

from the statement made by the Minister. Therefore, you are not entitled to put the question because your name is not there.

*(Interruptions)*

MR. CHAIRMAN : Mr. Minister, I think you can continue to reply to the questions raised, not the other questions which are not related to your statement.

*(Interruptions)*

MR. CHAIRMAN : Mr. Minister, you give answer only to those points which are there in your statement.

*[Translation]*

SHRI AMAR PAL SINGH (Meerut) : My question has not been replied to.

SHRI DEVENDRA PRASAD YADAV : Mr. Chairman, Sir, Tripathi was raising issue related to 101 sugar mills. These mills were functioning. The production of sugarcane has been more this time, thereto the crushing work has also been more and subsequently the production was also more. The country this time has produced 158 lakh tonnes of sugar so far while last year it was 146.43 lakh tonnes. *(Interruptions)*

*[English]*

MR. CHAIRMAN : Mr. Minister, you please address to me.

*[Translation]*

SHRI DEVENDRA PRASAD YADAV : There fore, 101 sugar mills are still doing crushing work. The issue which Shri Amar Pal Singh was just raising ... *(Interruptions)*

*[English]*

MR. CHAIRMAN : Do not reply to them. Please address to me.

*[Translation]*

SHRI DEVENDRA PRASAD YADAV : I was stating as to why these sugar mills are still doing the crushing work. There was a problem that sugarcane crop was still standing in the fields. Therefore, the sugarmills were given permission to do crushing work till late and guidelines were issued to utilise the sugarcane crop still standing in the fields as soon as possible. As a result of this, 101 sugar mills functioned till July 1 and 4-6 mills are still doing crushing work. Till yesterday, the problem of standing sugarcane crop, was to be solved. *(Interruptions)* Some hon. Members have stated that the payment of sugarcane arrears has been made in only Uttar Pradesh. I would like to inform the hon. Members that the hon. Prime Minister had taken personal interest in Uttar Pradesh publically and the dues to be paid were much in Uttar Pradesh also. Last year Rs. 1300 crore were estimated as dues to be paid to farmers in the whole country. Therefore, Circular, through R.B.I. was issued to all the sugarcane producing

states for speedy payment of arrears. This circular has already been sent. I do not want to mention here the order given by the hon. Prime Minister. The circular was sent to every state where there was arrears. The Government is determined to pay off the arrears due in any state of the country. I hope that the payment of 50 percent arrears in Uttar Pradesh will be made in this month and efforts will be made to make payments in other State Advisory Price and our Statutory Minimum Price and this is the main reason of the delay in payment. Therefore, this Government is determined for the interest of the farmers ... *(Interruptions)*

SHRI RAM NAIK (Mumbai North) : Sir, the reply given by the Government is totally unsatisfactory. He does not know the pains and problems of the sugarcane farmers. There is no mention about providing adequate compensation to them. Therefore, as a protest against this role of the Government, we all the Members of the Opposition boycott the House.

15.58 hrs.

*At this stage, Shri Ram Naik and some other hon. Members left the House.*

*[English]*

MR. CHAIRMAN : The House shall now take up the next item on the Agenda, Matters Under Rule 377.

Shri Harin Pathak, Not Present

Dr. Ramvilas Vedanti, Not Present

Dr. Krupasindhu Bhoi,

Dr. KRUPASINDHU BHOI rose *(Interruptions)*

16.00 hrs.

**THE PRIME MINISTER (SHRI H. D. DEVE GOWDA)**

I welcome the hon. Members from the Opposition. When this issue was raised I was in a meeting and I got a little late.

If you permit me, Sir, I would like to make myself clear about whatever arrears are pending to the sugarcane growers. In so far as the sugarcane growers are concerned, whatever you are interested in, we are also equally interested. So, there is no question of having a battle here.

I may tell this august House that after I took over the office, the first meeting that I had was with the Chief Secretary of UP, with the Cane Commissioner and the Industry Secretary. I called them and I had two days' meeting. Rs. 900 crore is pending for the cane growers and they have been put to a lot of inconvenience. There is nobody to ask about these things; nor is there anybody to tell them. I will tell you very frankly, because there is no elected Government in the State for the last one year. There is President's rule in the State for about one year.

I took a decision here. Not only that, I went to Lucknow and had a meeting there. I would like to inform this House that out of Rs. 900 crore, as a first instalment

Rs. 450 crore would be paid within one month. I have taken the decision...*(Interruptions)* Please listen to me. If I knew that this issue was going to come I would have brought all the detailed material.

I came to know that some factories are not cooperating to draw money from the banks. I have called the banking sector people also and told them to advance money on the stocks, whatever stock that is piled up in different sugar factories. But unfortunately the method or the system that has been adopted in UP is something different as compared to other States.

I would like to make it clear that in Karnataka - please do not mistake me if I quote this—Rs. 800 crore worth of sugar is lying in factories, stocks having been piled up in sugar factories. There are 28 or 29 sugar factories. But there is no question of such arrears. We tried to clear almost all the amount due to the cane growers. Here and there small arrears of about Rs. 15 lakh or Rs. 20 lakh or Rs. 1 crore may be there. As a Chief Minister I tried my best to clear all the arrears.

This time they have been grown excess cane. So, crushing is a problem. I do agree. In Maharashtra it is there; in Karnataka it is there; in Tamil Nadu it is there; in UP it is there, everywhere the problem is there. That is why we have taken the decision to give clearance to all the people who want to establish sugar factories whether in private sector or in cooperative sector. We do not want to keep even a single paisa pending. I instructed my colleague, who is in charge of the Food and Civil Supplies Department in this regard. We do not want to hold up or delay even one sugar factory being put up. We want to clear all the projects.

SHRI BANWARI LAL PUROHIT (Nagpur) : Delicense them

SHRI H.D. DEVE GOWDA : Please listen to me. I am grateful to you for the advice given. *(Interruptions)*

THE PRIME MINISTER (SHRI H.D. DEVE GOWDA) : There are certain problems. Before taking a decision, I must also take care of the interests of the sugar factories established under the cooperative sector. Whether it is Maharashtra or UP indiscriminate establishment of sugar factories without knowing the cane position is going to damage the cooperative sector. That is also one point we want to bear in mind. Before we delicense it, we must examine thoroughly about the implications of the delicensing business. That is why I have not taken a decision. The matter is under the consideration of the Government. But there is one point that I want to make clear. The State Governments also have got certain responsibilities. Do not be under the impression that the entire burden is going to be carried by the Central Government.

In Karnataka, I have taken a decision to go the extent of giving nearly Rs. 42 crore relief to the cane growers. With all my financial constraints, I never hesitated to go to the rescue of the farmers. Though I do not want to tell this, the other States should also adopt this very same procedure that we have adopted.

We have done it and here in Uttar Pradesh even after I made the Finance Secretary and the Banking Secretary agree to cooperate with the sugar factories to release a certain amount of money pledging the stocks, the money goes to the cooperative societies. These are the middlemen there. The money will not go to the cane growers. The system in Uttar Pradesh is somewhat different. This is a new system which I have experienced only now. It is totally different. The money is not going to the cane growers directly from the sugar factories. The cooperative societies are the middlemen. They are going to distribute the money. What is going to be given from the factories after this arrangement is being made?

...*(Interruptions)* That is what I want to say. ...*(Interruptions)* They have to pay that. There is the middlemen between the grower and the factory owners, another organisation, and that is the cooperative society. *(Interruptions)*

SHRI MUKHTAR ANIS (Sitapur) : But, Sir, these societies belong to the cane growers. *(Interruptions)*

SHRI H.D. DEVE GOWDA : That is all right. I know that already. Why should that system be there and what is the advantage? I want to know that. I do not want to cast aspersions on the system. I am going to examine this system as to whether it is advantageous from the point of view of the growers or it is not going to help the farmers. This issue is going to be examined thoroughly by the Government and if it is not going to help the farmers we want to avoid the middlemen. Directly, the cane grower should get the price for what he is going to supply to the factory. I have asked the Chief Secretary to examine that because I cannot directly take any decision. It is only through the Chief Secretary and the Governor that I have to handle this issue till elections are held. After the elections, if you come to power, we will see what you are going to do and if we come to power, you will see what we are going to do.

In the meanwhile, this Government is not blind. This Government is not sleeping. I would like to tell you very frankly that so far as the farmers are concerned, I am going to do what best I can. I want to clear Rs. 450 crore in a month. That is the instruction I have given. They have already made the payment up to Rs. 240 crore or Rs. 250 crore and for the balance of nearly Rs. 200 crore payment is going to be made. *(Interruptions)*

MR CHAIRMAN : After some time, please. After he finishes, I will allow you.

*(Interruptions)*

SHRI HARIN PATHAK (Ahmedabad) : Sir, you have allowed the Prime Minister on a Calling Attention Motion. Now, this is a question of matters to be raised under rule 377. My name is on top of the list. *(Interruptions)*

MR CHAIRMAN : He has got the right to intervene in the House at any point of time.

SHRI HARIN PATHAK : But he has intervened on a Calling Attention Motion. *(Interruptions)*

MR CHAIRMAN : I have called Dr. Bhoi.