

LOK SABHA DEBATES

I

2

LOK SABHA

Monday, November 25, 1968/Agrahayana 4, 1890 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

MEMBER SWORN

SHRIMATI SUDHA V. REDDY
(Madhugiri—Mysore)

ORAL ANSWERS TO QUESTIONS

Illegality Committed by Gill Ministry of Punjab in Molasses Deal

*304. SHRI SHRI CHAND GOYAL: Will the Minister of PETROLEUM AND CHEMICALS be pleased to state:

(a) whether it is a fact that the illegalities committed by the Gill Ministry in Punjab in the molasses deal has caused a loss of Rs. 2.5 crores to the State exchequer;

(b) whether it is also a fact that the Molasses Control Order, 1961 had fixed a price of 67 paise per quintal;

(c) the price at which dealings were made by the Ministry; and

(d) whether the deal hits the provisions of the East Punjab Molasses Control Act, 1948?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI RAGHU RAMAIAH): (a) No, Sir.

(b) Yes, Sir. This price has also been fixed ex-sugar mill under the

East Punjab Molasses (Control) Act, 1948, which is in force in the Punjab State.

(c) The State Government purchased by negotiation molasses from the open market and paid a price of Rs. 175/- per quintal for 1.50 lakh quintals.

(d) No, Sir.

SHRI SHRI CHAND GOEL: May I know whether it is a fact that the Opposition parties of Punjab had submitted a memorandum on 4th July which was forwarded to the Home Ministry through the President? I also understand from the press that the Governor of Punjab has also submitted his report in which he says that there is a *prima facie* case and molasses worth crore of rupees were purchased from Uttar Pradesh at the rate of Rs. 175 per quintal, when the price controlled in the State was only 67 paise per quintal. The Governor in his report has hinted—he wants to know the source of supply of the firm which has supplied—that the Gill Ministry made crores of rupees. I want to know what is the reaction of the Government on the Governor's report.

SHRI RAGHU RAMAIAH: I am not aware of any Memorandum to the Home Ministry, but it is a fact that molasses were purchased by the Punjab Government at the rate of Rs. 175 per quintal. The rate of 67 nP. that is fixed under the Act is only applicable to molasses sold ex-sugar mill to the distillers and other industries. There is no control under that order or under the Central Control Order on molasses sold in the open market, whether from khand-sari or from mills. Only what is sold at the mill to the distilleries is controlled; only that price is controlled