

MR. CHAIRMAN: See, it is a Zero Hour matter; you may take it up in Zero Hour.

SHRI BALBIR PUNJ: Sir, do I have the permission to raise it?

MR. CHAIRMAN: Yes, yes.

SHRI BALBIR PUNJ: Sir, thank you. Now Mr. Raja.

Spurt in prices of vegetables and other essential items

*521. SHRI D. RAJA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government's attention has been drawn to the fact that the prices of vegetables and other essential items of daily use have been on a spurt recently to the detriment of common people; and

(b) if so, the details thereof and what steps are being taken to control the prices?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS): (a) and (b) A statement is laid on the Table of the House.

Statement

(a) and (b) The Wholesale Price Index (WPI) that indicates the general price trend in the country shows that there has been an increase of 3.09% in the index of Primary Food Articles for the month of March, 2012 over the index for the month of December, 2011. Indices of Cereals, Milk, Edible Oils and Egg, Meat & Fish have registered an increase and those of Pulses and Sugar have shown a decline during this period. WPI in respect of vegetables has gone up by 18.87% during this period. Point to point rate of inflation for Vegetables which was in negative zone for the month of November, 2011 and December, 2011 has gone up to 30.57% for the month of March, 2012 mainly due to increase in the prices of seasonal vegetables. Inflation rates for the month of March, 2012 in respect of Potato and Onion were 11.60% and (-)24.23% respectively.

Increase in prices of food articles is on account of several factors such as prevalent demand-supply mismatch, increase in cost of inputs, weather conditions

and market expectations, changing dietary and consumption patterns as well as income levels, international conditions such as global stock levels and price volatilities, exchange rate fluctuations, etc.

There is a mechanism in place in the Government to monitor the prices of essential commodities. Retail and wholesale prices of 22 essential items are received on daily basis from 49 centres of the country and variations, particularly, abnormal increase in prices at the wholesale/retail level are immediately taken note of. The prevailing price situation as well as other relevant factors which impact prices, both in domestic and international markets, are analysed and brought to the notice of the competent authority for appropriate decisions. The steps taken by the Government to contain the price rise of essential commodities including foodgrains and steps taken to check hoarding and black marketing of essential commodities are given in Statement-I and Statement-II, respectively.

Statement-I

Steps taken by the Government to contain price rise in essential commodities

- Reduced import duties to zero – for rice, wheat, onion, pulses, edible oils (crude) and to 7.5% for refined & hydrogenated oils & vegetable oils.
- Allowed the import of 50000 tonnes of Skimmed Milk Powder and other milk products.
- Duty-free import of white and raw sugar has been extended up to 30.6.2012.
- Banned export of edible oils (except coconut oil and forest based oil) and pulses (except Kabuli chana and organic pulses up to a maximum of 10000 tonnes per annum).
- Imposed stock limits from time to time in the case of select essential commodities such as pulses, edible oil, and edible oilseeds and in the case of paddy and rice for specific seven states.
- Government allocated rice and wheat under OMSS Scheme, for BPL and APL families and as per Supreme Court's orders.
- Extended upto 30.6.2012 the scheme for distribution of subsidized imported pulses through State Governments/UTs with subsidy of Rs. 10/- kg for distribution to BPL families @ 1 kg per month and subsidized imported edible oils upto 30.9.2012 with subsidy of Rs. 15/- kg for distribution to ration card holders @ 1 litre per ration card per month.

Statement-II*Steps taken by the Government of India to check hoarding
and black marketing of essential commodities*

1. Organisation of special drives against hoarding.
2. Enabled State Governments/UT Administrations to impose stockholding limits by keeping in abeyance some provisions of the Central Order dated 15.02.2002 in respect of pulses, edible oils, edible oilseeds, rice and paddy.
3. State Governments/UT Administrations empowered to detain such persons under the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980, whose activities are found to be prejudicial to the maintenance of supplies of commodities essential to the community. Details of detention orders issued under the said Act and as reported to the Central Government by the State Governments/UT Administrations during the year 2009, 2010 and 2011 are given below :—

Name of the State	2009	2010	2011
Tamil Nadu	112	120	198
Gujarat	31	79	67
Orissa	02	02	-
Maharashtra	02	02	05
Chhattisgarh	-	01	-
Andhra Pradesh	-	01	-
TOTAL	147	205	270

SHRI D. RAJA: Sir, the answer given by the Minister is in three parts — one is a statement, the second one is Statement-I and the third one is statement-II. Having made this comment, I would now come to the question.

The answer given by the Minister is not adequate and is not convincing. The Government must be honest enough to admit that it is a mismanagement of our policies, particularly on food and essential commodities. Sir, I need your support because price rise affects every householder of this country, particularly

the poor and the salaried classes. The answer says, “Point-to-point rate of inflation for vegetables which was in negative zone for the month of November-December, 2011 has gone up to 30.57 per cent for the month of March, 2012.” How is it possible? In three months, the inflation has gone up to 30.57 per cent! Moreover, the Government takes into account only the Wholesale Price Index. It does not take into account the Consumer Price Index, the Retail Price Index. Down below, the Government says, it is the problem of demand-supply mismatch. Actually, it is mismanagement because there is no growth in demand. The claim of growth in demand is meaningless. The food and vegetables are not imported. Even with regard to foodgrains 75 MT are rotting in the godowns whereas the Government has given permission to the private sector to export 6 MT of foodgrains of rice and wheat. All these are mismanagement of policies by the Government. So, my question is: What steps is the Government taking to prevent hoarding and black-marketing to control speculation and forward trading which push up the prices at retail trade level? The Government is not coming forward.

MR. CHAIRMAN: Thank you, you have asked your question.

SHRI D. RAJA: With regard to rise in prices, you must admit before Parliament and the people that it is the mismanagement.

MR. CHAIRMAN: No, Mr. Raja, you have asked your question. Let the answer be given.

PROF. K. V. THOMAS: Sir, in the case of foodgrains, the prices, both in the retail market and in the wholesale market, are almost steady, even though the MSP price has been increased double-fold. Sir, usually, we take the City of Delhi as example. Sir, two years back, the price of rice was Rs. 22 per kilogram; and, today, as on 10.5.2012, the price is around Rs. 25 per kilogram. By these years, we have doubled the MSP price, but still the Central Issue Price remains constant, and our food subsidy has risen from Rs. 43,000 — Rs. 45,000 crores now to Rs. 88,000 crores. Sir, coming to wheat, two years back, it was Rs. 13 per kilogram, and now, it is Rs. 16 per kilogram. There is a slight increase. But looking at the increase in the MSP price, it is quite natural.

Sir, coming to vegetables and fruits, I do admit that there has been high volatility, depending on the production in the market, its distribution and supply. For example, in the case of potato, Sir, two years back, it was Rs. 10 per kilogram; it has now gone up to Rs.17 per kilogram. But, Sir, about three months back, the

price of potato came down, and, then, we had to intervene in the market. Sir, coming to onion, it was Rs. 12 per kilogram, about two years back; it is now Rs. 14 per kilogram. We have also seen the year 2010, when in December, the price of onion had gone up to Rs. 80 – 90 per kilogram. Then, we had to intervene in the market. Similarly, Sir, tomato, it was Rs. 14 per kilogram, two years back, now it is Rs. 22 per kilogram. There is a fluctuation; I do admit that.

Sir, the only mechanism is, we should have effective chains of cold storages. Some changes have to be made in the APMC Act. We have suggested that the farmers should be given the facility for marketing their products directly in the major markets. For that, the APMC Act has to be amended, to which many of the States have agreed.

SHRI D. RAJA: Sir, the present policy of the Government does not even help the farmers. Farmers continue to suffer, but the hon. Minister is replying something else. Sir, having said that, I must ask the second supplementary. Sir, I confine my supplementary to foodgrains, rice and wheat. Sir, 75 million tonnes of rice and wheat are rotting in godowns; the Government has allowed the private sector to export six million tonnes. Sir, 40 per cent of our people are malnourished. This is the sad situation in the country. Why don't you universalize the Public Distribution System? Why don't you guarantee the supply of foodgrains at affordable prices to our poor people, who die out of hunger? The people are semi-starved, starved, and you don't care for the people!

MR. CHAIRMAN: Thank you.

SHRI D. RAJA: Only the retail traders continue to suffer. At the same time, the Wholesale Price Index is allowing the Government to support certain big business houses and traders, who are looting the country. I am asking...

MR. CHAIRMAN: Please don't make statements; ask questions.

SHRI D. RAJA: Sir, this is a very sensitive issue. That is why I am asking the hon. Minister whether the Government will universalize the Public Distribution System. Why are the steps not taken to strengthen and streamline the Public Distribution System so that the poor people get foodgrains, at least, to survive in this great country?

PROF. K. V. THOMAS: I wish to answer some of the pertinent questions asked by the hon. Member.

MR. CHAIRMAN: Please answer one question. A supplementary is one question.

PROF. K. V. THOMAS: In the case of damage to foodgrains, it is always alleged that the foodgrains damaged run into lakhs and lakhs of tonnes. When we are handling about 60-62 million tonnes of foodgrains in the country, the damage is less than one lakh tonnes. Earlier also, I had given the data in Parliament, not only in terms of percentage but even quantity-wise and I have got it quantity-wise here. Percentage-wise, it 2.5 per cent about five years back. It has come down to 0.06 per cent. We should salute our FCI workers as also many State Governments who have been handling huge quantities of foodgrains. In Punjab, Haryana, Madhya Pradesh, in this season, the States are managing the situation is a sort of a warlike situation. In 2002-03, the quantity of foodgrains damaged was 1.35 lakh tonnes; this year, it is 0.03 lakh tonnes. I had replied to this question in the last session.

SHRI D. RAJA: It is not a question of damage, Sir. It is a question of supply of foodgrains to the poor.

MR. CHAIRMAN: No, no. Please. Is this a discussion or a question-answer session? Shri Prakash Javadekar.

श्री प्रकाश जावडेकर: सभापति महोदय, मेरा एक स्पेसिफिक सवाल है। महंगाई बढ़ने के तीन मुख्य कारण हैं। पहला, सरकार आपूर्ति ठीक तरह से नहीं करती, गोदामों में अनाज सड़ता है और सुप्रीम कोर्ट के कहने के बाद भी आप गरीबों को नहीं दे रहे हैं, इसकी चर्चा हो गयी है। इसके अलावा अनेक चीजों के दाम खुद ही बढ़ा देते हैं, वह भी एक मुद्दा है। तीसरा कारण है, speculation. Sir, I would like to know whether the Minister is aware of the recent UN Report which has suggested very clearly – and this was discussed even in the UN General Assembly for four hours – that the money is now into the speculation in foodgrains and, that is why, the world over, prices are increasing. To check this, I would like to know whether you are going to ban all kinds of speculation, at least, in food items.

PROF. K. V. THOMAS: Sir, future trading in all items including food items is something that we have to discuss in depth because this is a policy matter which we have to discuss with the State Governments also. But in my short experience, I find that some of the items which were banned, when there is high volatility, even after banning and physical trade takes place, the prices are going up. So, we have to find out what is the real reason. I do agree with the hon. Member that we

have to think seriously about the role of the future trading in deciding the prices of various commodities in the country. But that is a policy matter.

SHRI TAPAN KUMAR SEN: You have put a ban and you are allowing hoarding. You are not implementing the ban. That is the simple reason. Admit it.

MR. CHAIRMAN: Please. Shri Brajesh Pathak.

श्री ब्रजेश पाठक: माननीय सभापति महोदय, माननीय सदस्य डी. राजा का सवाल महंगाई के संबंध में है। पूरे देश को पता है और सरकार भी इस बात से अच्छी तरह से वाकिफ है कि महंगाई पूरे देश में बहुत तेजी के साथ बढ़ी है। आज गरीब आदमी का, आम आदमी का जीना मुहाल हो गया है, लेकिन माननीय मंत्री जी ने पता नहीं कहा कि ये आंकड़े इकट्ठा किए। इन्होंने बताया कि चीनी और दालों के भावों के सूचकांक में कमी आयी है। मेरा माननीय मंत्री जी से सीधा-सीधा सवाल है, जो चीनी के दामों के बारे में इन्होंने बताया है कि उनमें गिरावट आयी है, वह किस बाजार में आयी है? क्या ये आंकड़े हिन्दुस्तानी बाजार के हैं? दूसरा, इसी का "पार्ट बी" है कि चीनी के विदेश भेजे जाने पर रोक लगी थी और इसी सरकार ने, यूपीए 2 की सरकार ने चीनी को विदेश भेजे जाने की अनुमति प्रदान की यानी निर्यात के लाइसेंस की अनुमति दी है। क्या चीनी के भाव इस कारण से बढ़े हैं, मंत्री जी स्पष्ट जवाब देने का कष्ट करें?

PROF. K.V. THOMAS: Sir, our sugar production, if you look at the last two years, is going up. This year it is estimated that our sugar production will be around 260 to 265 lakh tonnes. What we need for our public distribution is around 200 to 220 lakh tonnes. Sir, there is a request from all the State Governments and cooperative sector handling sugar that some quantity has to be exported. Only after exporting some quantity, sugar millers are able to pay the sugarcane arrears. This is a request which I am getting from all the State Governments irrespective of the political parties which run the Governments. We monitor the entire process of exports. Last year, we exported about 30 lakh tonnes. This year around 40 lakh tonne is to be exported. Sir, this is a mechanism we are working out in discussion with the State Governments only.

श्री ब्रजेश पाठक: सर, मेरे प्रश्न का जवाब नहीं आया। सर, मैंने पूछा था कि दाम कहां पर घटे हैं? ...(व्यवधान)...

PROF. RAM GOPAL YADAV: Where has he got this data from? ...(Interruptions)... Where is that market? ...(Interruptions)...

श्री ब्रजेश पाठक: सर, 28 रुपये किलो से बढ़कर 32 रुपये किलो चीनी हो गई है। ...(व्यवधान)...

श्री सभापति: पाठक जी, प्लीज़ ...(व्यवधान)...

श्री ब्रजेश पाठक: आप मुझे जवाब दीजिए कि किस मार्केट का आपने अध्ययन कराया है? ...(व्यवधान)... सर, दाम घटे कहां हैं। दाम तो बढ़े हैं। ...(व्यवधान)...

श्री सभापति: आप बैठ जाइए। ...(व्यवधान)... पाठक जी, प्लीज़। ...(व्यवधान)...

PROF. K. V. THOMAS: Sir, I made a general answer. Even after export, we are watching the sugar prices in the country. Sir, I have got the data with me regarding sugar. ...(Interruptions)... Sir, two years back, it was Rs. 33 per kg and it is now Rs. 35. It is the retail price. So, this is the situation. There is no high fluctuation in its prices. ...(Interruptions)...

श्री ब्रजेश पाठक: सर, मंत्री जी ने कहा है कि 33 रुपये से 35 रुपये दाम हो गए हैं। ...(व्यवधान)...

श्री सभापति: अगर क्वेश्चन का जवाब गलत है, तो आप उसका अलग से जवाब मांगिए। ...(व्यवधान)...

SHRI M. VENKAIAH NAIDU: The specific question is, where have the prices been reduced? ...(Interruptions)...

MR. CHAIRMAN: We cannot have a discussion on it. ...(Interruptions)...

SHRI M. VENKAIAH NAIDU: He can pass on the information to the Chair. The Chair will tell the House where this market is so that all of us can go and buy. ...(Interruptions)...

MR. CHAIRMAN: No, no, the position is very simple. ...(Interruptions)...

श्री ब्रजेश पाठक: आप मुझे जवाब दीजिए कि किस मार्केट का आपने अध्ययन कराया है? ...(व्यवधान)... सर, दाम घटे कहां हैं। दाम तो बढ़े हैं। ...(व्यवधान)...

MR. CHAIRMAN: The point is very simple. If the answer is incorrect, then the Members have a right to raise that point that an incorrect answer was given. Shri Motilal Vora.

SHRI SATISH CHANDRA MISRA: But no answer has been given. ...(Interruptions)... In which market have the prices gone down? ...(Interruptions)... Kindly inform the House whether the prices have been reduced.

श्री सभापति: सतीश जी, जरा बैठ जाइए। ...(व्यवधान)...

SHRI M. VENKAIAH NAIDU: He may be right. ...(Interruptions)... If he can pass on the information, the entire country will be benefited. ...(Interruptions)...

श्री सभापति: वे आपको ऑफिशियल डाटा दे रहे हैं। श्री मोती लाल बोरा जी।

श्री ब्रजेश पाठक: सर, जवाब नहीं आया है। ...(व्यवधान)...

श्री सभापति: आप दूसरों को भी सवाल पूछ लेने दीजिए। ...(व्यवधान)...

श्री ब्रजेश पाठक: मंत्री जी, किस बाजार में दाम कम हुए हैं? ...(व्यवधान)... डाटा किसने कलेक्ट किया है, यह माननीय मंत्री जी हमें भी बता दीजिए। इनके पास अपना नेटवर्क है। ...(व्यवधान)...

श्री सभापति: आप बैठ जाइए। प्लीज, प्लीज। ...(व्यवधान)...

PROF. K. V. THOMAS: I can pass on the entire information to the hon. Members. ...(Interruptions)... I am giving this data which I have got from the State Governments. ...(Interruptions)... I am giving data on the basis of the information received from the State Governments. ...(Interruptions)...

SHRI M. VENKAIAH NAIDU: Are you giving the name of that market also? ...(Interruptions)...

श्री मोतीलाल बोरा: माननीय सभापति महोदय, माननीय मंत्री जी ने मूल प्रश्न के (b) में जानकारी दी है कि आवश्यक वस्तुएं करीब 22 हैं। देश के 49 सेंटर्स से हर दिन वे इस बात की जानकारी मंगाते हैं कि वहां पर क्या कीमतें हैं। माननीय मंत्री जी ने जो एनेक्चर दिया है, उसमें बताया है कि कालाबाजारी और hoardings की वजह से ऐसा होता है। अगर आप आंकड़ों को देखें, तो तमिलनाडु में वर्ष 2011 में 198 लोगों को कालाबाजारी करते हुए पकड़ा गया और गुजरात में वर्ष 2000 में 64 और 2010 में 79 लोगों को कालाबाजारी करते हुए पकड़ा गया। मैं माननीय मंत्री जी से यह जानना चाहता हूं कि आपने गुजरात में और तमिलनाडु में कालाबाजारी करते हुए पकड़े गये लोगों के विरुद्ध कौन सी कार्यवाही की है?

माननीय सभापति महोदय, देश में अनाज की कहीं कमी नहीं है, लेकिन जो hoardings होती है, जो कालाबाजारी होती है, उसमें राज्य सरकारों की पूरी जिम्मेदारी होती है। माननीय मंत्री जी ने जिस प्रकार से ये छापे डलवाये हैं, उस छापों में मालूम पड़ा है कि ऐसा गुजरात और तमिलनाडु में हुआ है, ये आंकड़े बोल रहे हैं।

मैं माननीय मंत्री जी से यह जानना चाहता हूं कि आखिर आपने इनके विरुद्ध कौन सी कार्यवाही की है, जो छापे आपने डलवाए हैं? इन दो राज्यों के अलावा और भी राज्यों का नाम लिखा है, जैसे महाराष्ट्र है, छत्तीसगढ़ है और आन्ध्र प्रदेश है, वहां पर केवल एक-एक, दो-दो हैं, लेकिन सर्वाधिक तमिलनाडु और गुजरात में हैं, इनके विरुद्ध कौन सी कार्यवाही की है?

PROF. K. V. THOMAS: Sir, these are the State Governments who take action on the basis of the prevention of black-marketing and maintenance of the substance of the Essential Commodities Act, 1980. All the States are taking action. Once the case is filed, after sixty days, they report to the Government. We also follow up the reports that we get from the States. As the hon. Member suggested, we are also in touch with the State Governments. The hon. Member has asked how many people have been convicted. The action is being taken. We are in touch with the State Governments.

MR. CHAIRMAN: Thank you. Question No. 522. ...(*Interruptions*)...

SHRI PRASANTA CHATTERJEE: Sir, I remember, Shri Pranab Mukherjee had assured this House that action will be taken. ...(*Interruptions*)...

MR. CHAIRMAN: No; no. Please sit down, ...(*Interruptions*)...

SHRI PRASANTA CHATTERJEE: The Minister should give some answer. ...(*Interruptions*)...

MR. CHAIRMAN: Please sit down. Question No. 522.

Revamping of FCI

*522. SHRIMATI GUNDU SUDHARANI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Food Corporation of India (FCI) has become a “White Elephant”;

(b) whether there are any plans before the Ministry to revamp FCI or to have a fresh policy with regard to FCI;

(c) if so, the details thereof;

(d) whether it is also a fact that the revamping of FCI is necessary for implementation of the proposed National Food Security Bill; and

(e) if so, the manner in which the Ministry is planning to go ahead in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS): (a) to (e) A Statement is laid on the Table of the House.