

[Shri Surjit Singh Barnala]

where the sugar industry has felt that within the present price parameters it would not be economic for them to continue to pay the same cane prices to the growers as they had agreed to initially. In addition, because of the expected large production this year and the carryover from last year the sugar industry was also feeling severely the burden of having to carry substantially larger stocks than last year. It thus became necessary to ensure that as much as possible of the additional production of cane this year was absorbed to avoid loss to the producers. The Government have taken note of these changed circumstances and keeping in mind the need to ensure a remunerative price to the cane producer and at the same time to enable the industry to function in a viable manner, have evolved new elements of sugar policy which are as follows:—

I. The weighted average ex-factory price for levy sugar on an all-India basis shall be fixed at Rs. 187.50 per qtl. The prices applicable for the different zones will be worked out and notified separately. These prices will take effect from 1st March, 1978.

II. Consequent on the fixation of the ex-factory prices for levy sugar, the retail price of levy sugar to the consumer would have had to be raised from the present level of Rs. 2.15 per kg. to Rs. 2.35 per kg. However, this price would be kept at Rs. 2.30 per kg.

III. Excise rebate will be given to encourage the factories to continue late crushing beyond 30th April, 1978 to absorb as much of the additional cane production as possible this year. Details of the scheme will be announced shortly.

IV. Export of 6.5 lakh tonnes of sugar (which is the quota in effect for 1977-78 under the International Sugar Agreement) will be permitted. This will help the sugar factories by reducing the stocks which they will otherwise have had to carry.

V. Since with the additional production the factories will have to carry larger stocks than last year, arrangements will be made to suitably increase the credit limit of the factories to cover the additional credit needs.

2. Government have taken these decisions in order to help to make the industry function in a viable manner and to ensure that the cane growers continue to get the same price, that they have been getting. Government will also take steps to ensure that the prices of levy-free sugar in the open market are allowed to rule at the desired level. With all these steps and with the fixation of the ex-factory prices for levy sugar as announced, Government expect the factories to do their part by continuing to pay to the cane growers the same prices as were agreed to initially and maximising the drawal of cane by extending the crushing season.

13.10 hrs.

STATEMENT RE. SANCTION OF AN
ADDITIONAL INSTALMENT OF
DEARNESS ALLOWANCE TO CENTRAL
GOVERNMENT EMPLOYEES

MR. SPEAKER: The Finance Minister.

SHRI JYOTIRMOY BOSU (Diamond Harbour): On a point of order, Sir. I have written to you stating that they have given it to the press first. It is bypassing the House. The House is in session. They should not treat the House like this.

MR. SPEAKER: This matter has been decided by the Speaker much earlier. He has come to the conclusion that it is improper to issue a statement to the press first, but it does not amount to a breach of privilege.

SHRI JYOTIRMOY BOSU: I am only saying that they should not treat the Parliament casually. I welcome the

decision. But they should not bypass the House by going to the press first.

THE MINISTER OF FINANCE (SHRI H. M. PATEL): This statement has not been given to the press. Kindly listen to the statement and then you will understand.

Hon. Members will recollect that the Third Pay Commission had recommended to Government a formula according to which increases in D.A. to Central Government employees were to be given at specific percentage rates for every 8 point increase beyond 200 points in the 12-monthly average of the All India Consumer Price Index for industrial workers (1960-100). Nine instalments of Dearness Allowance were sanctioned according to this formula from time to time till the average index had reached 272 points. The Third Pay Commission had further recommended that when the average index crossed 272 points, government should review the position and decide whether the DA scheme should be extended further or whether the pay-scales themselves should be revised. After the average index figure crossed 272 points, Government allowed, on an *ad hoc* basis, suitable increases in dearness allowance to mitigate the hardship caused to the employees. Five additional instalments of dearness allowance were allowed by Government to cover the index average of 312 points.

The 12-monthly average index crossed 320 points at the end of December, 1977. Government have given careful consideration to the matter and have decided to sanction an additional (8th) instalment of dearness allowance to Central Government employees with effect from 1-1-1978. This additional instalment would impose an additional burden of Rs. 50 crores in a full year.

While agreeing to sanction an additional D.A. instalment, in keeping with the practice so far followed, the form and manner in which the instalment should be paid is a matter which Gov-

ernment proposes to discuss with the Staff side of the National Council of the JCM.

SHRI JYOTIRMOY BOSU: How do I understand that it was not given to the press first?

MR. SPEAKER: He has said that he has not given it to the press. The House stands adjourned till 2.15 P.M.

13.15 hrs.

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

The Lok Sabha reassembled after Lunch at eighteen minutes past Fourteen of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

MATTER UNDER RULE 377

REPORTED SUPPLY RAPESEED OIL FOR REFLING TO TWO BLACK-LISTED FIRMS

MR. DEPUTY-SPEAKER: Matters under rule 377. Dr. Laxminarayan Pandeya.

डा० लक्ष्मी नारायण पांडेय (मंडसौर): उपाध्यक्ष जी, मैं आपके माध्यम से एक ऐसा गंभीर, घोटाले और भ्रष्टाचार का मामला सदन में उपस्थित करना चाहता हूँ, जिसमें किस प्रकार दिल्ली प्रशासन की बातों की उपेक्षा कर के केन्द्रीय सरकार के एक विभाग ने यहां के एक कैपिटल आयल मिल और कमल आयल मिल को रेप-सीड आयल को साफ करने के बारे में हजारों टन तेल देकर उनको फायदा पहुंचाया है। मुझे इतना ही कहना है कि ये दोनों मिलें दिल्ली प्रशासन द्वारा काली-सूची में दर्ज की जा चुकी थी क्योंकि पहले भी बहुत बुरे कारनामे इन फर्मों के रहे हैं।