

[Shri Mulayam Singh Yadav]

in the Government were part of this deal, which was struck at Rs. 8 per bag of sugar from sugar mill owners. I am saying all these things with full knowledge. Rs. 30 crore have already been taken by them as first instalment, as part of a deal amounting to Rs. 100 crore. I request the hon'ble Prime Minister to get a CBI inquiry done in this regard. If, in CBI investigation, my allegation is proved wrong, I will immediately resign from my Lok Sabha membership. All these acts have ruined the farmers. I openly declare in the House that deal has taken place and I will prove this. Rs. 30 crore have already been taken by them as first instalment, as part of a total deal amounting to Rs. 100 crore. That is why, farmers are being fired at by the police. All these instructions have been given by the Government. If my allegation is proved wrong, I am ready to tender my resignation. One hon'ble Member has said that all parties take money from sugar mill owners. But, Samajwadi Party never takes money, nor has it taken in the past, whether it was 1993 election or 1996 election. Our party never took money from sugar mill owners. It is the people on the other side who take money and everyone knows this thing. Money has been taken in this deal. That is why, I have asked for a CBI investigation. Farmers will be done to death and such incidents will go unreported. Moreover, the Chief Minister of the State is giving protection to the police.

**THE PRIME MINISTER (SHRI ATAL BIHARI VAJPAYEE)**: Mr. Deputy-Speaker, Sir, I would like to speak very briefly. I have not risen here to reply to the discussion. The reply would be given by my colleague Shri Sharad Yadav. I am taking your time to clarify one or two issues.

As the House is well aware that the Union Government fixes the Statutory minimum price of the sugarcane. It is the minimum price below which no sugar mill can procure sugarcane from the farmers. Sugar mills with mutual consent, can give more than the minimum price fixed to the farmers and it has also been the case. This year the Union government have fixed the statutory Minimum Price at Rs. 64.50 per quintal where the recovery level is 6.4%.

As the statutory Minimum Price is linked with recovery, for the farmers in the areas of those mills where recovery is better, it is fixed at higher rate. At present, the average statutory Minimum Price is approximately Rs. 74 per quintal in Uttar Pradesh.

We are aware of the problems being faced by the farmers and to provide them relief we have decided that the Union Government would increase the Minimum

Statutory Price of sugarcane by five rupees per quintal which would be applicable in all the States.

Besides, the Government of Uttar Pradesh have also taken some steps to provide relief to the Sugarcane farmers. The Government is providing a relaxation in purchase tax and the entry tax of sugar and providing grant of Rs. 4 per Quintal on the commission of Sugarcane societies. The States Government is providing this relaxation and grant to the sugar mills with the objective that they would include these four rupees in the payment made to the farmers. This way the sugarcane farmers of Uttar Pradesh would get an increase of nine rupees per quintal.

All of us are aware that the prosperity of the sugarcane farmers is linked to the development of the sugar industry, through which large number of needy persons in rural areas get employment. Hence it is imperative that we keep the sugar industry in good condition. As the sugar industry is facing a crisis, we need to take steps to overcome the present crisis as soon as possible. The prices of sugar have declined a lot in recent months and one of the reasons for it is that several sugar mills have, through judicial intervention received orders to release sugar besides the quota assigned to them by the Government of India. It has led to increase in supply of sugar and decline in prices. In these circumstances, the need is to continue with and effectively implement the current-'release' system. Accordingly, the decision has been taken to continue the 'release system' and to make meaningful efforts to restore stability in the market price of sugar.

As the hon'ble Minister of Food told us, the Central Government have decided to create a buffer stock of 20 lakh tonnes of sugar. It will yield Rs. 786 crore which will be used in the payment of the outstanding dues of sugarcane farmers.

In my opinion, the above mentioned action would provide substantial relief to the sugarcane farmers and the condition of sugar industry would improve.

**SHRI SAIDUZZAMA (Muzaffarnagar)**: Only yesterday the hon'ble Prime Minister had announced postponement of the recoveries due on account of kharif crops. But despite that 15 farmers have been sent to jail in Muzaffarnagar...*(Interruptions)* for defaulting in payment of arrears on account of kharif crops...*(Interruptions)* Even the orders of the hon'ble Prime Minister are not being complied with...*(Interruptions)*