

[Shri Morarji Desai]

rejuvenated from time to time and that they do not decline in their productivity and that in any case the interests of this country do not suffer. It may not be perhaps very flattering to ourselves, but we have got to admit that the labour is looked after better in these foreign-owned estates than in Indian estates. They are even paid better. What do we want to do in this matter? I do not think that we should take an academic view and merely satisfy a theoretical notion that nationalisation is useful under all circumstances for this country or any country. I hope my hon. friends will take these facts into consideration and drop this proposal if they consider wisdom is better than mere theory.

Mr. Deputy-Speaker: The hon. Member is not there to make a reply. So, I will have to put the question straight to the vote of the House. The question is:

"This House is of opinion that the predominant position of British Capital in the Tea Industry has proved detrimental to national interests and that the Tea Industry should be nationalised forthwith."

The Resolution was negatived.

**RESOLUTION RE: STATUTORY
BODY FOR FIXATION OF SUGAR
CANE PRICES**

Shri Ramachandra Reddi (Nellore):
Sir, I beg to move:

"This House recommends to the Government to undertake legislation at an early date to constitute a Statutory Body for the purpose of fixing Sugar Cane prices, with a view to safe-guard the interests of cane growers and sugar manufacturers and to promote the production of sugar in India."

Sir, you may remember that a similar Resolution was ballotted in my name in the last session. Unfortunately, we could not reach it and it

has now become possible for me to give notice of it once again and bring it before the House for consideration. I should think that I am lucky in getting it in ballot and I hope, with the co-operation and assent of the Government, the cane growers' headache in this behalf would be removed to a large extent. The Resolution recommends the constitution of a Central Cane Price Board as it now exists in Australia. Perhaps there are other countries also where such boards do exist.

The report of the Sugar Delegation Committee which went to Australia and Indonesia in 1955 dealt with this at length and also with the working of the Central Cane Price Board and the local boards in Australia. In a sense, it has shown the way to this Government to adopt a similar measure so that the periodical headaches that the Government is experiencing from the cane growers might be minimised. According to the Australian Act, there should be a board consisting of five members. The Chairman is appointed by the Governor-in-Council, he would be one of the members. He is generally a Judge of the Supreme Court or a person well versed in matters of the sugar industry. There is a representative of the growers, then, a representative of the mill-owners, a qualified sugar chemist and a person experienced in accountancy and audit. Similarly, the local boards constituted under that Act are there so that the local grievances might be gone into and the local problems might be decided according to the best of their capacity.

You would remember that some time back, there has been a big agitation on behalf of these cane growers about the fixation of cane prices in time so that they might go on with their operations and develop the production of cane. Today, the Central Government on the advice of an advisory committee or probably of its own accord, fixes the price and asks the

cane growers to raise the crop. In the year 1951-52 or 1952-53, the cane prices were about Rs. 1-12-0 per maund but in subsequent years it was sought to be reduced. It has actually been reduced to Rs. 1-5-0 per maund, of course with slight variations according to the distance of the field from the factory, and so on. But, the reduction from Rs. 1-12-0 to Rs. 1-5-0 hit hard the grower and the growers had been constantly agitating against the attitude of the Government for not conforming to the prior rate of Rs. 1-12-0. Anyhow, the Government has taken a stand upon that and has fixed it at a lower rate. I may also state in this connection that the price fixed by the Central Government is not automatically adopted by the State Governments. In certain cases, the State Governments seem to be taking a more liberal view and fixing a higher rate. But, anyhow, it behoves a Government which is anxious about the development of sugarcane and the development of the production of sugar in this country to adopt a uniform method with little variations from State to State according to the conditions and capacities available there.

The delegation which I referred to consisted of two officials and one non-official and two representatives of the sugar producers. Dealing with the question of constituting a Board for the purpose of fixation of prices in the final recommendations, the delegation is strongly in favour of the appointment of a Board. The delegation gave its decision in favour of appointing an advisory committee for the purpose of fixation of prices. They say :

"We recommend a standing advisory committee consisting an equal number of representatives of cane growers and factory owners with an independent Chairman, preferably a Judge, should be set up for advising the Government on the level at which the price of sugarcane should be fixed from year to year."

I do not know to what extent Government has been able to proceed and adopt this suggestion made by the Committee, in which there was a preponderance of officials and sugar producers.

On the other hand, in a dissenting note given by one of the members, Sardar Lal Singh M.P. as President of the Sugarcane Growers' Federation. I find on page 110 as follows:

"So, I would strongly urge upon the Government to bring into existence the proposed price fixation board with the least delay which should function with independence so as to inspire confidence of all concerned, the grower, miller and the consumer. The board is also necessary to remove the sugar industry from the chess board of party politics."

I do not know what is the attitude of the Government now with regard to this problem. I hope they have not made up their mind against it. I wish they look into the matter more carefully, with greater responsibility and in the interests of the production of sugarcane as well as production of sugar. It might be said that the question of finance might be standing in the way of constituting a Board like this. I am sure the Government would appreciate the value of a Board like this and its services, and make proper provision for the constitution and maintenance of this Board.

I think there is a large accumulation of the sugarcane cess fund which can be diverted, if so necessary, towards this, or a small cess can be levied on the sugarcane produced as well as the sugar manufactured so as to enable the collection of a small revenue for this purpose, say, a couple of lakhs, for the maintenance of a Board like this.

It should, therefore, be easy for the Government to constitute a Board like this both in the interests of the producers of cane as well as the producers of sugar, and also in the interests of the consumers. In all such

[Shri Ramachandra Reddi]

transactions we usually find that the consumer is left of. I make this remark for the simple reason that, while there is a surplus of nearly a lakh of tons of sugar this year, instead of reducing the consumer's price the Government has begun to make a profit over it by export. Only the other day the hon. Minister for Food and Agriculture has been telling us in reply to a question on the floor of this House that a lakh of tons surplus was available, and they have sent about 46,000 tons of sugar to other countries and made a decent profit of £2 more per ton. If the consumer also comes into the picture, there must be a change in the attitude of the Government in favour of the consumer. Also, if they are making a profit over these transactions, either it must go to the cane producer, who is doing it under very difficult circumstances, or it must go to the consumer. We find from the policy of export that the Government has launched upon, that neither the consumer nor the cane grower has been benefited when the Government is making a good profit over it. Other conditions being comfortable and easy, I do not mind the Government making some profit out of it and utilising it for the general purpose. But, unfortunately, things are not so happy as the Government seems to be thinking, and as such it is very necessary that a body, which will be able to statutorily impose a duty on the Government to adopt a particular price fixed by the Board and see that that price is given to the grower—of course, without neglecting or ignoring the claims of the producer of sugar—is set up.

When the policy of the Government is to stabilise the sugar industry, it must be their policy to stabilise the sugarcane growing industry also. We find from the figures that there is a steady growth in the production of cane. In the year 1955-56 cane was grown over an area of 39,45,000 acres. In 1956-57 the area increased by about 5,87,000 acres. As regards

the production of cane also there has been an increase. In 1955-56 the production of cane was only 5,04,55,000 tons. In 1956-57 it rose to 5,89,14,000 tons. There is an increase of nearly 84,59,000 lakh tons. It is, therefore, necessary that the Government should find a way to stabilise the industry which is rapidly growing, and to see that the growing industry is not affected adversely in any way. It must also be seen that adequate capacity is maintained in India for the production of sugarcane so as to assist the production of sugar in the mills.

By the wobbling policy of the Government, which we have been witnessing for the last four or five years, we have been driven to see this sorry spectacle of importing certain quantities of sugar last year from other countries. That shows, as long as there is no steadiness of policy on the part of the Government there will be unsteadiness on the part of the farmer also, who will be easily diverting his activities from the growth of sugarcane to other commodities. As such the mills will be put to the trouble of closing down their mills for a longer time than it is possible for them to work. It is in the interests of all these, in the interests of the consumers as well as in the interests of the Government, which wants to maintain a steady production of sugar for the purpose of consumers in the country and to avoid imports from other countries, that a Price Fixation Board as suggested in this resolution, and as it is existing in be thought of without any delay.

In the last session when this resolution came up several Members from the Congress side also were anxious to support it. In fact, several Members have signed this resolution before it went to the ballot. But today I do not find them here. I was given an assurance by several Members of the Congress that they will

not only support but also convince and persuade the Government to accept a resolution like this. The resolution is not only innocuous but is also very useful, and I do not think that the Government will enter into any controversy and oppose this resolution. No doubt, there will be some difficulties in working a statutory body like this. But the Government has to face difficulties as long as it holds office, and such difficulties as can be removed safely and easily can be encountered and other difficulties which have to be tackled more carefully and strongly can be dealt like that. By the appointment of a Board like this the Government will be avoiding the headache of trying to please the farmers at every stage. This statutory committee will take the responsibility of fixation of price taking into consideration all the methods of production and the conditions of production. The Government can be a happy body only left with the duty of implementing the decisions made by such a statutory body. I do not think that the Government should find any difficulty in accepting this resolution and, I am sure, if this resolution was discussed in the last session it would have been certainly carried and probably accepted by the Government.

Mr. Deputy-Speaker: Motion moved:

"This House recommends to the Government to undertake legislation at an early date to constitute a Statutory Body for the purpose of fixing Sugar Cane prices, with a view to safe-guard the interests of cane-growers and sugar manufacturers and to promote the production of sugar in India".

Sardar Lal Singh (Ferozepur-Ludhiana): Sir, it is unfortunate that an impression had gone round that this resolution marked No. 2 was not likely to be reached, otherwise, I am certain that quite a large number of M.Ps. would have been present here, because, as my hon. friend has just

now said, no less than 50 to 60 M.Ps. had actually signed a requisition for this resolution. I myself had the impression that there will be no time left because I understood from the papers circulated that the time allotted was from 2.30 to 5 P.M. and no less than two hours and 24 minutes were to be taken up by the first resolution. It is just by chance that I happened to come here and enquire. I found that we have been lucky to get this opportunity. But unfortunately I have not been able to even bring my notes, one or two publications from which I had to quote. So, I shall have to, more or less, depend upon memory.

The sugar industry is the second biggest industry of India which involves two crores of cultivators who derive their livelihood from cane cultivation. Sugar mills also employ about lakh and a half people, not only as mill labourers, but also a large number—about 30,000 of them—of university graduates. The total value of sugar produced is about Rs. 200 crores a year. In spite of the fact that this is the second biggest industry of India, I must say that the industry is in a chaotic condition and we cannot feel very proud of it.

Only some years back, sugar used to be sold at Rs. 2 a seer on account of scarcity of sugar. Then, in 1952, there was said to be over-production of sugar, so much so, that the country had to think of export of sugar. Immediately, after that, within the following two or three years, we saw sugar shortage again to the extent that India had to import Rs. 70 crores worth of sugar. Again, this year, we find there is surplus sugar and we are thinking of export. In other words, there is periodicity of over-production, and under-production, and there seems to be no regular plan of development. Furthermore, the gulf of estrangement, suspicion and mistrust is widening day by day between the cane-growers and the millers which is indeed undesirable for the industry and the country as a whole.

[Sardar Lal Singh]

Sir, the cane-growers feel that they are not getting a fair deal. I may give three or four instances only to illustrate the point of view of the cane-growers. First of all, in all other countries, the cultivators are rewarded for responding to the call of their nation for increased production. But it is quite the opposite here in India. I have already said that some 8-9 years back sugar used to be sold at Rs. 2 a seer but in 1952, thanks to the efforts of the cane-growers in increasing cane production and also, I must say, through the efforts of the State Governments, India became a surplus in sugar. What was the result? The price of cane was suddenly reduced and cane growers were thus penalized. Instead of Rs. 1-12-0 the price that prevailed in the preceding year, it was reduced to Rs. 1-3-0 for out-centres and Rs. 1-5-0 for gate. It was a reduction of about 30 per cent. No amount of protests by the cane-growers, or advice by the States, or warning by the Indian Central Sugarcane Committee (which was the highest body at that time dealing with the industry) against cut in cane price proved of any avail. The Government went ahead and reduced the price. What was the result? The result was that in the following two years, sugar production went down. Although the cane-growers suffered, the consumers also suffered. The Government had reduced the price of sugarcane on the plea that sugar would become available to the public at cheaper rates, but the sugar was not sold at cheaper rate. It was sold actually at a higher price than even before the cut, on the cane price was applied. So, not only the cane-growers but also the consumers suffered. The country suffered, because of heavy import of sugar worth seventy crores and we had to sacrifice foreign exchange which is so badly needed in these days. Even sugar mills remained idle owing to the shortage of cane.

The second example is in regard to the share of the cane-growers in the

price of sugar which our Government had recently fixed and which turned out to be very much lower than what it should have been. For instance, from 1946-1952 the prices of cane and sugar were fixed by Government cane prices being Rs. 2 per maund for the first year, Rs. 1-10-0 for the second, Rs. 1-10-0 again for the third, Rs. 1-12-0 for the fourth and Rs. 1-12-0 again for the fifth year. According to this, the share of the cane-growers worked out to 65 to 71 per cent. But Government, without any reason or rhyme, fixed the share of the cane-growers at 53 to 60 per cent only. When we in this Parliament protested, an expert committee was appointed to go into this matter, and we have yet to see the outcome of the labours of that committee.

Then again, when Government found in 1952-53 that the mills had made tremendous profits at the expense of the cane-grower because of the cut in cane price, Government felt obliged to announce that cane-growers would get some share in the profit. Again, a committee was appointed and we know the sad outcome of that committee. Many of the sugar mills have not paid any share to the cane-growers and some of them have paid just a nominal amount.

It is interesting that while millers were all the time crying, advocating and pressing the Government to bring about a cut in cane price, they themselves were reaping heavy profits. The All-India Cane-growers' Federation has just published a booklet—its annual number, (only yesterday) in which it gives the present state of sugar industry and the profits that are being made or that have been made during the last few years by many sugar mills. It is interesting to know that Hyderabad State Mill, which is a State concern and had therefore nothing to conceal from the public, showed a net profit of over Rs. 36 lakhs in 1951-52 and over Rs. 48 lakhs of profits in 1952-53, excluding over Rs. 8 lakhs which was

paid as managing agency charges. In other words, almost a crore of rupees was declared as profit in two years by this mill. At the same time, this sugar mill has got its own sugarcane farm, supplying cane to the factory. On the cultivation side, this factory had to show a deficit of about Rs. 2 lakhs, even though this mill paid two annas per maund more for the cane given to the mill, over and above the price fixed by Central Government. That shows the economics of cane-growing and the profits of the sugar factories. Similarly in this booklet that the All India Cane-growers' Federation has published, you will find that a large number of sugar mills had regularly been paying a dividend of 25 to 33 per cent year by year. On the one hand, the sugar mills had been declaring such heavy dividends and on the other hand, there has been a constant cry for cut in cane-price why? Because the poor cane-grower cannot have his voice heard. He is disorganised and there is no great force in his protests.

Now a word about linking of cane price with the recovery of sugar. As soon as there was extra production of cane, the sugar mills came forward with the plea, which Government readily accepted, that the price of cane crushed after 1st May, should be linked up with the recovery of sugar. This has caused immense havoc among the cane-growers. It will surprise you to know that cane-growers of Jagadhri Sugar Factory had received last year cane price on 40 per cent. of their cane supply according to the sugar recovery, because 40 per cent. of the sugarcane was crushed after 1st May. The cane-grower is penalised if there is a fall in sugar recovery, but he is given no credit when the sugar recovery is higher than normal such as in the months of January, February or March. In the case of the Jagadhri factory, whereas all parties got their pound of flesh, it was only the cane-grower who was penalised. For instance, the State got its cane cess cent

per cent regardless of the time when the cane was crushed; the Central Government also got its full excise duty regardless of the time when the cane was crushed; the staff got employment for a longer period and even bonuses. The sugar mill, which had to pay the price of cane according to the sugar recovery, did not have to lose anything, but actually benefited because of the longer working season. It was only the cane-grower who was made the sacrificial goat. This is the kind of treatment that the cane-grower is getting.

Apart from this, while the cane-grower is paid price for his cane depending upon sugar recovery, he has no right to ascertain that the calculations made by the sugar mills are correct in this regard. In fact, he is not even allowed to enter the mill and see that the calculation or figure of recovery is not manipulated. In some cases, the sugar mills have got the audacity to say that cane-growers have not got the right to see whether the cane is being properly weighed or not.

I have not got the time to go into all the grievances of the cane-growers, but they are numerous. In any case, the cane-growers feel that they are not getting fair treatment. Accordingly, the cane-growers in the annual conference of the All-India Cane-growers Federation in U.P. about two months back, passed a resolution demanding the creation of a statutory board called the Price Fixation Board more or less on the same lines as it exists in Australia. Ever since the Price Fixation Board was created in Australia about 40 years back, there has been no serious trouble whatsoever between the cane-growers and the mill-owners. There has been smooth working and complete understanding between both, because, as my hon. friend just said, the cane-growers are represented adequately on that board. There is one representative of the cane-grower and one representative of the sugar mill, the President being no less a person than a Judge of the Supreme

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Court. In case at any time a Judge of the Supreme Court is not the President, then the person appointed cannot be removed for 15 years except by an adverse vote of the Parliament, because they want this board to function independently and not be under the influence of anybody. Why is it so? It is because those countries have realised that it is too much of a power or patronage to be given to any one person, no matter how saintly or high he may happen to be, because, after all, we are all human beings and prone to human weakness. We should realise what price fixation means. A more reduction of one anna per maund in cane price means Rs. 3½ crores additional profit to mill-owners. Moreover, the cut in the price has not been of the order of one anna but as it happened in 1952; the cut was of the order of 9 annas, so that you can realise what it means to reduce the price by a few annas. It means putting so many crores of rupees into the pockets of the mill-owners.

Similarly, the price of sugar is fixed on a certain recovery basis. Recently it had been fixed on the basis of 9·6 per cent. recovery of sugar from cane. Those of you who understand this industry know that some of the factories in India are getting not 9·6 per cent., but 11 or 11½ per cent. It has been estimated that a mere difference of :1 per cent., not 1 per cent., in calculation by device, manipulation or mistake in the case of an average factory means a clear additional profit of Rs. 1 lakh. In other words, if a factory obtains 1 per cent. more than the basis of calculation, there is a clear profit of Rs. 10 lakhs in the case of an average factory. In the case of some factories with larger crushing capacity, it may mean even Rs. 30 lakhs clear additional profit. So, you can realise what price fixation means. A slight error or a slight manipulation on the part of one party or the other can mean a difference of crores or tons of crores of rupees. Would you not realise that this is a responsibility which cannot and ought not to be entrusted to a single person—a Secretary or anybody

else, apart from the fact that they have not got the experience and price fixation requires very detailed expert knowledge? Further, somebody has rightly said that it is not enough to do justice; it is equally important that the concerned parties should feel that justice is being done to them. Therefore, the cane-growers demand that not only justice should be done, but they should be made to feel that justice is being done to them. This is possible only if there is a statutory body called the Price Fixation Board, more or less on the lines as it exists in other countries.

As my hon. friend has just said, Government should have no objection whatsoever to this, because they should be jolly glad to get rid of this headache of price fixation. There will be no accusation of patronage or favouritism by one party or the other. There will be no corrupting influence either by the sugar mills or by the cane-growers, although the latter can hardly approach anybody. So, I am certain that if such a board is created, it will lead to purity in our public life. I can hope, this resolution would not be opposed by the mills also because, on this Board, there will be a representative of the millers also, so that, they can have their effective voice. At any rate, what is this Board going to do?

This Board of three people will have under them, experts to advise them who will go through the cost of production of cane; they will also go through the cost of manufacture of sugar. They will study the whole matter thoroughly and then come to certain decisions. Both the public and cane growers will feel convinced that justice is being done.

This Board in Australia has been functioning, as I said, for the last 40 years. I had an opportunity to actually attend the proceedings of this Board. The cane growers are authorised to bring every kind of dispute before this Board, whether the dispute related to the cost of production of cane or the cost of manufacture of sugar or

method of determining the percentage of sugar recovery or even weighment of the cane. All kinds of complaints can be brought before this Board. They are amicably settled, and as a result, there has been little bad blood between millers and growers in Australia. The sugar industry of Australia at present is easily the best organized industry in the world. They have got sugarcane which gives the highest percentage of sugar although they got their cane from India. One of the parent varieties actually was taken from India. It is because of the co-operation that exists between the cane growers and mill owners that so much progress has been possible. I am certain that once this Board is brought into existence, here also, all sorts of misunderstandings and all sorts of mistrust, suspicion and bad blood which exists at present and which is increasing day by day, would be removed. So, I appeal that this Resolution be readily accepted by the Government.

I support the Resolution.

Pandit K. C. Sharma (Meerut Dist. —South): Mr. Deputy-Speaker, I gladly associate myself with the Resolution and emphasise with the full force at my command that such a resolution should be accepted.

The question is this. Situated as we are, particularly with regard to the peasantry, things cannot be allowed to drag on as they do. The standard of life of the common people must be raised. One of the money crops, in fact, the only money crop that the peasant has is sugarcane. Therefore, anything done with regard to more production and better production of sugarcane and better price thereof would certainly add to the standard of life of the peasant, and will create more avenues of employment. This will go a great way to solve one of the most difficult problems facing the country today. It is not an easy matter; nor is it an insignificant question. It is an important matter and also a difficult matter. Anyhow, it has to be faced: it has to be dealt with.

I do not think there can be any difficulty in setting up a Price Board and avoiding the discontent and resentment of the cane growers. As my hon. friend who knows so much about sugarcane has said that in Australia the parties have done much better, we can see in that light if we can do better also. The gur industry is resorted to in areas where facilities of sugar mills are not available. As there is not much scope for development of yield, the gur industry cannot be allowed to go on as more and more sugar mills are set up. If this development is to be made possible, and things are expected to go well, I think it is necessary that more scientific and more satisfactory measures should be taken. It is one of such measures that this Price Board be established so that the peasant may be more contented and may get a fairer deal, so that he may produce better and more, so that he may have an opportunity to improve his standard of living and also help the Government in the solution of the unemployment problem, by building up schools, hospitals and so many other amenities. I think this is a significant question and a very important question that a Price Board be established. I do not think the Government will have any difficulty in accepting this proposal.

Dr. Rama Rao (Kakinada): Mr. Deputy-Speaker, while supporting this Resolution, I want to point out three things. First, even if the Government do not accept the proposal for a Board, they should take necessary steps to look after the interests of the peasants on the points that I am going to make. You won't believe it, some of the mill owners actually cheat the peasants in weighment. I know of one mill where they have consistently cheated and the whole thing came out when the partners were quarrelling over the stolen money. Actually they deceived in weighment and that was calculated separately. Now, they are quarrelling over the stolen money. Secondly, in some mills there is this test of sugar yield. Of course, it is a very desirable thing that it is properly done. The cane grower must get according to the sugar

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yield of the cane. That has got to be regularised and standardised. Unless the mill is state-owned or is a co-operative sugar factory, in the ordinary course, the poor ignorant peasant is at the mercy of the mill owner. He cannot say anything whether it is 9 per cent or 9.5 per cent. In these two matters, the Government even now must take care to see that there is some vigilance to protect the interests of the peasants.

Thirdly, I want to refer to the patronage by the sugar mills: discrimination. The rush for selling sugarcane to the mills is so great that the peasants are to compete with each other. Some sugar mills discriminate against certain persons and favour only particular persons by taking cane or refusing to take cane. In these matters, the Government must set up some machinery to regularise these things. If they accept a Board, the functions of the Board must be sufficiently broad to include all these minor points just as my hon. friend Sardar Lal Singh has mentioned. All the complaints of the peasants must be allowed to be brought before the Board. Even now, before the Board comes into existence, or even if the Government do not accept it, the Government must set up some machinery to look after the interests of the peasants.

16.59 HRS.

[SHRI BARMAN in the Chair]

With these words I support the Resolution of my hon. friend Shri Ramachandra Reddi.

Mr. Chairman: Shall I call the hon. Minister?

The Deputy Minister of Food (Shri M. V. Krishnappa): Sir, obviously this Resolution of Shri Ramachandra Reddi is the outcome of the report submitted by the delegation that we had sent to Australia to study the sugar industry there and report to the Government of India. I would like to state that it is a well balanced report. There are very useful suggestions in it which the

Government want to adopt in dealing with the sugar industry in this country.

17 HRS.

But regarding the constitution of this Board, we sent these recommendations after careful study to the concerned States. The major sugarcane growing States in India feel that the existing system is quite satisfactory, that the present system should be continued.

Also, we know that calculating the cost of production of sugarcane is not such a simple thing. It is very complicated. It has got relationship with other alternative crops in the country. While fixing the price of sugarcane we have to take into account various things—the cost of agricultural produce in the country, the alternative crops, the consumers' interests and lastly the sugar industry, which is most important, as it has to increase production to meet the increasing requirements of the country.

After going carefully into this report, the State Governments have recommended that the existing system is satisfactory. Under the existing system we do not fix the price on an ad hoc basis. We take into consideration the recommendations of the State Governments, the expert bodies and the Central Sugarcane Committee and the growers' interests.

Sardar Lal Singh: May I know which of the States have given this recommendation?

Shri M. V. Krishnappa: The major sugarcane growing States, U.P. and Bombay. They feel that the existing system should continue. And we know 50 per cent. of the sugar is produced in U.P., 10 per cent in Bombay and the rest in South India. So, the major growing States in India feel that the existing system is working all right and that it should continue.

Sardar Lal Singh: Is it not true that the U.P. State Cane Growers' Organisation which comprises 16 lakhs of cane growers, which is a supreme

body, has recommended it, and likewise in the case of Bihar also, the Bihar State Cane Growers' Organisation comprising 3½ lakhs cane growers, has supported it, and that the All-India Cane Growers' Federation has also supported it?

Shri M. V. Krishnappa: I am telling you the Governments' points of view. After all, they are the Governments of the major sugarcane growing States in India, and they are of the opinion that the existing system should continue. They feel at present it is very difficult to conceive of any other system than the present system. That is the opinion of the State Governments. Of course, various bodies recommend various things and they should be taken into consideration.

Sardar Lal Singh: I am not speaking of the other States. I am speaking only of U.P. and Bihar cane growers.

Shri M. V. Krishnappa: I am telling you the opinion of the State Governments of Bombay and U.P. They feel that the existing system should continue. That is what they feel.

Taking into consideration all these factors, we feel at present there is no necessity for a new body. As the State Governments feel that the existing system is all right, I request Shri Ramachandra Reddi to withdraw his resolution.

Shri Ram Chandra Reddi: I have got a word to say.

I was very much disappointed with the answer of the Government. I thought if the Central Government were convinced of the usefulness of the report of this committee which went to Australia and Indonesia, and of the utility of a Board like this, they would have pressed their opinion upon the State Governments, however large cane growers they might be. This is a simple matter brought before the House for the acceptance of the Government, and I thought the Central Government, at any rate, in order to

avoid future troubles and difficulties, would have been good enough to accept this resolution, or at least to have given an assurance that it will be further examined and if possible adopted in due course.

It is a pity that none of the representatives of U.P. and Bihar is available here to give his view. At any rate, my friend Pandit K. C. Sharma who belongs to U.P. has given his opinion.

Unfortunately, the Government has taken up an attitude which does not seem to be satisfactory to the cane growers at all. I would therefore request you to put it to the vote of the House.

Mr. Chairman: So, I put the resolution to the vote of the House.

Shri M. K. Moltra (Calcutta North-West): There is no quorum.

Mr. Chairman: The bell is being rung. Now there is quorum.

The question is:

"This House recommends to the Government to undertake legislation at any early date to constitute a Statutory Body for the purpose of fixing Sugar Cane prices, with a view to safe-guard the interests of cane growers and sugar manufacturers and to promote the production of sugar in India."

The resolution was negatived.

Mr. Chairman: The next resolution is that of Shri S. C. Samanta. He is absent. Shri B. K. Das is authorised to move it. I find he is also absent. So, it falls through.

The next resolution stands in the name of Shri Krishnacharya Joshi. He is also absent. So, the business is finished. The House is adjourned till 11 A.M. tomorrow.

17.09 HRS.

The Lok Sabha then adjourned till Eleven of the Clock on Saturday the 23rd March, 1957.