

13-55 hrs

## STATEMENT RE. COFFEE BOARD

वाणिज्य तथा नागरिक पूर्ति बोर्ड  
लहकारिता मंत्रालय में राज्य मंत्री (श्री  
प्रारिक्त बेंग) : उपाध्यक्ष महोदय,  
14-12-1977 को श्री लक्ष्मण के  
काफी बोर्ड के संबंध में कुछ आश्चर्यचकित  
के सिलसिले में मैं एक स्टेटमेंट  
लेकर आया हूँ जोकि काफी लम्बा है  
इस लिए मैं उसको सदन की मेज पर  
रखता हूँ।

MR. DEPUTY-SPEAKER: You may place it on the Table of the House.

SHRI ARIF BEG: I beg to lay the statement on the Table of the House.

SHRI K. LAKKAPPA (Tumkur): What is it, Sir? Regarding the Coffee Board I have raised certain issues on the working of the Board. The statement has not been read out. I would like to know whether all the points have been covered which I have raised in the discussions.

MR. DEPUTY SPEAKER: It has been laid and a copy will be given to you.

SHRI K. LAKKAPPA: Because I want to have further information.

MR. DEPUTY SPEAKER: When a statement is made, there is no discussion on it and there is no question of further information. A copy of the statement will be sent to you.

## Statement

On the 14th December, 1977, Shri K. Lakkappa, made certain allegations on matters pertaining to Coffee Board. The allegations have been gone into and the factual position is as under:—

During every crop season an estimate of coffee production is made. All the estimated coffee production is however not delivered to the Coffee Board.

Under the Coffee Act, growers are allowed to retain for domestic use and seed purposes certain quantities. Some States in the Non-traditional areas like Assam, where coffee cultivation is of

recent origin, are exempted from pooling the coffee with the Board. Many of small coffee holdings which are yet to be registered by State Governments concerned may not also deliver their coffee to the Pool. All these factors account for a small gap every year between estimated production and actual quantity of coffee received in the Pool. This gap is normally around 2000 tonnes in the crop season.

† In 1974-75 the finally estimated coffee production was 92506 tonnes. The actual accrual to the pool was 91330 tonnes as per final accounts. The entire quantity of coffee pooled has been properly accounted for by the Coffee Board and the receipts and disposal tallied and the final accounts of that year after these have been duly checked by Audit have been furnished to them for necessary certification. There is no possibility of leakage or pilferage in the case of pooled coffee as it is warehoused under the surveillance of the Central Excise Authorities also. Further, thousands of growers who deliver their coffee to the pool every year have already received payments and no claim is pending. Therefore, there is no basis for the allegation that some quantity of coffee had been siphoned off.

As for the allegation pertaining to one of the depots in Bangalore, certain irregularities were noticed by the Coffee Board itself in the accounts of the Depot relating to 4 years ending 1974-75. The actual quantity involved, if any, and the nature of irregularity will be established only after the investigation, which has been entrusted to the Central Bureau of Investigation, has been completed.

The Coffee Board service conditions, including recruitment and promotion policies, are laid down in accordance with the Government of India policy and guidelines. In fact, the Coffee Board strictly follows the Central Government rules & regulations.

The marketing operations of the Coffee Board both for internal distribution and exports are well established. The pricing policies are well formulated and reviewed frequently by Statutory and other special Committees represented predominantly by growers. The exportable surplus is sold through public export auctions at which the ruling export prices are established. The prices of coffee exported directly by the Board are based on the prices established in the export auctions. The prices that accrue to the pool are thus fully protected and safe-guarded by established procedures and pricing policy, and there is

no possibility of any collusion with any export or import houses as alleged.

The affairs of the Coffee Board are managed by a Statutory Board and its Statutory Committees, with adequate representation to all interests concerned including the two Houses of Parliament. The Board has been giving a good account of itself to the satisfaction of all interests concerned and has also taken adequate steps for proper development of the Coffee Industry in the future.

13.56 hrs.

# STATEMENT UNDER DIRECTION 115 :

## FINANCIAL ASSISTANCE TO KERALA

श्री C. M. STEPHEN (Lok'ki) : On November 21, Shri Bhanu Pratap Singh, Minister of State for Agriculture made the following statement in Lok Sabha:—

"We are not callous towards anybody. We will consider the case of Kerala also. But here is a situation that no request for Central assistance has been asked by the Kerala Government."

The statement by the Minister that the Government of Kerala had not requested for Central assistance was contrary to facts for the following reasons:—

- (i) The Home Minister of Kerala met the Prime Minister on 21st November at 2 PM and made a specific request for financial assistance to meet the cyclone situation in Kerala.
- (ii) On the 23rd November, a wireless message was sent to and received at the Prime Minister's Secretariat at 1600 hours wherein the damages sustained in Kerala were assessed at 10 crores of rupees and a specific request was made for immediate financial assistance.
- (iii) On 23-11-1977 a teleprinter message, being the exact copy of the wireless message to the Prime Minister, received at the Kerala House in New Delhi was sent to the Prime Minister's Secretariat and was delivered there at about 1800 hours. The messages above mentioned were from the Chief Minister of Kerala to the Prime Minister of India.

The Chief Minister of Kerala, with reference to the statement of the Minister of State for Agriculture, Shri Bhanu Pratap Singh, in a press conference at Trivandrum repudiated his allegation and had cited the above mentioned facts to establish that the Kerala Government had asked for financial assistance from the Centre."

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND IRRIGATION (SHRI BHANU PRATAP SINGH) : Sir, my Honourable friend, Shri C. M. Stephen has said that in the course discussions in this House on the 24th November, 1977 on recent cyclonic storms in the South, I had stated that no request for Central assistance has been asked for by the Kerala Government. Shri Stephen has tried to prove that this statement was contrary to facts. In support he has indicated that on the 21st November, 1977 at 2 P.M., the then Home Minister of Kerala had met the Prime Minister and made a specific request for financial assistance. He has further stated that on the 23rd November, 1977, a specific request of immediate financial assistance was made through a wireless message said to have been received by the Prime Minister's Office on the 23rd November, 1977 and that on the same day a teleprinter message being the exact copy of the wireless message to the Prime Minister was sent to the Prime Minister's Office.

Sir,

When Shri Stephen had given a Notice of Breach of privilege on the ground that I deliberately by the aforesaid statement tried to mislead the House, my Ministry had given an elaborate clarification regarding the circumstances in which I had made that statement. It was explained at the time of making the statement that till then no message was received in my Ministry from the State Government specifically making any request for any Central assistance. I am placing the copies of the teleprinter message dated 22-11-77 from Special Secretary (Revenue Department), Kerala Govt. to Additional Secretary, Ministry of Agriculture, Union Government, of teleprinter message dated 23-11-1977 from the Chief Minister of Kerala to the Prime Minister as sent to us by the Office of the Special Representative of the Government of Kerala in Delhi [Placed in library. See No. LT1507/77.]

Some confusion has arisen because of the fact that whereas the Chief Minister of Kerala in his wireless message dated 23-11-1977 copied on the tel printer also, had asked for Central assistance on an *ad hoc* basis outside the Plan, on the copy of the teleprinter message sent to this Ministry by the Office of the Special Representative at Kerala House in Delhi, the last para containing demand of Central assis-