

[Mr Speaker]

(ii) Telegram, dated the 24th May, 1971, from the Superintendent, Tihar Jail, New Delhi :
"Shri Lalji Bhai, Member Lok Sabha was admitted in Tihar Jail today under Section 188, Indian Penal Code "

He is now lodged in the Tihar Jail

SHRI R V BADE (Khargone) He was coming to Parliament At that time

MR SPEAKER I am only giving an information He cannot raise any question without giving notice

12 43 hrs

STATEMENT RE SUGAR POLICY

MR SPEAKER Now Shri Fakhruddin Ali Ahmed will make a statement If it is too long it may be laid on the Table

THE MINISTER OF AGRICULTURE (KRISHI MANTRI) (SHRI F A AHMED) I beg to lay on the Table

SHRI TRIDIB CHAUDHURI (Behampore) Sir, this is an important policy statement Merely laying it on the Table would not do

MR SPEAKER If hon Members so desire, it may be read

श्री अटल बिहारी वाजपेयी (खालियर)
अध्यक्ष महोदय, अगर आप इन के बक्तव्य के बाद हमें सबाल पूछने की इजाजत दे, तब तो बक्तव्य पढ़ने का कोई लाभ है। अगर केवल सुनना ही है तब तो वह बाद में भी पढ़ा जा सकता है।

SHRI JYOTIRMOY BOSU (Diamond Harbour) Sir, on a point of order There is a news item in today's *State man* which says that the Union Cabinet has decided to de-control sugar This information has been given to the press even before it is given to Parliament This is a clear breach of privilege of the House

MR SPEAKER : He cannot raise anything he wants without giving a proper notice

SHRI JYOTIRMOY BOSU . I am raising it under rule 376

MR SPEAKER Please give it in writing

SHRI JYOTIRMOY BOSU . It is a point of order under rule 376

MR SPEAKER You are objecting to a certain statement

SHRI JYOTIRMOY BOSU I am not objecting to his statement I am only saying that there is a front page news item in today's *Statesman* which says

' The Union Cabinet today decided to de-control the price of sugar "

I want you, Sir, to obtain an explanation from the government how they have released the news to the press before giving it to Parliament You can make up your mind

MR SPEAKER I have already made up my mind

SHRI F A AHMED Government have not released it to the press

MR SPEAKER Let him make his statement

SHRI F A AHMED As the House is aware, complete control on sugar was imposed on April 1963 on account of the low production of sugar that year and increase in its prices The control continued in this form upto the 1966-67 season when sugar production was one of the lowest in recent years because of the drought conditions which had affected the sugarcane crop, the production during the year being under 22 lakh tonnes In order to encourage the production of sugarcane as well as of sugar through the incentive of higher cane prices, the policy of partial decontrol of sugar was introduced from 1967-68 season Under this modification, a major part of the production of sugar was procured by Government at fixed prices, mainly for controlled distribution to the domestic consumers and

a portion released to the factories for sale in the free market. This ensured that while the domestic consumer obtained his requirements at reasonable prices fixed by Government, the factories could realise higher prices for the free-sale sugar and, therefore, pay higher prices for sugarcane to the growers. During the years, 1967-68 and 1968-69, the growers received for their cane prices which were substantially higher than the statutory minimum prices. The objectives of this policy have thus been achieved inasmuch as the production of sugar went up to 35.6 lakh tonnes in 1968-69 and to 42.6 lakh tonnes in 1969-70 and sugar has been available to domestic consumers in adequate quantities through controlled distribution channels at prices fixed by Government.

2. With the substantial increase in production and accumulation of stocks of sugar with the factories which were about 21 lakh tonnes at the close of the last season, the situation has materially changed. Although internal consumption has gone up from 26 lakh tonnes in 1968-69 to 32.5 lakh tonnes in 1969-70 and may be about 37 lakh tonnes during the current year, the stocks with the factories at the end of the sugar year in September will still be of the order of 19 lakh tonnes. The prices of sugar in the open market have also been going down substantially since 1969-70 sugar season and the prices realised by the factories (exclusive of excise duty) have been more or less at the level of the levy prices. Factories in high cost zones have not been able to sell the released levy sugar on account of easy availability of free sale sugar and the reluctance of deficit States to lift high priced levy sugar for distribution. This has resulted in accumulation of disproportionate stocks with factories in several zones and consequent financial difficulties. There have been persistent demands from sugar industry for a revision of prices on the ground that there has been increase in the cost of production and holding of stocks. Many factories have had recourse to litigation in recent months and have secured interim orders involving substantial increases in prices, which vary from factory to factory in the same zone, with the result that at present in several parts of the country the system of price control and distribution is under great strain.

3. Government have therefore reviewed the entire sugar policy in the light of the changed circumstances. It is considered that, in view of the easy supply and stock position of sugar, control over prices of sugar, distribution of sugar to consumers at fixed quotas on the strength of cards and other procedural handicaps have little place in the present situation. Government have therefore decided to remove all controls on prices, distribution and movement of sugar with immediate effect. Releases of sugar from factories for sale to wholesalers will, however, continue to be regulated in order to maintain reasonable and stable prices in the market and to ensure availability of adequate supplies throughout the year. By a process of judicious releases it will also be ensured that there are always adequate reserve stocks of sugar in the country to meet future contingencies. Government hope that these steps will help in removing the present strain in the distribution system and enable the consumer to get his requirements at competitive prices throughout the country. Further, in order to protect the interests of the sugar cane growers, control over minimum prices of sugar cane to be paid to the growers will continue and minimum prices will be fixed for each crop season, as in the past.

12.47 hrs

RE. DISCUSSION ON INFLUX OF REFUGEES FROM EAST BENGAL

MR. SPEAKER : We will now resume discussion on item No. 8, the Annual Report of the University Grants Commission.

श्री अटल बिहारी वाजपेयी (ग्वालियर) :

अध्यक्ष महोदय, मेरा एक निवेदन है, बंगला देश के सम्बन्ध में आज जो चर्चा रखी गई है, वह जिस नियम के अन्तर्गत है, उस में समय कम मिलेगा। आप जानते हैं कि यह विषय बहुत महत्वपूर्ण है। सबन के सभी वर्गों के प्रतिनिधि, प्रबन्धता इस पर बोलना चाहेंगे, इस लिये यह चर्चा दो-तीन घंटे में समाप्त नहीं हो