

SHRI K BRAHMANANDA REDDY
I have not got that order with me. On the 18th two CRP personnel were killed and one civilian was killed. On the 19th, three civilians were killed in Bijn and two in Kokrajhar. A total of eight were killed. I have already submitted that about a hundred were injured out of whom there were some policemen as well.

SHRI M C DAGA I say that if people assembled at four places, how many assembled at one place?

SHRI S M BANERJEE (Kapur)
Did he count them?

SHRI M C DAGA When an order under section 144 is issued by a magistrate, it is issued for a particular locality, either 10,000 assemble at one place or in different parts of that area. I want to know this fact. How many people were encountered by the police? 100 on this side and 200 on that side or 400? Or were all the 10,000 persons at one place?

MR DEPUTY-SPEAKER Shri Chattopadhyaya to make a statement

15 27 hrs

STATEMENT RE REPORTED DECLINE IN PRICES OF COTTON IN CERTAIN STATES

THE MINISTER OF COMMERCE (PROF D P CHATTOPADHYAYA)
Mr Speaker, Sir, some Hon'ble Members have observed during discussions on 11-11-1974, that there has been a steep decline in prices of cotton in Punjab, Haryana and some other parts of the country compelling farmers to resort to distress sales. It has also been stated that the Cotton Corporation of India has failed to enter the market and ensure reasonable prices for Kapas.

Government are keen to ensure that growers receive fair prices for their cotton and that the production of

cotton continues to increase in accordance with the Fifth Plan targets. At the same time, it is needless for me to emphasise that high prices of raw cotton will inevitably lead to higher prices of yarn and cloth affecting consumers at home, including the economically weaker sections as well as the competitive status of our cotton textiles in export markets.

As Hon'ble Members may be aware, the Agricultural Prices Commission goes into the cost of inputs of various agricultural commodities including cotton and recommends support prices. For 1972-73 cotton year, the minimum support price for the basic variety, viz., Punjab American 320-F, was Rs. 142 per quintal of kapas. For 1973-74 season, the recommended support price was Rs 170 per quintal for the same variety. As against this, average market prices prevailing in the 1972-73 and 1973-74 season were Rs 225 per quintal and Rs 290 per quintal respectively. Kapas prices thus registered a sharp increase of about 26.5 per cent in the 1973-74 season over 1972-73 levels.

It is understood that prices of Kapas of 320-F variety in Punjab, Haryana and Rajasthan markets are presently ruling between Rs 280—Rs 320 per quintal. Though these prices represent a decline as compared to the peak levels reached beyond August 1974, they are on the average still higher than that the corresponding period last year. The price levels for cotton are also influenced by the level of purchases by trade and mills and in the last few weeks there has no doubt been some decline in buying interest due to some accumulation of yarn and cloth. This aspect of the problem has to be tackled effectively if prices have to be stabilised. We are actively considering what measures could be taken in this area.

Looking at lint prices, it is seen that between August 1973 and August 1974 prices for some of the principal

varieties rose by as much as 50-80 per cent. The price of Punjab American 320-F rose from Rs. 2276 per candy to Rs. 3901 per candy i.e., a rise of 70 per cent. The price of Bengaldeshi cotton which is also grown in the northern States rose from Rs. 1686 per candy to Rs. 2899 per candy showing a rise of 60 per cent. Kalyan, a popular variety grown in Western India rose from Rs. 2130 in August 1973 to Rs. 4245 in August 1974, a rise of 100 per cent. Although the measures taken by Government to impose stock limits on cotton textile mills, apply curbs on bank credit for purchase and stocking of cotton and reduce the period of validity of Non-Transferable Specific Delivery Contracts from three months to one month, had some impact in arresting the trend to some extent, the fact remains that prices rose in an unprecedented manner.

Sir, I hope it will be agreed that the extraordinary price behaviour of cotton prices in the last season cannot be allowed to set the pace for pricing of Kapas in the current season. Admittedly prices of cloth, other than controlled varieties, have also risen during this period. The effects of these price increases have been mitigated to some extent by increasing the output of controlled cloth from 400 to 800 million Sq. metres annually. Our objective should now be to stabilise the price situation both in respect of cotton and cotton textiles in the interest of the consumers. At the same time cotton prices have to be regulated in a manner which does not erode the competitiveness of our textile products abroad and which assists in maximising our export realisation from textiles.

Having said all this, however, Sir, I would like to assure you that I am fully conscious of the expectations of the cotton growers and would like to ensure a climate in which their productive efforts do not go unrewarded. While doing so, the twin objectives of providing fair prices to the growers

on the one hand and making yarn and cloth available at reasonable prices on the other, would have to be borne in mind. Our view is that the Cotton Corporation of India can play a positive role in this direction. The size and scope of the Corporation's activities will, however, have to be determined by a number of considerations such as the availability of funds and the necessary infra-structure for this purpose. At the same time, nothing that is done by Government or its agencies should result in any inflationary impact which will run counter to Government's general objectives of holding down the prices, especially of basic commodities. Against this background, we are carefully assessing the present situation and subject to availability of funds that can be made available to the Cotton Corporation of India, we are considering a carefully monitored purchase operation consistent with the overall national interest.

PROF. MADHU DANDAVATE (Rajapur): The Speaker had said that this is an urgent issue and we will have some discussion at a future date. If a discussion is not possible, let us seek some clarifications.

SHRI VASANT SATHE (Akola): Today I have given notice of a discussion under Rule 193 on this issue. I would request you to direct the Government to accept this notice for discussion.

MR. DEPUTY-SPEAKER: It is not for the Government to decide which discussion should come to this House. Therefore, I am not going to derogate the authority of the Chair by asking the Government to accept it. The discussion has to be fixed by the Speaker and the Speaker alone.

SHRI VASANT SATHE: May I kindly draw your attention to the seriousness of the matter? In Maharashtra, where we have monopoly purchase, the farmers are in a difficult position. Because of the non-

Prices (St.)

[Shri Vasant Sathe].

availability of funds, the C.C.I. is not able to make any purchases. So, there is a complete collapse of cotton prices.... (interruptions) I agree with you that your authority cannot be eroded. Will you assure us a discussion on this issue under your powers?

MR. DEPUTY-SPEAKER: If the Speaker has said, as Shri Madhu Dandavate now says, that the question is serious and so there should be a discussion in this House, which has now been reinforced by Shri Sathe, I think due note should be taken. But you cannot expect me off hand from the Chair to say that there should be a discussion. After all, this would be taken note of, along with the other things that would be there. Let the Speaker decide it.

SHRI VASANT SATHE: You can at least say this deserves discussion. That much can fall from your lips, in view of the urgency of the matter.

MR. DEPUTY-SPEAKER: I think I have said that much.

SHRI VASANT SATHE: The Cotton Corporation has no funds.... (interruptions).

MR. DEPUTY-SPEAKER: Shri Madhu Dandavate has said so. You have also pointed out the urgency and the seriousness of the situation. Now I can see at least one dozen members on both sides of the House getting up on this. Therefore, this itself is an earnest of the seriousness....

SHRI VASANT SATHE: Now the Minister of Parliamentary Affairs is here. Will you allow a discussion? (interruptions).

MR. DEPUTY-SPEAKER: I cannot violate the rule. I have accepted the seriousness of the thing. I have

mentioned it. I have also said that if the members are so exercised over this, then it must be serious and, therefore, it deserves a discussion. But, do not go beyond that.

श्री मधु लिमये (बाका) : मेरी एक प्रार्थना सुन लीजिये टैकमटाइल मिल्स नेक्से-लाईजेशन बिल चर्चा के लिये प्रा रहा है....

MR. DEPUTY-SPEAKER: Do not have a discussion on this.

श्री मधु लिमये : मैं डिस्कशन नहीं कर रहा हूँ, बल्कि सुझाव दे रहा हूँ कि मंत्री जी उस समय चर्चा के समय हाजिर रहें और बीच में हम लोगो के द्वारा काटन के बारे में जो बातें की जायेंगी उनका जबाब दे ।

15.39 hrs.

REPRESENTATION OF THE PEOPLE (AMENDMENT) BILL*

THE MINISTER OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. GOKHALE): I beg to move for leave to introduce a Bill further to amend the Representation of the People Act, 1951.

MR. DEPUTY-SPEAKER: Shri Atal Bihari Vajpayee and Shri S. M. Banerjee to oppose the introduction of the Bill.

Shri Atal Bihari Vajpayee—not here; Shri S. M. Banerjee.

PROF. MADHU DANDAVATE (Rajapur): Sir, knowing the Business Advisory Committee's decision and agenda, as Mr. Limaye said, it is probable that we will not be able to find time. As Mr. Sathe suggested, if discussion is not possible, at least a Calling Attention should be admitted... (Interruptions).

*Published in Gazette of India Extraordinary, Part II, Section 2, dated 21st November, 1974.