

16.50 hrs.

**WAREHOUSING CORPORATIONS
BILL**

Mr. Deputy-Speaker: Shri A. M. Thomas.

Shri S. M. Banerjee (Kanpur): Can we not have it tomorrow?

Mr. Deputy-Speaker: There are ten minutes.

Shri S. M. Banerjee: We have to attend . . .

Mr. Deputy-Speaker: There is still time.

The Deputy Minister in the Ministry of Food (Shri A. M. Thomas): I beg to move*:

"That the Bill to provide for the incorporation and regulation of corporations for the purpose of warehousing of agricultural produce and certain other commodities and for matters connected therewith, be taken into consideration."

This is a very important Bill, but at the same, according to me, a non-controversial Bill also. We have at present on the statute-book a legislation which has the same object and most of the provisions of the Bill. That enactment is the Agricultural Produce (Development and Warehousing) Corporations Act, 1956. This legislation of 1956 came to be enacted at the instance of the Ministry of Food and Agriculture. The Central Warehousing Corporation, the various State Warehousing Corporations and the National Co-operative Development and Warehousing Board were established under the provisions of the Agricultural Produce (Development and Warehousing) Corporations Act, 1956. When these institutions were brought into existence, the Ministry concerned and responsible for the administration of the subjects as well as the ad-

ministration of these various institutions was the Ministry of Food and Agriculture. In December 1958, the subject of Co-operation which was being handled by the Ministry of Food and Agriculture, was transferred to the Ministry of Community Development. When that transfer was effected, the administration of the National Co-operative Development and Warehousing Board was also transferred to that Ministry. However, the subject of Warehousing remained with the Ministry of Food and Agriculture. What we intend to do now is to have a consequential measure which is being necessitated by the decision which has been taken by the Government to bifurcate the administration of the National Co-operative Development and Warehousing Board from that of Warehousing. It was felt that there were two Ministries which looked after the different activities and there was no need to tie them together by having a single Board to supervise the co-operative development as well as warehousing. So, one legislation was brought in the last session of the House by the Minister of Community Development, Co-operation and Panchayati Raj and this House passed that Bill and that has also now become law. That was the National Co-operative Development Corporation Bill, 1962. It was introduced last April and it has subsequently been passed into law by this hon. House.

I realise that although this decision was taken by the Government, the Estimates Committee of this hon. House was of the opinion that with regard to the administration of warehousing corporation also, the National Co-operative Development Corporation should have the control and the two bodies should not be separated. But, I regret to say that it was not possible for the Government to accept the view of the Estimates Committee for several reasons. In the first place, the Central Warehousing Corporation and the State Warehousing Corporations are not co-operative organisations. In the case of the Central Warehousing Corporation, a large

*Moved with the recommendation of the President.

[Shri A. M. Thomas]

majority of the share capital is held by the Government of India, the State Bank of India and a number of joint-stock companies. Co-operative banks and co-operative organisations hold only a very small portion of the share capital. It has also to be borne in mind that the Co-operative Development and Warehousing Board is mainly concerned with the organisation of service and credit societies, marketing societies, processing societies and higher credit societies like apex banks, mortgage banks, etc. The activities of this board cover a large variety of subjects and warehousing is only one, and even that is indirectly dealt with through the Central Warehousing Corporation and the State Warehousing Corporations. So, the wisdom of having dual control or a bifurcation of the functions cannot, according to me, be questioned. The Central and State Warehousing Corporations are at present not being used on any substantial scale by co-operative organisations, and it is unlikely that they will do so for some time to come.

The initial stage of planning and development of warehousing is more or less over now. The general pattern of warehousing has been established, and the main task is to expand warehouses on a large scale. This can be done by the warehousing corporation under the guidance of the Ministry of Food and Agriculture as well as by the State Warehousing Corporations under the various State Governments, and it is not necessary for the warehousing corporations to continue any longer under

the tutelage of the Co-operative Development Board. All the same, I am prepared to concede that there is real necessity of co-ordination of the working of the National Co-operative Development Board and the working of the Central and State warehousing corporations.

With that object in view, we have in both the legislations introduced certain provisions which give representation to the Central Warehousing Corporation in the National Co-operative Development Board as well as representation for the National Co-operative Development Board in the Central Warehousing Corporation. The two Ministries also, with regard to the development of their respective fields of activity work in close co-operation and co-ordination, so much so there could be no conflict.

It is now, according to me, a question of academic interest after the House has already approved the bifurcation of functions and then passed the National Co-operative Development Corporation Act in 1962. Before I proceed further . . .

Dr. M. S. Aney: Why should be proceed further? It is now 5 P.M.

Mr. Deputy-Speaker: The hon. Minister can continue his speech tomorrow.

17 hrs.

The Lok Sabha then adjourned till Twelve of the Clock on Thursday, November 29, 1962/Agrahayana 8, 1884 (Saka).