

जानकारी नहीं आती है हम को पता नहीं चल सकता है कि उनको कहां रखा गया है।

श्री राम विलास पासवान: इसी तरह से हमेशा होता है। एम पी को गिरफ्तार किया जाता है और बाद में कहा जाता है कि किस जेल में रखा गया है तो कोई जवाब नहीं मिलता है। हमेशा ही चेयर की तरफ से हिदायत दी जाती है लेकिन अफसर अपनी मनमानी कर रहे हैं---

अध्यक्ष महोदय: नहीं कर रहे हैं।

श्री राम विलास पासवान: जानकारी नहीं देते हैं।

अध्यक्ष महोदय: मनमानी नहीं करने देंगे। चिन्ता न करें।

SHRI CHANDRAJIT YADAV: This kind of latitude to police officers should not be given in respect of MPs. Then what will happen to the ordinary citizens?

MR. SPEAKER: I will not allow this.

श्री धनिक लाल मंडल (भुवनेश्वर): आप रूल 229 देखें।

अध्यक्ष महोदय: यही बात उन्होंने कही है। इस रूल को मैं बाई हाट जानता हूँ।

श्री धनिक लाल मंडल: आधी बात कहते हैं, आधी नहीं कहते हैं।

श्री राम विलास पासवान: मैंने प्रिवलेज मोशन दिया है। जेल की जानकारी नहीं दी है।

अध्यक्ष महोदय: मैं करूंगा।

SHRI CHANDRAJIT YADAV: You are dealing with it daily. Please inform us where he is kept. People enquire of me. I have no information. You also have no information.

MR. SPEAKER: That is why we are going to take action.

श्री राम विलास पासवान: सीरियसली लें।

अध्यक्ष महोदय: और आप क्या करें, बताइये।

श्री राम विलास पासवान: कोई बह-माशी करेगा तो एक्शन बैठे बैठे नहीं हो जाएगा। प्रिवलेज कमिटी में भेज दें।

MR. SPEAKER: I am seized of the situation. I know my duties, and I will perform them. I am going to perform my duties. What more can I do?

श्री राम विलास पासवान: कार्रवाई तो कुछ होती नहीं है।

अध्यक्ष महोदय: कार्रवाई होगी। रूज तो रूज है।

श्री राम विलास पासवान: कहां होती है?

अध्यक्ष महोदय: इसी वजह से तो हाउस से माफी मांगते हैं।

श्री अटल बिहारी वाजपेयी: कहां रखा गया है यह तो बताना चाहिये था और यह तो लिखा होना चाहिये था।

MR. SPEAKER: I will do whatever is necessary. Whatever action is called for I will take. When I have assured you, you should be satisfied.

12.13 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

FALL IN PRICES OF RAW JUTE IN WEST BENGAL

PROF. RUP CHAND PAL (Hooghly): I call the attention of the Minister of Commerce to the following matter of urgent public importance and I request that he make a statement thereon:

"The reported severe fall in the prices of raw jute in West Bengal and other jute growing areas causing untold sufferings to lakhs of cultivators and failure of the Jute Corporation of India to procure the entire raw jute."

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): Sir, on the

recommendation of the Agricultural Prices Commission, Government have fixed a price of Rs. 160/- per quintal for W5 grade jute in Assam. On the basis of this price, Jute Commissioner has worked out and notified the prices for different grades of jute in different upcountry markets. A copy of the Jute Commissioner's notification has already been laid on the Table of the House.

According to reports received by us, the new jute crop has started arriving in Assam, North Bengal and some areas of Bihar adjoining North Bengal. Prices of the new crop in North Bengal and the areas of Bihar adjoining North Bengal are reported to be ruling around the statutory minimum level for W5 and lower grades, whereas the prices are above the statutory levels for grades higher than W5. Prices in Assam are reportedly ruling around Rs. 15/- per quintal below the statutory minimum, primarily because of non-movement of jute from Assam to the terminal markets. The Jute Corporation of India have started purchase operations.

Government has issued clear-cut instructions that the Jute Corporation of India should make purchases during the coming year in order to ensure that the jute growers get at least the statutory minimum prices notified by the Government. The Jute Corporation will also have the freedom to make commercial purchases in the exercise of its commercial judgement without incurring any loss. To enable the Jute Corporation of India to carry out its objectives, the Reserve Bank of India was requested to furnish additional credit. The required additional credit has been furnished. The Jute Corporation of India have also negotiated and obtained from the Food Corporation of India and various Warehousing Corporations additional godown space. Negotiations are still going on for more godown space. Moreover, to enable Jute Corporation of India to un-block a part of its funds and godowns which are tied up in purchases made during the previous two seasons, vigorous efforts are being

made both in the domestic market and abroad to sell JCI jute. A two-man delegation of the STC and JCI has gone to London to negotiate export sales of JCI jute and is expected to finalise orders of exports. To facilitate sale of JCI jute in the domestic market to private sector mills, we have been able to persuade the banking sector to provide guarantees to the private sector mills to enable them to make purchases from the JCI on credit.

The efforts of the Jute Corporation of India will have to be supplemented by purchases made by the private sector mills in order to maintain adequate buying pressure in the market. With this objective in mind, I had a meeting with the Indian Jute Mills Association and I have asked them to buy around 36 lakh bales of jute during the period September—December 1980. This represents the consumption of the mills during that period and also includes about 12 lakh bales for building up higher inventories for raw jute. To enable the build-up of this larger inventory, we have requested the Reserve Bank of India to offer additional credit facilities to the mills from August—September this year.

The jute economy of India cannot be viewed in isolation but must be seen in the global context and particularly in the context of the conditions prevailing in neighbouring Bangla Desh. There is a glut of jute in the international market and international jute prices are ruling below the indicative levels agreed upon. This has led Bangla Desh to abolish statutory minimum prices for jute, suspend minimum export prices on lower grades, and also reduce the export duty on certain grades. The crisis in the jute industry is partly a result of the recessionary conditions which have manifested themselves in some of the major consuming countries and is also a result of intense competition from synthetics. It is my earnest belief that the crisis will be short-lived and within a very short span of time, the industry will have turned the corner.

PROF. RUP CHAND PAL: My question had been rather very cleverly avoided because I had tried to draw the attention of the hon. Commerce Minister to the recent crash in the minimum price of raw jute in West Bengal and other jute growing areas. But there is no specific reference in his answer to what is happening in West Bengal these days. As you know, West Bengal produces about 60 per cent of the total raw jute of the country and there are reports—I have also been there that the jute growers, the hapless lot, about whose problems we have discussed again and again on the floor of this House, are being forced to make distress sale at a price far below Rs. 160, that is fixed by the Central Government.

12.28 hrs.

[SHRI SHIVRAJ V. PATIL *in the Chair*]

At some places, it is Rs. 120 and at some other places it is Rs. 115. The problem of the jute growers in our country is a perennial problem. The lakhs and lakhs of jute growers, the unfortunate lot, are in the same lot as they were during the British period. They were exploited during the British period and even after 33 years of independence, they are still being exploited. It is to be seen how miserably these people, who help us to earn foreign exchange to the tune of more than Rs. 200 crores, are being compelled to make distress sale at a price far below the price fixed by the Government of India. Several times on the floor of this House, we have discussed this question. Even during the days of the Congress Government headed by Dr. B. C. Ray when the Congress men were in power in the West Bengal State Legislature, unanimous resolution was passed to protect these hapless unfortunate lakhs and lakhs of poor peasants.

Since that period, on several occasions, in the West Bengal State Legislature, cutting across political affiliations, the leaders have expressed their feelings about these small peasants, small farmers and poor jute growers.

Ultimately, the Jute Corporation of India was formed with a declared aim that the Jute Corporation will protect these hapless poor millions and millions of jute growers who have been deprived of remunerative price for all these years. But what is our experience now? When jute has begun to reach the market, we find that the old game has started. The jute mill-owners, the jute sharks, the jute barons make a profit of crores and crores of rupees annually Rs. 400 crores to Rs. 500 crores. What do they do? They come forward on the pretext that there is no storage space. Whenever there is a bumper crop, they come forward with the old game, with their agents, with their henchmen, to bring down the prices and these hapless lot, these poor jute growers, are compelled to sell jute at a price far below even their production cost. This is what is happening this year.

Last year, during the previous Government, in 1979, there was an assurance given that from 1980, the JCI will be made to make monopoly purchase. This year, the Central Kisan organisations of all different political hues have come forward with a proposal that the minimum price of Rs. 300 per quintal be fixed. The Government of West Bengal after working out their own production costs and other things and had come forward with a proposal that at least Rs. 250 be given because the cost of production is somewhere around Rs. 220 to Rs. 225. Now, the Central Government has declared a minimum price of Rs. 160 and these poor peasants, in the beginning of the season, are being compelled to have distress sale at Rs. 115 or Rs. 120 or something like that.

The jute mill-owners, we know them about 7 or 8 monopoly houses have accumulated tonnes and tonnes of money, exploiting the people. Tell them to increase the production of jute manufacture and they will come forward with an alibi that there is no scope of increasing production. They will just pressurise the Central Government for more subsidy, for more

amenities with regard to export and other things. On the other hand, they will bring down the prices, by their own manoeuvres, of raw jute and just suck the blood of these hapless millions and millions of poor peasants, small peasants, poor jute growers.

Will the Jute Corporation of India which was set up with the specific purpose of protecting the hapless lot, these millions and millions of small farmers, these poor peasants, these poor jute growers, not go to the help of these small jute growers and purchase jute at support price in these 90 to 100 primary markets? The Government of West Bengal has made a specific proposal. Let JCI purchase at least 20 lakh bales out of say, in West Bengal, the estimated production of 40—45 lakh bales....

MR. CHAIRMAN: You have to ask a question.

PROF. RUP CHAND PAL: I am coming to that, I have already started.

My specific question is: Will the Jute Corporation of India with enough financial resources—there are regional imbalances, discriminations, anomalies and what is happening is that the Reserve Bank of India is providing Rs. 280 crores to the Cotton Corporation of India while only Rs. 26 crores is provided to the Jute Corporation of India....

SHRI JANARDHANA POOJARY (Mangalore): Sir, I am on a point of order. Let it be clear once and for all. So far as the Calling Attention Notice is concerned, there has been some direction given at the commencement of the Seventh Lok Sabha that, as per the rule, no debate is permitted on such a statement at the time it is made but each member in whose name the Calling Attention Notice stands may, with the permission of the Speaker ask a clarification or a question; the total time taken on a Calling Attention should not be more than half an hour and that for asking a clarification or a question, the member who calls the attention may not take more than about

3 minutes and other four members about 2 minutes each.

He has already taken 17 minutes. This is to be decided once and for all.

MR. CHAIRMAN: Your point of order is upheld. What you say is correct. The hon. Member will follow it. He should not take more than 3 minutes; he should not make a statement and he should ask a question. Under rule 197(2), you can ask a question or a clarification. You cannot make a statement. This is not envisaged in the rules here.

PROF. RUP CHAND PAL: I am framing the question, Sir.

Will the Jute Corporation of India with enough financial resources at their disposal immediately go to 90 to 100 primary markets and purchase at least 20 lakh bales of raw jute at the minimum support price in West Bengal and will the Reserve Bank of India be asked to release more funds to the Jute Corporation of India for the purpose? Secondly, will the Jute Corporation of India be directed to make commercial purchase as was done last year and will the JCI be allowed to purchase at a higher price than the minimum support price?

Thirdly, will the Central Government consider the West Bengal Government's proposal for monopoly purchase of raw jute and involving popular panchayats to safeguard the interests of raw jute growers and adequate financial resources to be provided?

Lastly, what is the Government's reaction to a report that some big socialist country has agreed to make purchase of raw jute in a big way?

SHRI PRANAB MUKHERJEE: Sir, the hon. Member has put four questions. As regards the first question, whether the JCI is going to purchase 20 lakh bales at the minimum support price, my answer to that question is that the JCI has been instructed to maintain the price support operation; whatever be the quantum necessary to keep the minimum price at Rs. 160,

the JCI will have to purchase it. I am not putting any ceiling on it. It may be 10 lakh bales or it may be 20 lakh bales or it may be 30 lakh bales. But whatever would be needed to maintain the minimum price in the market fixed by the Government, they will have to purchase that. That is the objective of the minimum price support operation.

In regard to the credit availability, the hon. member is aware of the fact and, in fact, yesterday when some of his party colleagues met me, I explained to them that the Reserve Bank of India has already increased the credit by Rs. 12 crores, from Rs. 62 crores to Rs. 74 crores. Secondly, in order to improve their liquidity position. We have suggested them to dispose of the old stock and they have taken certain positive steps in that direction which would also improve their liquidity position.

In regard to the third question, whether monopoly purchase would be made by the JCI or not, I have already answered the question on a number of occasions on the floor of the House, I am sorry, my answer is, no.

In regard to the possibility of exporting raw jute in the socialist countries, we are exploring the possibilities of exporting raw jute not merely to socialist countries but wherever we get the market we are trying to export.

**SHRI NIREN GHOSH (Dum Dum):**  
It is an extraordinary statement that the hon. Minister has chosen to make. Much water has flown down the Ganges. This statement repeats word for word what the jute mill magnates have said and are pleading for. That is the sorriest part of it.

Before framing my question, I would like to raise this. Is the Minister aware that the Flood Commission, after a comprehensive inquiry, decided that the price of one maund of jute should be equal to two and a half maunds of paddy and if so, has it ever been mentioned by the Government? Why has this recommendation not been put into practice?

The Public Undertakings Committee also had gone into the question of price structure of jute and it has come to the unanimous conclusion that Rs. 400 and above per quintal should be the price of raw jute. But the trade unions and the kisan organisations, irrespective of wherever and whatever views they hold, have moderated the demand. They have been pleading for Rs. 300 per quintal for the last few years.

Recently, two days before, it has come in the *Statesman*, the arguments advanced there by the IJMA have been given here word for word, that there is a glut in the market, that the prices have fallen down, there is competition from Bangladesh, there is competition from synthetics—all that he has mentioned. For whom are you speaking? For the Government of India or for the Indian Jute Millowners' Association? That is the pertinent question that you have got to answer. Everybody knows that the IJMA has declared from the housetops that there is no fear of competition from synthetics any more because of the oil price hike. And there will be still further rise in the price of oil. Everybody also knows that they have sold carpet backing in the U.S. market at an exorbitant price of 85 cents per linear yard and were making a profit of Rs. 3,000 per tonne of carpet backing; they have been making extraordinary profits. Now, due to recessionary conditions, the demand has slackened. They did not care for the market; they could have sold it far below that price and expand market further. And Government did not say a word of advice to the jute millowners. Let them make hay while the Sun shines. You had allowed them. That is what you did.

When the Jute Corporation of India was inaugurated, late L. N. Mishra declared on behalf of the Government that it would gradually, within a few years, go in for monopoly purchase of raw jute direct from the growers. Jute growers and their families constitute at least three crores of people spread over six States of India. From the British days till now, nobody has paid any heed to their distress, exploitation,

misery and sufferings. Now you say 'no monopoly purchase'. That means, you are going back on the policy of the Government declared on the floor of the House by late L. N. Mishra, a member of the Government then presided over by Shrimati Indira Gandhi. The present Government is also that of Shrimati Indira Gandhi, and you have reversed that policy; you have the cheek to reverse that policy on the floor of the House—that was the declared purpose, that was done eight to nine years ago, when the Jute Corporation of India was inaugurated.

Now, coming to brasstacks, last year the prices crashed, whatever support price they declared. This year, I charge, the prices have already crashed below the support price. Jute is selling at Rs. 52 per maund or Rs. 131 per quintal. Their support price is Rs. 160 and the remunerative price with some return to the grower would be Rs. 300 per quintal. Now it is selling at Rs. 131 per quintal in the market just now. This is my information. You will say from where did I get this information. My source is the MLA from Bhangor and the MLA from Barasat where jute is grown.....

SHRI PRANAB MUKHERJEE: South Bengal jute has not yet come.

SHRI NIREN GHOSH: I told you for your benefit.

Now, Sir, last year the Jute Corporation of India did not make any worthwhile purchase though a target of 20 lakh bales was announced by the Minister. It was the Industries Minister at that time who said that 20 lakhs bales would be purchased but the purchases they made were very meagre. Then the JCI did not sell their stocks when the prices went up and they are now burdened with stocks. Can the Minister deny it? He should clarify whether this was the position.

Will the Minister deny that the management of the Jute Corporation of India is thick and thin with the Indian

Jute Mills Association magnates and move in a way so that the big jute magnates are obliged thereby. Even the one Jute Commissioner who was a bit critical and a little independent-minded had to go away because the IJMA people did not like him. Now this is the position. Last year it has crashed completely..

MR. CHAIRMAN: Please come to the question.

SHRI NIREN GHOSH: This year, after we had some exchanges on the floor of the House and finding the Minister wanting, to do something seriously, we some Members of the Opposition—members of different groups—submitted a memorandum to the Prime Minister. What were the demands? That the price should be Rs. 300 per quintal, that this year there should be an upward revision of the minimum support price and the Jute Corporation of India should make purchases far above the minimum level as in the case of cotton and purchase 50 per cent of current crop—these are our demands. Regarding cotton, I will come to that and will say that a discrimination is being practised against the jute-growing States and the jute growers in particular.

We submitted that at least you purchase 50 per cent—not 20 lakhs which was said. That is not our demand. Let me be fair. That is a wrong demand. I say it categorically. 80 lakhs bales have been produced and at least for this year you purchase 40 lakhs bales so that the JCI can have some say about the prices of raw jute. Otherwise the entire jute you will be surrendering to the Jute magnates That is exactly what he is saying in the statement. Everybody knows that. Even a child in the jute trade knows that the entire raw jute is controlled by 5 or 6 jute-mill magnates. The entire 90 per cent of the produce every year they come and corner by giving the liquid cash. They plead for liquid worth Rs. 200 an odd crores to make that purchase. Benignly the Minister has acknowledged that; he has persuaded the Reserve Bank to give them

credit so that they can make purchases about 90 per cent of the crop directly. Whether you given them bank's money or not they do it with their black money.

**MR. CHAIRMAN:** You come to your question.

**SHRI NIREN GHOSH:** I am putting supplementaries.

**MR. CHAIRMAN:** There is no question of your putting supplementaries. You put your question only for clarifications.

**SHRI NIREN GHOSH:** Now, Sir, the Prime Minister directed. .. (*Interruptions*).

**MR. CHAIRMAN:** Mr. Ghosh, what happens is that when you put so many questions, important question is lost sight of.

**SHRI NIREN GHOSH:** Please do not disturb me. The Prime Minister directed that this proposal should be examined very urgently. He has got the direction of the Prime Minister. After that he comes forward with the statement which, I think, is at variance with the direction of the Prime Minister and it is at the behest of the Indian Jute Mills Association. I want to contest this. If the Prime Minister has approved this then she will cut a sorry figure. It is for you to clarify it before the House as to where you stand in the matter.

Now, Sir, the Cotton Corporation of India each year had been allowed to purchase far above the limit at the minimum support price of APC and Rs. 280 crores worth of Reserve Bank of India credit has been given at their risk. Now you come and say that if the J.C.I. makes commercial purchases, the J.C.I. management will be found guilty. They will say that it was not commercially feasible to make the purchases and therefore they are surrendering the entire crop. The J.C.I. makes a share of buying a few lakh bales and leaves the entire crops to the jute magnates mercy. That is the exact position.

Therefore, Sir, I demand that you will consider our proposal one by one—that Rs. 300 should be the support price per quintal, if not for this year, at least next year. There should be an upward revision in the support price and bank credit should be given to them to make fifty per cent of the purchases since the market price is now far above the support price. These are our proposals. The Prime Minister said that you would consider all this. I demand that you should do it. Here you are making a discrimination by giving a discriminatory treatment for the Cotton Corporation. I have no grudge against the cotton growers. They should get a remunerative price. Bank credit should be made available to the Cotton Corporation of India. I have no grudge against it. But the difficulty is that of the jute magnates. You are practising discrimination against the six States of India where jute is grown by 60 lakhs jute growers comprising their family members they come to three to four crores of people. You are practising this discrimination and so resentment is mounting up. The ultimate result is rather ominous for the country as a whole. So, it is time for you to retrace your steps. The jute mills are making a profit on their hessian sales at Rs. 3,000 per tonne and more. At present in sacking also they are making a good profit. There is no difficulty with regard to carpet backing also they are pleading for more shifts but you are mouthing the words of whatever they have said two or three years ago. In the statement of yours you are vomiting their words before the House. What have you to say to this? It is a slur on the Government of India and the entire people and the trade union movement. Now you will reply to these.

**SHRI K. LAKKAPPA (Tunkur):** Sir, how is it that you are allowing such long questions in a calling attention motion?

**SHRI NIREN GHOSH:** Please sit down.

**MR. CHAIRMAN:** It should not be allowed. Now the Minister.

**SHRI PRANAB MUKHERJEE :**

Sir, the hon. Member is charging me. I have to place a few facts—these are hard facts. It is known that there is a glut in the jute market.

So far as 1978-79 is concerned, the hard fact is that the total production was 81.2 lakhs bales, in 1979-80 it was 83.2 lakhs bales. The total for these two years comes to 164.4 lakhs bales. The total consumption of the Indian Jute Mills is 72 lakhs bales per year. This gives a figure of roughly 140 lakhs bales. Therefore, there is a surplus of 22 lakh bales. And thanks to Mr. Ghosh and his brothers. They also contributed in creating the glut by having a strike in the jute industry for continuous two months. Therefore, twelve lakh bales could be consumed by the jute industry. (*Interruptions*).

What I am trying to point out is that if we take these two years into account, that is, 1978-79 and 1979-80, the total production was 164 lakh bales and the industry could consume 144 lakh bales if it runs on its full capacity. If there is strike in the industry for two months naturally twelve lakh bales will not be consumed. As a result we are confronted with a surplus of twenty-five lakh bales. JCI could not export. JCI could not dispose of. It is not true JCI did not purchase. JCI purchased seven to eight lakh bales. Before that also they purchased seven to eight lakh bales. Till we came they did not dispose of a single ounce of jute. Sixteen lakh bales were lying with the JCI. Ultimately we took the decision to dispose of even by incurring loss and the loss came to the tune of Rs. 13 crores. Government has agreed to subsidise Rs. 13 crores.

So far as commercial operation is concerned JCI is not prevented from commercial operation. But if they are to operate commercially then they must take the risk of either incurring a loss or making a profit.

Sir, the hon'ble Member made a comparison with the Cotton Corpora-

tion of India. What is the mechanism in the market. Even during the current year there is no question of purchasing it at the minimum price because the market price is above the minimum price. The other day I had a talk with the Bengal government and told them if they can go in for monopoly purchase—as is done in Maharashtra in respect of cotton—they may do it. If they have the mechanism do it. It is their responsibility. Come to the Finance Ministry with your proposal as Maharashtra took initiative in creating a climate in the market. They had an overall control so that the middleman could be restrained in market operations. They built up the mechanism and came forward with a proposal and were supported and ultimately today the position is never the minimum price of cotton goes below the support price prescribed by the Government. How to determine the support price he has mentioned his suggestion. After all we have certain institutions through which we are guided, that is, Agricultural Prices Commission and I had to accept the recommendation of the Agricultural Prices Commission and here I cannot be guided by Mr. Ghosh's recommendation that it should Rs. 300 to Rs. 400. And what is the mechanism? It is not merely Rs. 160. W5 Rs. 160/- on the basis of Assam when it comes to West Bengal the district-wise price will be Cooch-Bihar, Jalpaiguri, Darjeeling it is Rs. 165/-; West Dinajpore, Malda district it is Rs. 168/-, and Mursheedabad and Bankura it is Rs. 174/-. Nadia, Midnapore, Burdwan, 24-Parganas, Hooghly and Howrah districts, 176. Therefore, the minimum support price is fixed on the basis of W-5, Assam. Thereafter the Jute Commissioner determines the price for the upward market. All these particulars have been laid on the Table of the House. I have given particulars regarding white variety, coarser variety, district-wise, State-wise and so. When we say 160, it is not uniform 160 all over the country. So far as the minimum support price is concerned, we have told you this not merely on

the floor of the House, I have had a discussion with them. I have said, we shall try to create this situation, we shall create an atmosphere whereby JCI could come in a big way. Don't try to flog a dead horse. JCI is not in a position to do it; they don't have the infrastructure.

**SHRI NIREN GHOSH:** I challenge you.

**SHRI PRANAB MUKHERJEE:** You may challenge Mr. Ghosh, it is of no use whether you challenge it or not; I am not concerned with your challenge. I know this is my department and I know what is happening there and I know your efficiency also. Don't make that challenge. We have had a discussion on it and I wanted to create an atmosphere in which the JCI will come in a big way so that necessary market psychology can be created. But unfortunately they are caught in such a position that I have to announce certain hard decisions. I did not want to say, JCI will not make commercial purchase. But if you insist on it, after all, I can't go beyond the policy of the Government. If you want me to specify and pin-point it, I have got to do it. This request I made to you personally. Therefore don't try to play at the gallery. Let us understand the real problem. They are confronted with this glut. They have 25 lakh bales surplus. The international market is there. Bangladesh has thrown away their jute at throw-away price; they are selling jute in the external market. They are confronted with this problem of glut. If the hon. Member wants to know I can give him the figure. We have had surplus of 23 lakh bales in 1978-79 and in the year 1979-80 this was 50 lakh bales. Bangladesh has 30 lakh bales surplus; India has 25 lakhs bales surplus. We know what is the total consumption in the international market. Therefore, what is the use of telling us all these things? If your cooperative machinery can purchase it, if your State Government could help us, we can try to do it. Even then there was no godown, I have tried to

talk to the Bengal Government. Still this is not sorted out. This is in the process of being sorted out. You have said that I am repeating; but I am not repeating; what I say is the policy of the Government that JCI will have to go in, in this matter, in a big way to maintain the minimum support price. I have said that whatever is needed to be done has to be done to maintain minimum support price. I have instructed them when I had a discussion yesterday or day-before-yesterday. Immediately I instructed them that in North Bengal you must create a situation in which the price does not go at least below the price which has been notified; it is not uniform 160 in North Bengal, somewhere it is 165, somewhere it is 170; between white and coarser variety you have difference. So you open large number of purchase centres, go in the market in a big way, create a psychology that the growers are not confronted to sell these things at a throw-away price. When I had a discussion, I mentioned it. I had mentioned it in my statement. I told IJMA, you will have to purchase 4 months' stock; during this period you will have to purchase a minimum of 36 to 40 lakh bales. If we purchase 36 to 40 lakh bales we know what will be the market position. We know at what particular time how much jute will come. That is known. Therefore I have suggested to them, you will have to keep a stock of 4 months. That means, if every month's consumption is 6 lakh bales the total stock which will have to be maintained will come to 24 lakh bales. On that calculation these figures have been prepared and I have already quoted these figures here. I have asked them that if they have any problem, I am going to solve that as I have solved the problem of JCI so far as credit requirement is concerned. They normally get the credit for purchasing jute in the month of November, I have told them this month: 'I am giving you credit facilities, you go in the market and see that minimum support price is maintained and if you create an atmosphere

then the market operation would take care of itself automatically and the prices will go up." If we can maintain that in North Bengal, it will have its effect in the South Bengal also when jute will come some time in the month of August and September. The hon. Member was mentioning about the Bhangar raw jute as if I do not know. Bhangar does not come in the month of July or August, it comes in the month of September. We are taking care of this problem.

**SHRI NIREN GHOSH:** It does come.

**SHRI PRANAB MUKHERJEE:** A little bit comes, you know much, but I also know a little about the State of West Bengal.

The hon. Member mentioned in regard to the direction of the Prime Minister. Yes, we are serious. She asked me to see that the prices do not go below the minimum price, but what else can we do when the Agricultural Prices Commission according to certain statistics and formulations determine the minimum price, we have to operate that. If the Parliament desires that we should not listen to the Agricultural Price Commission and listen to the advice of Shri Niren Ghosh, I am prepared to do that. It is for the Parliament to decide.

**SHRIMATI GEETA MUKHERJEE (Panskura):** The hon. Minister has made a statement in response to the calling attention. I would not like to repeat certain things which have been said, though I fully share them. First of all, I would like to know from the hon. Minister that when two days back we met him on behalf of the kisan sabhas, he did not protest when it was pointed out that the raw jute was selling in North Bengal, a part of the State of West Bengal, under support price. Now, he says in the statement that the ruling price is around the support price.

Secondly, there is a very interesting thing. He has mentioned as far as Cotton Corporation of India is concerned that as the Cotton Corporation of India purchases at the market rate,

higher than the price declared by the Agricultural Prices Commission, that is why the Government give CCI a big subsidy apart from commercial credit. Now, the raw jute is one of the biggest foreign exchange earner of the country involving so many peasant households, more than 40 lakhs. You have the Jute Corporation of India, but they have no infrastructure to make purchases. They do not get your great support. The prices of the raw jute remain very low and that enables the jute mills to make a big profit. Despite that, you do not force the Jute Corporation of India to create conditions where the raw jute prices should not fall below the support price. Then you use that fact to refuse subsidy to Jute Corporation of India to buy jute at proper prices as you give to cotton Corporation of India, who will pay the price for JCI's not being able to do the job, and for Government of India's total neglect, as far as raw jute growers are concerned? That being the case I think his reply with regard to Cotton Corporation is not at all convincing. Will the Minister state whether they will give enough subsidy this year to JCI, if need be, to buy at commercial prices? Thirdly, as far as the question of nationalization is concerned, is it not a fact that unless we go towards monopoly purchase, this situation will remain? That being the situation, when the Minister know that the JCI was not in a position to buy what should influence the market. Why did the Government not take seriously, West Bengal Government's earlier request to go in for the setting up of a Jute Corporation of its own, so that by now, the infra-structure could have been built, whereby the JCI and the West Bengal Government put together could have really bought a large amount of raw jute, thereby depriving these jute magnates of their big profits and could have given some relief to these jute growers of West Bengal? What has prevented the Government so long from agreeing to the West Bengal's Government's proposal for the setting up of

its own Jute Corporation? Will Government now give as much credit as is wanted by the West Bengal Government, if they go in for purchases? They cannot do it in a big way because time has been lost and the infra-structure has not been built, but whatever infra-structure they can build from the administrative machinery, will Government assure us that money will not be wanting, whereby they can make proper purchases also from the raw jute growers?

13 hrs.

MR. CHAIRMAN: The hon. Minister may reply; and thereafter, we may adjourn for lunch.

SHRI PRANAB MUKHRJEE: I will be very brief, Sir. Let me answer this question so far as the point which the hon. lady Member has raised viz. why did I not protest at the beginning, and about what I said in the statement. Whatever they said, I agreed. I accepted that their information was more upto-date. That is why I have instructed JCI, and I have promised to-day, that we should open more purchase centres in North Bengal, so that there is no crashing of the prices below the minimum level. But what information they gave to me, I just put in the statement. After all, we have to depend on the information supplied by our field formations. (*Interruptions*) We have to depend on our officers. I am sorry to tell you. That is the practice we are having here. (*Interruptions*) No; I am not sorry for it. I am sorry for you. I have to depend on the information given by the officers, and this is the practice and basis on which we are working. But I gave credit to your information. So, in addition to that, I instructed JCI to open more purchase centres in North Bengal, so that the prices do not crash.

In regard to cotton and other things, I have already answered the question. So far as West Bengal is

concerned, who prevents West Bengal from having its own corporation?

I told you: let your proposal come first. Bring out a proposal. Let the matter be taken up with the Finance Ministry. Bring out your concrete proposal. Then, if it is not accepted, you give it to me. I have been repeating this point for the last half a dozen times on the floor of the House.

MR. CHAIRMAN: The House stands adjourned for one hour. We will meet at 14.02 hrs.

13.02 hrs.

*The Lok Sabha adjourned for Lunch till two minutes past Fourteen of the Clock.*

*The Lok Sabha re-assembled after Lunch at five minutes past Fourteen of the Clock.*

[MR. DEPUTY-SPEAKER in the Chair]

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE—CONTD.

FALL IN PRICES OF RAW JUTE IN WEST BENGAL—Contd.

श्री निखय कुमार यादव (नालन्दा): मैंने मंत्री महोदय के जवाब को जो उन्होंने इस कालिंग एटेंशन के उत्तर में दिया है बहुत गौर से देखा है। जो जवाब उन्होंने दिया है उससे हाउस के ना तो इस तरफ के और न ही उस तरफ के लोगों को संतोष हुआ होगा। वह स्वयं कहते हैं कि जूट उद्योग पर खतरा है। मेरा यह अनुभव है कि जूट उत्पादकों के साथ अन्याय किया जा रहा है, उनकी जबर्दस्त लूट हो रही है। इस में न केवल जूट मैगनेट शामिल है बल्कि भारतीय जूट निगम भी शामिल है और सरकार का भी इस में हाथ है।

यहां पर बंगाल की और बंगाल के जूट उत्पादकों की चर्चा हुई है। मैं आपके माध्यम से एक टैलीग्राम हाउस के सामने रखना चाहता हूँ जो वेस्ट बंगाल के हमारी

पाटी के नेता की है। श्री बिश्व नाथ मुखर्जी इस तार में कहते हैं:

"Jute prices crash upto Rs. 120 or even less. Jute Corporation of India not making commercial purchases or even paying support price. Reserve Bank of India not advancing adequate support price. In sharp contrast to Cotton Corporation of India."

बंगाल में 120 रुपये और उससे कम प्रति क्विंटल का भाव है। सपोर्ट प्राइस के बारे में मंत्री जी कहते हैं कि वैसे तो 160 है लेकिन अलग अलग जिलों में कहीं पर 175 यह जाती है और कहीं इससे कुछ ऊपर जाती है। जहां तक बिहार का सम्बन्ध है वहां हालत यह है कि सौ रुपये से भी कम में उसकी बिक्री हो रही है। रेट उससे भी कम चला गया है। जो सवाल किए गए हैं उन में इस बात पर जोर दिया गया है कि अगले जूट उत्पादकों की स्थिति में सुधार आप लाना चाहते हैं और जूट उद्योग को बचाना चाहते हैं तो गवर्नमेंट को इस मामले में आगे आना होगा।

लेकिन स्थिति क्या है? अभी जवाब में उन्होंने कहा है कि बंगला देश की सरकार ने अपने यहां को जूट उद्योग को बचाने के लिए जो एक्सपोर्ट ड्यूटी लगती थी उसको सस्पेंड कर दिया है। अब मेरी जानकारी यह है कि हमारे यहां पर एक्सपोर्ट ड्यूटी में इजाफा हुआ है। एक तरफ तो जूट मैननेट किसानों को लूट रहे हैं और ऐसी स्थिति पैदा कर रहे हैं जिस में किसानों को कम से कीमत मिले, कम से कम कीमत में उनका जूट उनको मिल सके, दूसरी तरफ आप एक्सपोर्ट ड्यूटी को बढ़ा देते हैं। जूट से आप जबर्दस्त रूप से फारने एक्सचेंज भी कमाते हैं। ऐसी स्थिति में मैं समझता हूँ कि एक्सपोर्ट ड्यूटी को बढ़ाना उचित नहीं था।

लेकिन आंकड़े कुछ दूसरी बात बताते हैं। वे बताते हैं कि जूट मैननेट्स को हर साल लगभग 400 करोड़ रुपये का मुनाफा होता है। 1961-62 और 1963-64 में कच्चे जूट की कीमत में केवल 44

फीसदी का इजाफा हुआ, लेकिन उसी पीरियड में जूट के तैयार माल की कीमत में 133 फीसदी का इजाफा हुआ। 1977-78 और 1978-79 में गनी बॅग्स की कीमत में 20 परसेंट का इजाफा हुआ, और कच्चे जूट के दाम बढ़ने की बात तो छोड़ दीजिए, उनमें गिरावट आई। ये आंकड़े इस बात को स्पष्ट करते हैं कि यद्यपि उनके मुनाफे में लगातार वृद्धि हो रही है, मगर फिर भी कहा जाता है कि जूट मैननेट्स को नुकसान हो रहा है और इस लिए जूट उद्योग खतरे में है।

मंत्री महोदय ने बताया है कि सरकार की नीति मोनोपली परचेज और जूट उद्योग को नेशनलाइज करने की नहीं है। यह सही है कि सरकार ने इस बारे में कोई पॉलिसी निर्धारित नहीं की है, लेकिन यह बात उसकी वर्तमान नीति के अन्तर्गत ही आती है कि जब करोड़ों लोगों का जीवन और उनकी रोषी-रोटी खतरे में है, हिन्दुस्तान का एक बड़ा उद्योग, जिससे हम फारने एक्सचेंज कमाते हैं, बड़े खतरे में है, तो देश के हित में और जूट प्रोब्लम के हित में यह आवश्यक है कि सरकार जूट उद्योग को अपने हाथ में लेले। ऐसा किये वगैर किसानों के हितों की रक्षा नहीं हो सकती है। और उन्हें लूट से नहीं बचाया जा सकता है। अगर सरकार इस बारे में आगे बढ़ कर कदम नहीं उठायेगी, तो यह उद्योग चाँपट हो जायेगा।

जब भी किसानों का सवाल उठता है, तो सपोर्ट प्राइस की बात कही जाती है। इस सदन में दोनों तरफ से बराबर मांग की जाती है कि किसानों को लाभकारी मूल्य दिये जायें। उद्योगपतियों को लाभकारी मूल्य मिलता है और वे करोड़ों रुपयों का मुनाफा कमाते हैं। किसान देश को खिलाता है, उसको आगे बढ़ाता है, लेकिन सरकार उसको सपोर्ट प्राइस देती है, लेकिन उसमें भी पूरी खरीद नहीं की जाती है और इसको प्राइवेट सेक्टर के हाथ छोड़ दिया जाता है। और किसानों को उसके पैदावार का लाभकारी मूल्य नहीं दिया जाता है। मेरा पॉयंटिड क्वेश्चन यह है कि क्या सरकार इस सिलसिलों में अपनी नीति को फिर से निर्धारित करने के लिए तैयार है और क्या

वह मॉनोपली परचेज करने के लिए तैयार है या नहीं ।

**SHRI PRANAB MUKHERJEE:** So far as the policy of the Government in regard to the monopoly purchase is concerned, I have already explained that position. I have never said that I do not believe in monopoly purchase. What I say is that J.C.I. with its present capacity is not a position to have monopoly purchase. It is a fact. There is no question of ideological liking or disliking.

In regard to export duty, the hon. Member has misunderstood. Export duty of Bangla Desh is on raw jute. Export duty in India is on finished product. In fact we are appropriating the profit earned by the mill owners and exporters, where the growers are not concerned. If I do not impose the export duty, the exporters and the mill owners will increase their profits. When the market prices go high and much above the contracted price, naturally Government comes forward and imposes export duty. Therefore, the analogy which the hon. Member wanted to draw between Bangla Desh and India is not relevant. Here, if you want to reduce profit of the mill owner, export duty is an instrument to reduce their profit and that is why we impose export duty.

In regard to the first point which the hon. Member mentioned about the case, we have also received certain cases from Bihar. In fact Bihar Chief Minister contacted me and I had a talk with him. That is why I have instructed J.C.I. to open purchase centres in three centres, apart from the existing purchase centres, and activate them—Katihar, Saharsa and Purnia. I have already explained that we will try to see that the prices do not crash below Rs. 160. JCI will have to give whatever help is needed for that. We shall arrange that. He has mentioned about credit. That has been taken care of and it has been sorted out. They were in need of credit. The Reserve Bank

was approached and now Reserve Bank has made provision for additional credit for JCI.

**SHRI CHITTA BASU (Barasat):** Sir, this is an important subject which concerns the entire north-eastern region, lakhs of jute growers, jute manufacturers and export trade of our country. Therefore, I would earnestly appeal that the whole approach should be on a dispassionate basis. I want briefly to refer to only four aspects. The first is the aspect of the role of the JCI. The second is the aspect of the price fixed for jute purchase by JCI. The third is the aspect of integrated approach to the problem. The fourth is the question of discrimination between CCI and JCI. With regard to the first, I have got enough materials to dole out. It is needless from the side of the opposition to quote figures. The hon. Minister knows them better. From whatever figures are available with me from the report of the Jute Commission of India for 1978-79 placed on the Table of the House in last June, it appears that the purchase by JCI was very meagre in 1977-78. The review report says that it was only 6700 bales, not more than that. In 1978-79, the target was fixed at 15 lakh bales. Ultimately it was revised and fixed at 10 lakh bales but the actual purchase by the JCI was only 8.3 lakh bales. The export in that year was only 27,000 bales or something. Therefore, the total handling by JCI in 1978-79 was about 8.6 lakhs. The average production is about 80 lakhs. Therefore, it is clear to all that never has there been an occasion when JCI could handle more than 10 per cent of the total crop, leaving 90 per cent of the crop at the hands of the ~~poor~~—the middlemen—the unscrupulous jute traders, I do not want to add adjectives and the jute mills. Therefore, 90 per cent of the crop is left unprotected in terms of price support. Therefore, in that context, the role of JCI comes in. I say that JCI has got the role to protect the interests of the

growers. In order to do that, the role of the JCI should be ultimately monopoly purchase. The policy of the Government should be to progressively advance towards the monopoly purchase of raw jute. But the fact is that the object has not been realised. In taking the JCI to the position of commanding heights in the jute trade, its role has been deflated. There is an apprehension that the Government's policy under the pressure of jute barons is to deflate the importance of the JCI and ultimately abolish it. As a matter of fact, last April, the jute lobby was working hard to abolish the JCI so that the jute growers could be more fiercely fleeced. This is my apprehension. In view of this fact, may I know whether the Government proposes to further extend the operation of the JCI, to strengthen the infrastructure and lead it to a position where the JCI attains the position of commanding heights in the jute trade and ultimately goes to the place of monopoly procurement?

The second aspect is about the jute price. The hon. Minister would agree with me as he knows Bengal, its agony, its problems also, that the jute price had been fixed at Rs. 160/. It varies in practical terms from Rs. 160/- to Rs. 175/-. But it is my opinion and I think he would concede, that this is not remunerative. This price falls much below the cost of cultivation. I think, Prof. Ranga would agree with me on this. In this respect, I only quote the PUC report and other reports furnished by the Government of West Bengal, etc. etc. And there is a memorandum with him wherein it has been stated that the cost of cultivation comes to Rs. 250/- per quintal. Having regard to all these things, it is assumed that the price of raw jute fixed or prescribed by the APC falls far short of even the cost of cultivation what to speak of remunerative price. I know the difficulty of this Government. The Government's difficulty is that it is the APC which prescribes

the price of agricultural commodities. Having regard to the concrete situation in relation to the jute and jute growers, may I ask the hon. Minister whether his Ministry would see to it that the jute growers get a remunerative price and intervene and take suitable steps in the process of fixing jute price by the APC? I am constrained to remark that the APC is heavily weighed in favour of industrial houses. APC's interest is not to protect the interest of the jute growers but its interest is to protect the interest of the industrial houses particularly jute barons. Therefore, the Ministry of Commerce who is concerned with the jute trade, jute production and manufacture and its export, should intervene and take suitable steps in fixing the price of raw jute. Would the Minister make the proper intervention?

According to this side of the House, an integrated approach to the problem is necessary. And that approach is that the entire jute trade should be taken over by the State. You may not agree but this is our approach. The entire jute trade should be taken over by the Government, the entire jute mills should be nationalised and the export trade should also be nationalised. The entire sector of the jute industry, both production manufacture and export, should be under State control to have a permanent solution of this vexed problem. I do not know how the Government would react to this; certainly, not to my satisfaction I know. I know their limitations. Yet the hon. Minister is on record on several occasions that this Government's and Ministry's policy is to have an integrated jute policy. I would also agree that there should be an integrated jute policy to cover production, manufacture and export. May I know what is the thrust of this integrated jute policy?

Then there is the question of discrimination between cotton and jute. It has been stated by the hon. Minister that in Maharashtra since there

is the monopoly purchase scheme sponsored by the State Government and there is an efficient network of purchase of raw cotton, the price of raw cotton always rules over the prescribed minimum support price. There are several other cotton growing States like Punjab and Gujarat where there is no State-sponsored monopoly purchase scheme. Yet, the cotton growers get higher price than the support price and the Cotton Corporation of India purchases at prices higher than those prescribed by the APC. In this context, the whole burden of the statement of the hon. Minister is that the JCI will purchase only at Rs. 180, the prescribed price of APC and for all intents and purposes the commercial price is ruled out. So there is an element of discrimination between the cotton purchase and jute purchase. While the CCI purchases at a price higher than the support price, the JCI is forbidden, is stopped, is ordered, is directed, not to purchase above the support price in relation to jute. Therefore, there is a clear and apparent case of discrimination between the CCI and the JCI. The reason might be that while there is an element of subsidy in the case of cotton, there is no element of subsidy in the case of jute.

Lastly, the statement says that the Government have agreed that Rs. 13 crores would be given to the JCI to dispose of the accumulated stocks. If the Government can give Rs. 13 crores to the JCI, why not a few more crores to the actual growers? Why are you so unsympathetic and cruel towards the jute growers that you are not willing to raise the price a little bit by increasing the subsidy?

SHRI JANARDHANA POOJARY (Mangalore). Sir on a point of order. The hon. Member has taken 20 minutes. (*Interruptions*)

SHRI CHITTA BASU. Is it not inconvenient to you? And I know it is inconvenient to you. (*Interruptions*). Sir, I know these things are

very inconvenient to them and therefore, they do not like.

Anyway, my last question is: Would the Government at this late stage reconsider the proposal of purchasing jute by a commercial operation at a price higher than the support price in the interest of the nation as a whole?

SHRI K. LAKKAPPA (Tumkur): Sir, he has attacked the cotton lobby.

(*Interruptions*).

MR. DEPUTY-SPEAKER: He has not left any lobby.

SHRI PRANAB MUKHERJEE: Let us not work for any lobby. I agree with you.

Sir, I will take up the last point which the hon. Member has raised as to why we are giving Rs. 13 crores to JCI and why we are not giving it to the growers. Perhaps he has misunderstood the whole point. The JCI purchases from the growers to see that the prices do not crash. In 1978-79 and 1979-80, the accumulated stock was a little more than 16 lakh bales. They could not dispose of it. If they cannot dispose of the old stock, they would not be in a position to purchase for the current year and in order to dispose of the old stock, the loss which they will incur with the present market price the Government agreed to pay, that margin amount of Rs. 13 crores. Therefore, this amount of Rs. 13 crores was paid to JCI in order to help them to step into the market. Otherwise, they will not be in a position to come to the market at all. Therefore, this is part of the operation.

SHRI NIREN GHOSH. There is a move to discredit the JCI.

SHRI PRANAB MUKHERJEE. Mr. Ghosh, perhaps you will agree with me, nobody other than you can discredit the JCI.

[Shri Pranab Mukherjee]

The second point is that the JCI is not forbidden to have the commercial purchase. Nowhere I have said that the JCI stopped to make the commercial purchase. What I have said is that JCI will have to make commercial purchase by applying their commercial judgement. This much I have said.

In regard to the integrated policy which the hon. Member mentioned, I myself mentioned it on the floor of the House while replying to the debate on the Demands for Grants that we would like to have an integrated policy on jute, keeping in view the interests of the growers, industry and export. For that I have already appointed one task force consisting of representatives of various interests and they should come forward with their recommendations which we will be prepared to examine and implement. In this connection, the major thrust is, of course, to see that the growers get their due share and I agree with the hon. Member in that respect that have not been able to build up the institution through which we can help them in the direction in which we want to. When I say that the JCI is not in a position to do, I just simply keep in mind the physical inabilities of the JCI as it is today. If the JCI was not in a position to purchase more than a few thousands, as the hon. Member has mentioned, in 1977-78, if the JCI is not in a position to dispose of the stock which they purchased in 1978-79 and 1979-80, it shows that there are some inherent deficiencies in the organisation itself and I have never said that I am here to certify JCIs inability. (Interruptions). What I said is that the JCI as it is today is not in a position to do better what we have prescribed for them to do. Therefore, we have asked them: 'At least one thing you have to do. You must maintain the minimum support

price operation and for that whatever is needed you will have to do.'

In regard to pricing I have myself said that if the Parliament directs me to take the advice of Mr. Niren Ghosh about fixing the price, throw away the recommendations of the APC, I will be too happy to do so.

SHRI NIREN GHOSH: You will have to yield to me on this tomorrow if I am alive.

(Interruptions).

SHRI PRANAB MUKHERJEE: The Committee on Public Undertakings and others have their own areas of their functioning and they make certain recommendations, but there is a set pattern.

So far as the prices of the agricultural commodities are concerned, we ought to depend on the recommendations of the APC and what APC recommended I accepted, and I have explained the position.

In regard to the prices that APC has fixed when we have a discussion we must look into them, particularly the concerned Ministries which are vitally interested in the development of the jute industry. If it is necessary to revise the terms of reference of the APC, that point can be looked into.

In regard to the expansion of the functioning of the JCI, definitely we would like to see that it plays its due role, and I do agree that unless it can play a commanding role in purchasing raw jute, it will not be possible to save the jute growers from the middlemen. At the same time I cannot promise what I can perform and what I can fulfil. With the present state of affairs, the present machinery left with me. I am not in a position to go beyond what I have said