

SHRIMATI GEETA MUKHERJEE : We have been deprived for 30 years. Is not that time enough ?

SHRI K. C. PANT : Bengal has done a lot for India; this is a very small thing.

Measures to Stop Distress Sale of Cotton

*271. SHRI V. SOBHANADREESWARA RAO :
SHRI S. JAIPAL REDDY :

Will the Minister of TEXTILES be pleased to state :

(a) whether the prices of cotton have touched very low level at present;

(b) whether this forced that farmers to resort to distress sale below the minimum support price level in different States; and

(c) the measures taken by Government to stop the distress sale of cotton ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). A statement is given below.

Statement

(a) to (c). As a result of a record crop of the last cotton season and prospects of a satisfactory crop during the current cotton season, there has been a decline in prices of cotton as compared to the last season. In order to safeguard the interests of the farmers, Government have announced the minimum support prices for this season and the Cotton Corporation is there in the market to provide remunerative returns to the farmers. The Corporation has a procurement programme of 15.00 lakh bales during the current cotton season and has purchased about 1.52 lakh bales upto 28-11-1985. Government has released since January, 1985, a quota of 4.95 lakh bales of long and extra-long staple cotton, 27,000 bales of Bengal Deshi and 25,000 bales of Yellow Pickings for export through various agencies in order to relieve the pressure of arrivals.

SHRI V. SOBHANADREESWARA RAO : The hon. Minister in his statement

does not make the position clear regarding the minimum support price this year. The farmers know that it was Rs. 535 last year but they do not know how much price it is in this year. The cotton growers in Andhra Pradesh are facing an unprecedented situation due to the white flies due to which the farmers are able to get only 3 quintals per acre, while they have to get 10 quintals per acre on an average. The Collector, Guntur district has informed the Chairman of the Cotton Corporation of India that the cotton-growers have suffered a loss of nearly hundred crores. As per the Minister's statement, the Cotton Corporation of India has purchased 1.52 lakh bales by 28-11-85, whereas our information is that in Andhra Pradesh only a few thousand bales of cotton are purchased. So, will the Government direct the Cotton Corporation of India to open purchase centres at all points with adequate staff, because, for a farmer, in order to dispose of his cotton to the CCI, it is taking a week for disposal and weighing and another 10 days for preparing the cheque and other formalities. So, will the Government direct the CCI to provide necessary staff and pay at least the minimum support price to the farmers ? There is a precedent in 1974 when while the procurement price was Rs. 360, the CCI paid at Rs. 525. So, in view of this present year's difficult situation to the farmer, will the Government direct to purchase at Rs. 535 a tonne ? Actually it is purchasing for only Rs. 460 a tonne.

SHRI KHURSHID ALAM KHAN : Sir, taking into consideration the problems faced by the Andhra Pradesh cotton growers, a special team was deputed to Warangal and other areas in which the representatives of the Commerce Ministry, Textiles and the Government of Andhra Pradesh were also there. They went and saw everything, also met the Chief Minister and discussed details with him and most of the things had been sorted out, and I assure the hon. Member that everything possible will be done to help the growers.

PROF. N. G. RANGA : What about the minimum price ?

SHRI KHURSHID ALAM KHAN : Will you kindly let me answer ? (*Interruptions*).

As far as the minimum price is concerned, the minimum price has been suggested by the A.P.C. Accordingly, the minimum price will be applicable. But here one thing has to be kept in view that in case of deterioration of cotton naturally the minimum price has to be applied in relation to the condition of the cotton available for purchase.

SHRI V. SOBHANADREESWARA RAO : I have specifically told the hon. Minister that there were instances when the CCI has given more price than the procurement price fixed by the CCI. But he was not kind enough to say and again he has narrated regarding the quality.

Regarding this export quota released, in his statement he told 4.95 lakh bales of this cotton has been released. But I feel it pertains to the previous crop and after the arrival of the fresh cotton crop this year, this season, how much export quota was released? And there is persistent demand from different cooperatives in Gujarat, Maharashtra and Andhra Pradesh to release this export quota immediately to help the cotton growers to boost up the prices in the market. Will the Minister kindly answer this concretely?

SHRI KHURSHID ALAM KHAN : This year, as part of this quota, already two lakh bales have been released and we are also thinking of releasing another three lakh bales taking into consideration the requirements in the country also. But the only problem which is faced in export is that the prices in our country are much higher than the prices in the countries where the cotton is being exported. For instance, prices in Pakistan and China, which are the two big cotton producing countries, are 25 per cent less than the prices in this country.

SHRI S. JAIPAL REDDY : Sir, I would like the hon. Minister to answer as to whether the prices of cotton have fallen too steeply this year following the changes in the new textile policy which include heavy accent on man-made fibres.

SHRI KHURSHID ALAM KHAN . The prices have not fallen as a result of the textile policy because the textile policy was only announced in June 1985. Really

it is the question of production of cotton which has been in the last season a good crop and therefore, the prices have fallen.

MR. SPEAKER : Mr. Minister, the farmer should not be penalised, he should be rather given bonus for producing more.

SHRI V. SOBHANADREESWARA RAO : He is not giving even the minimum support price.

SHRI KHURSHID ALAM KHAN : Sir, that is the reason why the APC has fixed the minimum price.

(Interruptions)

SHRI V. SOBHANADREESWARA RAO : What is the minimum price this year?

SHRI KHURSHID ALAM KHAN : The minimum price this year is higher than last year's.

PROF. N. G. RANGA : Last year's minimum price has not yet been fixed. There is some reason for it, Sir. It requires an enquiry and deep study.

(Interruptions)

MR. SPEAKER : Shri Dinesh Singh.

SHRI C. JANGA REDDY : Sir, only one question.

MR. SPEAKER : Mr. Janga Reddy, once a person from a Party is allowed to put a question, it does not get a second chance. You already had one,

(Interruptions)

SHRI C. JANGA REDDY : Sir, only one question I want to put.

(Interruptions)

MR. SPEAKER : I cannot break my rules, Sir.

SHRI C. JANGA REDDY : You can ask the question on our behalf.

MR. SPEAKER : I have already done that. Without your asking I have done it.

(Interruptions)

PROF. N. G. RANGA : Mr. Speaker, may I add one word, Sir? The Finance Minister should be taken to task.

[Translation]

MR. SPEAKER : Let us take off his blanket.

[English]

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : Sir, this is not of cotton.

SHRI DINESH SINGH : The difficulty the farmers experience is, although the Government fixes a quota and also the minimum support price, the Government does not start purchasing the cotton in time, with the result that the farmers have to sell to traders. By the time the Government start purchasing the cotton, they buy it from the traders rather than from the farmers.

SHRI E. AYYAPU REDDY : Let there be half-an-hour discussion.

SHRI DINESH SINGH : Sir, would the Government ensure that the support prices are announced in advance and adequate arrangements are made so that there is money available and the machinery available to purchase cotton as soon as the support price is announced and they need not wait till the arrangements are made?

MR. SPEAKER : At least, in these commodities, arrangements should be made?

SHRI KHURSHID ALAM KHAN : Sir, it is a good suggestion. But I would like to assure the hon. Member that our infrastructure is already there and as soon as the prices were announced, we went into action. (*Interruptions*).

SHRI V. SOBHANADREESWARA RAO : The farmer does not know, what is the minimum price.

MR. SPEAKER : I share the sentiment of the House which needs to be taken note of by the Minister. He must respond to it.

SHRI VISHWANATH PRATAP SINGH : Sir, Prof. Ranga is again pointing out to me. May I assure the House that

as far as the support operation is concerned, there is no short of funds, whatever.

MR. SPEAKER : Mr. Minister, now you can take it.

SHRI KHURSHID ALAM KHAN : I have no complaint about the funds. The funds are available. But we have to buy at the support price.

MR. SPEAKER : You make the arrangements.

SHRI S. JAIPAL REDDY : In War-rangal, the minimum support price is not given.

MR. SPEAKER : That is what I have said. I have already expressed your feelings.

[Translation]

SHRI GIRDHARI LAL VYAS : Hon. Speaker, Sir, even the support price is not being paid for cotton in Rajasthan. Arrangements should be made to provide at least the support price in Rajasthan.

MR. SPEAKER : There should be much support on support price.

[English]

SHRI MADHUSUDAN VAIRALE : Sir, they have been asking permission for export of cotton. But whenever they ask, the Government allots only 2 lakhs.

MR. SPEAKER : I think, the Minister will take notice of the situation and take appropriate measures to remedy the situation.

[Translation]

SHRI BALKAVI BAIRAGI : The entire farmer community in the country would be thankful to you.

[English]

PROF. MADHU DANDAVATE : Sir, you should direct Prof. Ranga should be occasionally angry so that there is a good effect on the Minister!

MR. SPEAKER : He has the authority to do that.