

[Mr. Chairman]

20. Shri Ebrahim Sulaiman Sait
 21. Shri Erasmo de Sequera
 22. Shri Shambhu Nath
 23. Shri Nawal Kishore Sharma
 24. Shri Shiva Chandika
 25. Shri B. R. Shukla
 26. Shri Mukhtiar Singh Malik
 27. Shri N. Tombi Singh
 28. Shri Tayyab Hussain
 29. Shri Tulsidas Dasappa,
 30. Shri G. Viswanathan;
- and 15 from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to the House by the first day of the last week of October, 1972;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

that this House do recommend to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of 15 members to be appointed by Rajya Sabha to the Joint Committee."

The motion was adopted.

16.38 hrs.

STATEMENT RE. CURRENT SUGAR SITUATION

MR. CHAIRMAN: We move on to the next item. Prof. Sher Singh to make a statement.

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. SHER SINGH): Sir, I rise to make a statement on the current sugar situation, which I am painfully aware is causing serious concern not only to all the Hon'ble Members of the House but also to the public. To facilitate a proper appraisal of the situation in the right perspective, I would state briefly the developments since the control on the prices and distribution of sugar was removed with effect

from the 25th May, 1971. As the House is well aware, the decision to decontrol was taken by the Government in the context of the record production of 42.6 lakhs tonnes of sugar during 1969-70, which resulted in the prices of sugar in the free market coming close to, and in some areas even falling below, the levy prices. As a direct consequence of this development, the lifting of levy sugar, particularly from high-cost zones was tardy, and the stocks with the mills in these zones became disproportionately higher than the stocks with the mills in the other zones. The rationing system had also lost its utility. Principally for these reasons, the Government decided to decontrol sugar.

For about two months after decontrol, the prices of sugar remained fairly easy all over the country. Thereafter, the news about there having been about 3% reduction in the acreage under sugarcane for the season 1971-72 and also of the standing sugarcane crop having suffered damage by floods and excessive rain in the northern parts of India and by prolonged drought in some parts of the southern region, which would result in a decline in sugar production during 1971-72, got round. Consequently, the sugar prices started showing a steadily rising trend. Action taken by the Government to impose quantitative restrictions on the holding of sugar by authorized dealers and to compel the mills to sell every week at least 20% of the monthly releases of sugar and not to refuse to sell if released stocks were available, in an effort to curb hoarding tendencies in a rising market, succeeded to some extent in checking this trend. However, towards the end of 1971, in the context of the mounting emergency arising out of the influx of Bangla Desh refugees and the conflict with Pakistan thereafter, the Government succeeded in arriving at an informal agreement with the industry, whereby, the industry made available with effect from the 1st January, 1972, 60% of the monthly releases of sugar at a fixed price of Rs. 150/- per quintal ex-factory, exclusive of Excise Duty, for D-30 grade for meeting certain emergent requirements and for distribution to domestic consumers through fair price shops. Similarly, a further 3.5% of the monthly release was also made available by the factories at the same price for meeting export commitments.

Though the emergency still continues and the prices of sugar in the open market had been steadily rising, the Indian Sugar Mills Association informed the Government on the 13th June, 1972 that some factories were unwilling to continue the informal arrangements beyond the 30th June, 1972, and that it had not been possible for it to recommend any other scheme either. In these circumstances, the Government found themselves left with no option but to continue the existing arrangements under the provisions of the Essential Commodities Act with effect from the 1st July, 1972, in order to ensure that the domestic consumers would continue to be in a position to procure a reasonable portion of their requirements of sugar at a fair price.

Representations were received that the levy prices notified by the Government were highly unrealistic, unscientific and wrong and would be a great disincentive to the efforts for increasing sugar production in the coming years. The Government having been compelled to take recourse to the provisions of the Essential Commodities Act for continuing beyond the 30th June, 1972, the system of partial control of sugar, which was in force on an informal basis till then, the levy prices had, in accordance with the provisions of the Essential Commodities Act, to be fixed having regard to the notified statutory minimum price of sugarcane for 1971-72 and the recommendations of the Tariff Commission as accepted by the Government. Though the last Report of the Tariff Commission was submitted in 1969 on the basis of cost data relating to earlier seasons, the Commission had also subsequently recommended to the Government certain escalations in consideration of the Second Wage Board Award, increase in railway freight rates, dearness allowance, packing charges and higher depreciation rate. On further consultation by the Government, the Tariff Commission recently advised that apart from the escalations already recommended by it, the only other factor which would justify a small increase was the Emergency Risk Insurance premium payable for the year 1972. In notifying the levy prices for sugar for the different zones, the Government had taken into account all the escalations recommended by the Tariff Commission since 1969 including the latest one on account of the Emergency Risk Insurance. No doubt, ex-

cept for 2 or 3 zones, the notified prices in other zones are less than Rs. 150/- per quintal, in some cases by as much as about Rs. 25/- per quintal. Even so, detailed calculations made in my Ministry taking into account the higher cane prices actually paid or promised to be paid by the mills in most of the zones have shown that the factories can afford to sell the free quota of sugar at the same or, even less than the then level of ruling prices without incurring any loss in the overall. Minister of Agriculture, therefore, appealed to the industry not to raise the factory delivery prices of free sale sugar on the plea that the levy prices were lower than the one agreed to under the voluntary scheme or on account of the market sentiments, and also to so adjust their policies so as to subserve the essential interests of the public at large.

Nevertheless quite a number of mills, particularly in Uttar Pradesh, Mysore and Andhra Pradesh filed writ petitions in the Supreme Court and the various High Courts and obtained interim orders restraining the Government from enforcing the Sugar (Price Determination) Order, 1972, subject to the factories concerned providing bank guarantees for the difference between the notified prices and the prices at which sugar was actually sold by them. This development not only disturbed the smooth working of the levy system of distribution of sugar both in regard to its price and quantity, but also helped the open market prices of sugar to rise further steeply day by day. The lull in the monsoon for over a fortnight and the damages caused thereby to the standing sugarcane crops have contributed further to the spurt in sugar prices based on market sentiments.

The remedies to the existing unsatisfactory situation would lie in :

- (a) improving and streamlining the existing system of distribution of levy sugar by the various State Governments;
- (b) taking effective anti-hoarding measures and awarding exemplary punishment to persons found guilty of offences under the Essential Commodities Act or otherwise;
- (c) evolving a proper sugar and sugarcane policy for 1972-73.

[Prof. Sher Singh]

with a view to augmenting the sugar production, and

- (d) persuading the public to observe austerity and avoid wastage during the current period of acute scarcity of sugar

The Government of India have already initiated measures accordingly and subject to the full and active co-operation of all the State Governments it is hoped that the present situation would be got over as early as possible. The Hon'ble Members would have seen reports in the Press about the results of the raids conducted in Delhi during the last two days, and it is expected that other State Governments will also take similar action to deal with hoarders, as already requested by us. I am also hoping that it should be possible to announce the new sugar and sugarcane policy for 1972-73 before the session ends

श्री हुकम चन्द कछवाय (मुरैना) : सभापति महोदय, इस पर प्रश्न पूछने की अनुमति दी जाय। बड़े महत्व का वक्तव्य सामने रखा गया है।

सभापति महोदय : मैं एलाऊ नहीं कर रहा हूँ।

श्री हुकम चन्द कछवाय : चीनी मंहगी हो रही है, दाम बढ़ रहे हैं . . .

MR. CHAIRMAN : Half an hour discussion

SHRI K NARAYANA RAO (Bobbili) : There should be a discussion on this

MR CHAIRMAN : Let him write to the Speaker.

श्री इन्द्रजीत गुप्त (अलीपुर) : इस स्टेट-मेन्ट को सर्कुलेट करा दीजिये।

MR CHAIRMAN : Yes, it should be circulated.

16.46 hrs.

HALF-AN-HOUR DISCUSSION
BONUS BY SUGAR MILLS IN MADHYA
PRADESH

डा० लक्ष्मीनारायण पाण्डेय (मंदसौर) : सभापति महोदय, दिनांक 13-4-72 को एक

प्रश्न के उत्तर में शुगर मिलों द्वारा दिये जाने वाले बोनस के सम्बन्ध में यह बहस उठाई गई है। माननीय मंत्री जी ने उस समय उत्तर देते हुए कुछ आकड़े प्रस्तुत किये थे, जिन से पता चलता है कि विभिन्न मिलों द्वारा किन किन वर्षों में किस प्रकार से बोनस दिया है। अभी माननीय मंत्री जी अपना चोर्न सम्बन्धी वक्तव्य रख रहे थे, उस में कुछ शुगर मिलों की कठिनाइयों तथा सरकार की शुगर नीति के बारे में उल्लेख किया है। सदन में इस के पहले भी शुगर नीति के बारे में बहुत कुछ कहा गया है, शुगर मिल मालिकों के बारे में भी यहाँ पर बहुत कुछ कहा गया है, किन्तु जहाँ तक श्रमिकों का सम्बन्ध है, जहाँ तक किसानों का सम्बन्ध है, शायद हमारे मंत्री जी का ध्यान उस तरफ नहीं जाता। शुगर मिल मालिक जब-तक अपनी कठिनाइयाँ बतला कर, गन्ने का भाव बढ़ाने की बात कह कर, गन्ने के उत्पादन में गिरावट होने के कारण तथा रिकवरी अगर कम मिलता है तो उस के कारणों को लेकर शुगर की कामन बढ़ाने के बारे में चर्चा करते रहे हैं और सरकार भा महमत हो जाती रही है। यही कारण है कि चीनी की कीमत काफी बढ़ी है, लेकिन मजदूरों को मिलनेवाला जो बोनस है, जिस के बारे में कहा जाता रहा है कि उस को 8:33 प्रतिशत कर दिया जाय, उस पर हमारी सरकार गम्भीरता से विचार करने के लिये तैयार नहीं है।

शुगर मिलों से जो बोनस मिलता है और कई मिलों तो कुछ ही दिन चल पाती हैं। कुछ मिलों महीना भर चलती हैं, कुछ डेढ़ महीना चलती हैं, कुछ मिलें 60 दिन भी नहीं चल पाती, जो कि बोनस प्राप्त करने के लिये म्यूनतम आवश्यकता है, जिस का नतीजा यह होता है कि श्रमिकों का जो अधिकार है, उस से वह वंचित रह जाता है। मैं चाहता हूँ कि मंत्री महोदय अपने उत्तर में यह दर्शाने की कृपा करें कि ऐसे श्रमिकों को बोनस दिलाने के सम्बन्ध में उनके क्या विचार हैं ?