J. Vengal Rao*)

MR. DEPUTY-SPEAKER : The question is :

"That Clause 3, as amended, stand part of the Bill."

The motion was adopted.

Clause 3, as amended, was added to the Bill.

Clause 1—(Short title)

Amendment made :

Page 1, line 4,—

for "1987" substitute "1988" (2)

(*Shri J. Vengal Rao*)

MR. DEPUTY-SPEAKER : The question is :

"That Clause 1, as amended, stand part of the Bill."

The motion was adopted.

Clause 1, as amended was added to the Bill.

MR. DEPUTY-SPEAKER : There is an amendment to the Enacting Formula also.

Enacting Formula

Amendment made :

Page 1, line 1,

for "Thirty-eight" Substitute—

"Thirty-ninth" (1)

(*Shri J. Vengal Rao*)

MR. DEPUTY-SPEAKER : The question is :

"That the Enacting Formula, as amended, stand part of the Bill."

The motion was adopted.

The Enacting Formula, as amended, was added to the Bill.

MR. DEPUTY SPEAKER : The question is :

"That the long title stand part of the Bill."

The motion was adopted.

The long title was added to the Bill.

SHRI J. VENGAL RAO : Sir, I beg to move :

"That the Bill, as amended, be passed."

MR. DEPUTY-SPEAKER : The question is :

"That the Bill, as amended, be passed."

The motion was adopted.

14.42 hrs.

FOOD CORPORATIONS
(AMENDMENT) BILL

[*English*]

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI SUKH RAM) : Sir, I beg to move :

"that the Bill further to amend the Food Corporations Act, 1964, be taken into consideration".

Under Section 27 of the Food Corporations Act 1964; a Food Corporation can take advance or borrow money from the Central Government or from any Scheduled bank or from any other bank or financial institution approved by the Central Government. The provisions of the Act do not permit FCI to borrow funds from other sources or to issue and sell bonds and debentures.

Clause 2 of the Food Corporations (Amendment) Bill 1987 proposes to amend Section 27 of the Food Corporations Act, 1964 so as to enable the Food Corporation to raise funds by issue of bonds and debentures.

[Shri Sukh Ram]

tures and also by borrowing from Central Government and State Governments or other organisations, institutions or from public on such terms and conditions as may be approved by the Central Government.

The Bill may be taken into consideration.

MR. DEPUTY-SPEAKER : Motion moved :

“That the Bill further to amend the Food Corporations Act, 1964, be taken into consideration”.

Shri Thampan Thomas.

SHRI THAMPAN THOMAS (Mavelikara) : Sir, of course this Bill is only for a small purpose of soliciting money by the Food Corporation of India to expend its activities. It is true. But I would like to point that the whole structure of Food Corporation of India is to be reviewed now and the purpose for which it is constituted whether it is available for the State Government.

I would like to point out one thing happened in my State, which has come to my notice, that the Food Corporation of India, carrying out the operations for the supply of food articles for the State, is not discharging its duties properly. Also the foodstuffs which were procured from other areas in the northern part of the country, where food surplus was there, and which were kept in stock for long period, are being transported to the southern side. This has been our experience. Even the food supplies made by the Food Corporation or the stocks kept in warhouses last year in Kerala had to be auctioned. Another thing is that the auctioned foodstuffs were subsequently purchased by the private parties and which were contaminated, comes back to the private shops or ration shops and again it goes for human consumption. Such things have happened. I have pointed out these things in this House also. But still the same process is continuing. In the recent days, another thing has occurred and of course, it was also known to the Central Government. I do not know why it has happened.

For my State, 1.45 lakh tonnes of rice were being supplied per month for supply through the public distribution system. That has been reduced to 1.25 lakh tonnes in the recent past. In Kerala June and July are the lean months for getting foodgrains and allotment from the Government of India has also been reduced. On enquiry it has been found that the FCI is not keeping sufficient stocks to meet this type of shortage. Now the position is that even my friend, Mr. Basheer, who is sitting here, courted arrest yesterday to protest against price rise in Kerala. Especially for rice it is happening because the Central Government is not providing rice and is cutting the quota which has been allotted. Earlier it was 1.45 lakh tonnes and now it has been reduced to 1.25 lakh tonnes. June and July are the lean months in which rice and other things are not available in the open market and naturally prices go up. Today the ordinary rice is selling between Rs. 5.50 and Rs. 7 per kg. This much price the common man cannot afford. Unless and until public distribution system is strengthened and sufficient quantity of rice is provided for that area, the prices will not come down. FCI is the agency which is supposed to do all these things. It has been found that FCI is not in a position to procure these things, stock them and supply in time to the States which are affected very badly. So one of the important functions assigned to FCI is not being carried out properly.

There are complaints against FCI for not making proper supply of all these things to the military. It has been found that FCI is mostly using private agencies and also other organisations for this purpose. Because of using private agencies and other people for the purpose of procuring things and supplying them directly to the parties, that has created a big problem. I understand that there are some CBI enquiries pending against FCI officials. Now, the Government of India has permitted FCI to raise resources through debentures, bank borrowings and other forms in order to expand their activities. But I would like to appeal to the Minister that sufficient safeguards should be made for the money which is being procured from the public for this purpose

and also the functions for which FCI is intended to work, should be properly streamlined.

SHRI N. TOMBI SINGH. (Inner Manipur) : I rise to support this Bill. This is a very small Bill with a very limited purpose. The FCI is doing good work all over the country and then this Bill will be providing additional resources for that purpose.

In fact, in certain areas, particularly north-east where communication facilities are very poor, people believe in hoarding foodgrains. With particular reference to my State, Manipur, people still continue the tradition of hoarding foodgrains at the time of harvest. When procurement season starts, the Government support price is so low compared with the prevailing harvest price in that area, naturally foodgrains, particularly rice which is of a very good quality, the private consumers go and collect whatever is available in the market. Naturally, FCI in Manipur and other similar areas do not have any programme for procurement. For such areas there are other foodgrains. I had made repeated suggestions in the forum of this House regarding procurement of foodgrains like maize where which is grown very favourably in that area. But then there is no stocking facility. Although producing of maize is of a very high order, people only produce it as a fancy food because there is no facility for procurement and preservation. People themselves cannot stock it for their future use. This maize crop is so favourable that it can be grown in large areas if encouragement is given for that. So, I would like to reiterate my demand to the Government that facilities for procurement and stocking of maize should be provided there.

Manipur, Nagaland and, I think, Mizoram also have similar fertility and favourable areas for production of maize. The lands of the farmers and of the laymen are just going waste. They are not being used even for petty cultivation. These hill slopes, foothills and high-lying areas are also good for this kind of a crop. So, I would like to get a positive reply from the hon.

Minister, when he makes his reply to this debate, whether the Government will be ready with a proposal to give more working capital and more money for investment after the diversification of resources for borrowings. This is my one particular suggestion.

The other suggestion that I would like to make in respect of the North-East is that at present Shillong is the regional headquarters of the FCI. Shillong is quite out of the way for all the North-Eastern States. For Nagaland, Tripura, Manipur and Mizoram, Shillong is not a very favourable centre. Shillong continues to be an important centre because it has been the capital of Assam before the separation of Meghalaya, Mizoram and Nagaland from Assam. Now Assam has got its own capital. We do not object to having a regional centre at Shillong, but we have been suggesting that State like Tripura, Nagaland and Manipur should have their own regional centres. Now they are working at the district level. What I would suggest to the Government is that even with limited power, with the limited staff, at least the official status of the officers working in Agartala, Imphal and other State capitals in the North-East, should be raised to the level of the regional staff. This I have been suggesting off and on, but so far we have not got any positive or favourable response from the Government. It is not merely a question of giving advantages to them, it is a question of giving status because when every small State unit has to go for guidance and assistance to another State Capital which is far away, which is quite out of the way, it is very inconvenient for them. So, my suggestion is that in spite of the limited work, limited functions, the State capitals should have their own regional headquarters. This is my suggestion.

I hope the hon. Minister will react favourable to these demands of the small States. With these suggestions, I conclude.

[Translation]

SHRI JANAK RAJ GUPTA (Jammu) : Mr. Deputy Speaker, Sir, I rise to support this Bill. Undoubtedly our hon. Minister Shri Sukhram has taken a right step. During the last two-three years, Food

[Shri Janak Raj Gupta]

Corporation of India has done excellent work. Wherever the people were in need of foodgrains, they immediately supplied it to them. Even in the drought hit areas, they didn't let my problem arise. At this stage I would like to draw the attention of the hon. Minister to one or two problems of my state Jammu. Although the hon. Minister is fully acquainted with my state, because like his own state, Jammu-Kashmir is also a backward state having an extensive hill area and facing almost the some difficulties and problems. To get their foodgrains, the people of that area have to walk 10-15 kilometres to reach any town or district. It is right that Government have constructed its godowns at many places and other facilities have also been provided there, but in my state, there are also inaccessible and remote hill areas like Laddakh, Leh, Kargil and Kirhtwar. Leh is the constituency of our hon. Minister for Parliamentary Affairs. In that area, the roads remain open only for 3-4 months in a year and for other 6-8 months, they are totally blocked. During that period, there are no means of transport available to supply foodgrains and other eatables to the people residing in that area. Hence my first submission to the hon. Minister is that instead of wheat, wheatflour may be supplied to our area, because there is no grinding or flour mill or any other such arrangement in this area to grind the wheat. Thus the people shall have not to face any difficulty.

There are quite inadequate storage facilities in my State. A sufficient quantity of foodgrains should be kept stored there, so that it can be used in the winter season or in the event of any natural calamities.

In my State, there are many remote areas like Padar, Kishtwar, Poonch, Rajouri etc. where the residents have to face many difficulties. I would like to bring to your notice that recently a large number of people were rendered homeless. due to floods in Paragneal area of my constituency Jammu. These people had to be evacuated from that place by helicopters, and today, some of them are putting up in a school

building and some are on roads. I urge upon the Government to upon fair price shops there as early as possible, so that the people can get some benefit of them and can buy the essential commodities from these shops.

I am grateful to the hon. Minister, for it is in his notice and he has also helped us to a great extent. Recently a labour conference was held there under the aegis of Food Corporation of India, in which the hon. Minister, Shri Azad and myself was present there. In that conference, many demands were made and one of these demands, was that the contractor system should be done away with and instead, the mate system should be adopted in the Food Corporation, so that the labourers working there may get full benefits of their toil. On the other hand, the Food Corporation has made many improvements in our State. They have built up many godowns and have stored wheat and rice etc., but the existing storage capacity needs to be raised further. You should also make procurements there and keep the reserve of such quantity and quality of foodgrains there so that the people may get it easily at the time of their requirement. With these words, I support this Bill which has been introduced in the House.

15.00 hrs.

SHRI RAMSWAROOP RAM (Gaya):
Mr. Deputy Speaker, Sir, I support the Bill introduced by the hon. Minister regarding F.C.I. The F.C.I. is the department which makes the timely supply of all the essential commodities to the people of this country. This country faced a tremendous drought and in those horrible times it was the Food Corporation of India which had made everything available to the people at the proper time and as per their requirements. Thus they made a significant contribution in this regard and for that I thank the F.C.I.

[English]

MR. DEPUTY-SPEAKER : Mr. Swarup Ram, you can continue tomorrow.