

SUBSIDIES PAID FOR THE LOSSES ON  
FOODGRAINS

\*521. SHRI B. RATH: Will the Minister for  
FOOD AND AGRICULTURE be pleased to state:

(a) whether Government paid subsidy for  
the losses on American wheat during the  
years 1950-51, 1951-52 and 1952-53;

(b) what amount was paid in each of the  
above years;

\*(c) what were the reasons for such losses  
and to whom the subsidy was paid; and

(d) whether during the above years such  
payments were made for any other imported  
foodgrains?

THE DEPUTY MINISTER FOR FOOD AND  
AGRICULTURE (SHRI M. V. KRISHNAPPA):

(a) Yes.

(b) Wheat, or as a matter of that any other  
kind of foodgrain imported from various  
sources is pooled for the purpose of pricing,  
distribution and maintenance of quantity and  
value accounts. The amount of subsidy paid  
on American wheat only is therefore not  
available.

(c) The loss incurred by the Government  
of India on supplying grains at a subsidised  
price was treated as a subsidy to the State  
Governments to enable them to keep down the  
issue prices of foodgrains in the consuming  
areas.

(d) Yes. Coarse and broken rice and milo  
were also subsidised.

SHRI B. RATH: Am I to understand that  
most of our imports from foreign countries  
consist of wheat?

SHRI M. V. KRISHNAPPA: Yes, mainly of  
wheat.

SHRI B. RATH: Is it not possible for the  
Government to apportion the subsidy that is  
given with respect to wheat only?

SHRI M. V. KRISHNAPPA: Yes. The exact  
subsidies that we have paid in these three  
years with regard to wheat are:

In 1950-51	Rs. 11.60 crores.
In 1951-52	Rs. 29.24 crores.
In 1952-53	Rs. 12.30 crores..

SHRI B. RATH: From which country has  
our imported wheat mainly come?

SHRI RAFI AHMED KIDWAI: Under the  
Wheat Agreement from Australia, Canada and  
U.S.A., and then in the year 1951-52 we went  
into the open market also for our purchases in  
the U.S.A. and Canada and also in the U.S.S.R.  
In the open market, the prices are always high,  
and we had to pay these higher prices. We had  
to subsidise it very heavily. From the U.S.A.  
we got wheat at such a high price that we had  
to suffer a loss of Rs. 19 crores in trying to  
bring down that price to the level of the other  
imported wheat. The U.S.S.R. also insisted  
that, we should pay them the open market  
prices of the U.S.A. Therefore, in importing  
wheat from that country also we had to suffer  
losses. Besides, we offered them our own  
goods in barter and on them also we had to  
suffer losses on account of the loss of import  
duties. Thus we suffered losses whether we  
imported wheat from, the U.S.A. or the  
U.S.S.R.

SHRI B. RATH: That was not my question  
at all. My question was from which country  
we had to import wheat mainly, whether under  
the Wheat Agreement or in the open market.

SHRI RAFI AHMED KIDWAI: Then, I  
have given the names of the countries.

SHRI B. RATH: From which have we  
imported more?

SHRI RAFI AHMED KIDWAI: The U.S.A.  
is the main producer of wheat. Therefore most  
of our wheat imports came from that country.

SHRI S. MAHANTY: Did the U.S.S.R. charge the same price as did the U.S.A.?

SHRI RAFI AHMED KIDWAI: Yes. When we tried to enter into a barter agreement with the U.S.S.R., they insisted—and we had to make our purchases—that we should pay them the open market prices obtaining in the U.S.A., *i.e.* the international price, and then in getting goods from us on barter, they insisted on our own Indian prices.

KHWAJA INAIT ULLAH: May I know whether we paid the U.S.S.R. the same price that we paid to the U.S.A., or whether there was any difference between the then market prices that obtained in these two countries?

SHRI RAFI AHMED KIDWAI: The U.S.S.R. has different prices for different consumers. For labour, the price is very cheap. For leizured people, the prices are high, and the prices that we were charged were even higher than those prices.

KHWAJA INAIT ULLAH: Were prices cheaper in the U.S.A. or U.S.S.R.?

SHRI RAFI AHMED KIDWAI: We paid the same price. How can they be cheaper in one country than in the  
• other?

SHRI S. MAHANTY: Does the U.S.A. dictate open market price so far as wheat is concerned?

SHRI RAFI AHMED KIDWAI: Be-  
• cause they have been the largest pro-  
ducers.

SHRI H. P. SAKSENA: In regard to the solution of our food problem, will the hon. Minister for Food and Agriculture take my suggestion of taking with him one of the Members of the Opposition to the U.S.S.R. to carry on negotiations for wheat from that  
• country?

SHRI RAFI AHMED KIDWAI: I am prepared to 'export' the hon. Member to the U.S.S.R.

SHRI H. P. SAKSENA: I suggested that a Member from the Opposition Benches should be taken. Perhaps the hon. Minister does not know that I do not belong to the Opposition.

DR. SHRIMATI SEETA PARMANAND: Does not charging different prices to different consumers amount to blackmarketing?

KHWAJA INAIT ULLAH: Yes, surely.

#### JAPANESE METHOD OF PADDY CULTIVATION

•522. SHRI B. RATH: Will the Minister for FOOD AND AGRICULTURE be pleased to state:

(a) the areas, where the Japanese method of paddy cultivation has proved successful in India;

(b) what has been

(i) the cost of agricultural operations per acre, and

(ii) the average yield of paddy per acre,

in each of these areas according to the Japanese method of cultivation; and

(c) what was the per acre

(i) yield of paddy, and

(ii) cultivation cost,

in each of these areas before the Japanese method was adopted?

THE MINISTER FOR AGRICULTURE (DR. P. S. DESHMUKH): (a) The method has been tried with success at the following places in Bombay State: —

1. Village Shimpavalli near Borivali at the farm of Kora Gramodyog Kendra.

2. Government Rice Breeding Station, Karjat.