

"That the Bill further to amend the Banking Companies Act, 1949, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted

THE DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill. There are no amendments.

Clauses 2 to 8 were added to the Bill.

Clause 1. the Enacting Formula and the Title were added to the Bill

SHRI B. R. BHAGAT. Madam, I move:

"That the Bill be passed."

The question was proposed

SHRI BHUPESH GUPTA: Madam, one point. I make it absolutely clear that I never quoted Professor Shenoy. I read the books of other Professors but not Professor Shenoy—I have better books to read—nor did I suggest that the nationalised banking industry should not help the private sector. On the contrary the nationalised banking industry should help those medium and small-scale industries which have an important part to play in our economy today, much more than at present. This is what I wanted to convey. And I thought that he would understand that because I stand for the private sector also in our economy in the present state. Then the other point that I would like to say is, I know the Government policy and I know that this Government walks very slowly. This Government itself had nationalised a very big banking concern, the Imperial Bank of India. I only asked them to go a little faster and complete the process rather than be in a situation where it has a split mind. Mr. Chinai is nodding his head . . .

THE DEPUTY CHAIRMAN: You are mixing up two people all the time, Professor Shenoy and Mr Chinai.

SHRI BHUPESH GUPTA: Economically and politically they belong to the same ideological concept called the Swatantra concept.

SHRI BABUBHAI CHINAI; I do not belong to that ideology.

SHRI BHUPESH GUPTA; Professor Shenoy is the political counterpart of it. Therefore, if I mix them up, you will forgive me because they are so indistinguishable otherwise. The fact that one sits in the Congress Party does not mean that he is materially and fundamentally different from the other one who writes wrong types of economic books. That is all I wanted to say.

THE DEPUTY CHAIRMAN: The question is:

"That the Bill be passed." *The*

motion was adopted

THE SUGARCANE CONTROL (ADDITIONAL POWERS) BILL 1962

THE MINISTER OF FOOD AND AGRICULTURE (SHRI S. K. PATIL): Madam, I beg to move:

"That the Bill to empower the Central Government to amend the Sugarcane (Control) Order, 1955, with retrospective effect in respect of certain matters, as passed by the Lok Sabha, be taken into consideration.

This is a very simple measure, Madam, of two clauses only. Now, the House would like me to tell very briefly—and I will try to do so—as to what has occasioned this particular Bill. Since 1950-51, the Central Government has been fixing the minimum prices for sugarcane. Later on it happened that the sugar mills were making a lot of profits in those days and there was no control, and therefore, the growers naturally thought that they should also share in those excessive profits apart from the minimum price of sugarcane to which they

[THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) . in the Chair]

[Shri S. K. Patil.]

were entitled. In certain places, particularly in South India, where there is a larger yield of sugarcane and larger sucrose content too, the profits were still higher. Therefore, a kind of arrangement was arrived in those parts, which is known as the SISMA formula, that is, the excessive profits which the mills

were making should be reasonably distributed between the growers and the producers. That formula was of a voluntary nature, you may call it a trade union agreement or something like that. In every country it happens that when a particular industry is making any profit, naturally it is the right of those who work in that industry that they should also share in that profit, and these contracts are made from time to time all over the world. Here, in this particular industry in South India, the Federation or the Association of Mill-owners themselves in consultation with the growers' representatives evolved a formula. According to that formula, they were sharing this excessive profit which they were making. Later on, the mills in North India also thought as to why they should not also do it. There the Government came in and said that they had also got to do it. But the basis of it, the House must recognise, was all voluntary. I wish it were voluntary all the time, because after all, the growers now are also just like the factory workers, they are now conscious of their rights,"and they would make it impossible to run the industry, if it is an industry—and this is also a kind of industry although the raw material is supplied by so many millions of those who grow the sugarcane. So, that formula was evolved, and the Government came in to give its blessings and to see that things were happening as well as they could. So far as South India was concerned, the formula went on without any trouble whatsoever. It is even going on today. There is no compulsion about it. No Bill is necessary and it goes on from year to year. In the beginning of the year, there is a contract bet-

ween the cane-growers on the one hand and the producers, the millers, on the other. They sit together and the mill-owners say: "We shall give you so much money although the minimum prescribed is this." They go beyond the minimum. The minimum which the Government has prescribed is Rs. 162 nP. which they must give because it is legal, and if they give anything less than that, they will be prosecuted. But they give there something like Rs. 2, and this is what some of the bad mills are doing; some of the best mills give even Rs. 2-25 nP. which is much more than the minimum that is required to be given. Other States also, like Mysore, Andhra Pradesh and Kerala have been following it.

When the formula came here in North India, on a voluntary basis only once U.P. did it. The figure was something like Rs. 50 lakhs in 19

53-54. But neither before nor after that—I am not talking of the compulsory stage but up to 1958 it was on a voluntary basis—no mill, good or bad, paid anything. So also Bihar paid sometimes Rs. 14,000; only one per cent, has been paid for some time; otherwise it must not be a paltry sum of Rs. 14,000. The same is the case with Punjab and other States. Only in South India, right from the beginning up to the compulsory stage it had been paid. Later on, when this formula was evolved in the North, there were complaints on either side. The growers thought that they were getting less and that they should get some higher percentage of that profit, and the producers thought that possibly they were getting less and that they should get something more. There was an insistent demand on Government that they should appoint a committee to settle as to what should be that percentage. This has nothing to do with the normal sugarcane price which is controlled. This is only a kind of bonus, something over and above the normal price that has been fixed and which they should get. The Government appointed an expert committee known as the Gopala-krishnan Committee to go into it. That

Committee sat upon it, and ultimately, evolved a formula and said that this was the formula according to which this should be given. So, that formula was evolved. Under the Essential Commodities Act, the Government of India had the power under section 3 to fix the minimum price. But they took powers again in 1957 to the effect that they should also take part in this formula in making it compulsory, because unless it was made compulsory every mill would not pay. So, when it was made compulsory, even then complaints came from both sides, the growers' side saying that they were getting less and the other side saying that they were paying more. Therefore, both of them suggested that the formula had got to be examined, and so it was referred to the Tariff Commission. The Tariff Commission is the expert body to which I referred many of the problems because they could go into the whole problem in its entirety and ultimately come to the conclusion as to what was in all fairness and reasonableness necessary to be done. They went into it. By that time, two other factors intervened. In 1958, we also controlled the price of sugar on the same basis. Therefore, they could not charge more. What was to be the excessive profit, we stopped it by controlling the price, at the other end, of sugar. When that was also done, there was a hue and cry and ultimately, that was also referred to the Tariff Commission as to what should be the price in the circumstances. That went on for some time. By that time, in 1959, a situation arose by which it was necessary to give some kind of incentive both to the growers and the producers in order that sugar should be produced more. When I assumed charge of this Ministry, within a few months from that date, I came out with a proposal that it was no use bringing sugar from outside as was the case during the previous six or seven years. We had imported somewhere about 14 lakh tons of sugar, costing something like Rs. 40 crores of foreign exchange. Therefore, I was not prepared to do that. When we had the capability of

producing all the sugar that we needed in our own country, it would be

a folly, apart from the exigencies of the situation, namely, the dearth of foreign exchange, etc., if we should be wasting money on importing sugar. Therefore, the scheme of incentives came in. That incentive was given both ways. The incentive was given to the grower that, he would get, instead of Rs. 1-7-0, Rs. 1-10-0, that is Re. 162 nP. on the one side; and to the producers on the other side that they would get some exemption from excise duties worked on an average of two years, if they produced more. And the excise duty would be cut by so much if they produced so much. They were also given incentives. Therefore, two factors came intervening when the excess profit was put down. Complications went on increasing when the price of sugar was controlled. Naturally, a cry came from the producers that they should have the excess profit that we were taking. If the profit is not excessive, why should you control the price of sugar? Then came the Report of the Tariff Commission. They worked out more exhaustively the cost schedule and they said that this should be the price of sugar. Then the question became more complicated. They said, "If this could be the price of sugar, then, surely, you cannot say that they are making excessive profits. If it was an excessive profit, it could have been brought to the notice of the Tariff Commission and the Tariff Commission could have fixed it low." These complications went on increasing, as it were, and therefore, we could not decide, when the matters were before the Tariff Commission, as to what should be really the proportion in this excessive profit or deferred payment or bonus, whatever you may call it. Ultimately in 1960, we thought that rather than be speculative about it, why we should not give this formula to the Tariff Commission for them to sit upon it, and in the light of the circumstances that had then arisen, namely, the control of sugar on the one hand and the incentives given on the other hand, ask them that they should

[Shri S. K. Patil.] examine it. Within less than a year, the Tariff Commission came out with their recommendations. It was only some months ago that this was given.

Now, when it came, it was very much less than the original formula that we had devised and therefore, we did not know what to do. We thought that there might be a hue and cry because the growers might feel that they had got a little less. But yet you could not totally reject also the other formula because it was submitted to an expert Committee and the expert Committee having sat upon it, had come to a conclusion. Therefore, during the last three or four months we had been considering that something had got to be done. In the meanwhile, what happened? Right from 1953 to 1958, when it was voluntary, many of the mills did not pay anything at all and as I said, only the mills in the South paid. To give the House some idea, I can tell you as to how much was paid by the mills in the South. In 1952-53, they paid somewhere about Rs. 1 crore. Then in the second year, it was 92 lakhs, in the third year it was 40 lakhs and in the fourth it was Rs. 24 lakhs and it went on. It was too much in the year when Uttar Pradesh had paid something. Neither before nor after that have they paid anything. Maharashtra has been paying even today. In 1957-58, they paid Rs. 107 lakhs, that is, Rs. 1,07,37,000. The process goes on. They have been paying even now but only on a voluntary basis. Now, the question is that something has got to be done so that these cane-growers got the money. Whether they get a little more or a little less does not matter. But today they are getting nothing and we have no legal stand just now because something has got to be done by which the Government of India have got to announce year after year a certain factor or ratio that the cost of cane bears to that of sugar. That ratio is announced from time to time. Until then, we cannot establish the formula which can be applied and on the basis of which something could be

collected. Therefore, we sought and we were advised legally that we had, under the Essential Commodities Act, to take a decision and announce that ratio. We can do that for one year. We had not taken under that Act a retrospective power. In case we wanted to do, it, it must apply right from the time when compulsion was applied. Compulsion was applied from the 1st of November, 1958. Therefore, four years have gone by. It is no use our announcing the formula and that formula being made operative for only one year. Suppose, it is a crore of rupees. I am talking of my own view. It may be anything. That means that we have lost three crores. That we have lost three crores means the growers have lost three crores. Therefore, this Bill has a limited purpose. It does not go into the merits of the formula, it does not discuss the formula, it does not give the formula. That formula can be obtained under the Essential Commodities Act and the Sugar Control Act that we have got. We have got to announce it. But after having announced it, we must have retrospective effect for four years. Therefore, the only clause in this Bill is that when the Government announces that formula, it should have retrospective effect. Prospective effect they always have. So, we have used the two words, both 'prospective' and 'retrospective'. The Bill has got retrospective effect from the 1st November, 1958.

Therefore, Sir, this is the genesis of the formula. Now, what is under discussion is not the formula. As I said, whatever might be the opinions about the formula—what they should do or should not do—I am anxious to see—I can assure the House—that the cane-growers should not lose one naya paisa. But my formula must not be vulnerable. It must stand the scrutiny of the law court because the moment the formula is applied, it will create complications, I am afraid, because it involves money and it is a legislation the like of which exists

nowhere in the whole world. Nowhere in the world has this profit-sharing by an enactment been done because it is not something to which a man is

normally entitled, it is the price that we have fixed. This is something about the price. What is generally done everywhere in the world is that there is some kind of a trade union agreement between the producers and their counterparts or whatever you may call them. In this particular case, there are growers and the manufacturers. But here we are trying, for the first time, a novel experiment by doing it by compulsion. Therefore, you can quite understand that it will give rise to all kinds of litigation that this is right or this is wrong. Many people wanted to go into litigation. I told them, let a competent Committee sit, that is the Tariff Commission. After the Tariff Commission has given the decision, anybody is competent to go to a court of law. I do not mean that they should go. But I want to make my law or the legal point so invulnerable that whatever I have promised to the cane-growers, I must be able to pay it. Therefore, it must have retrospective effect from 1958. This is exactly what the Bill seeks to do and, therefore, I commend it for the consideration of the House.

The question was proposed.

SHRI BHUPESH GUPTA (West Bengal): Mr. Vice-Chairman, I would like to hear more the hon. Members from Uttar Pradesh because it is they who, from time to time, have brought

matter before this House and the other House, and I would say that we felt that the sugarcane growers were not having a fair deal. I remember that this matter was first discussed, I believe, in 1953 and later on also the Essential Commodities Act was amended to cover some of the powers of the Government to deal with the sugar industry and prices. On every such occasion, Members speaking from both sides of the House expressed their concern at the manner in which the industry was functioning to the detriment of the numerous cane-growers

in the country.

Very many suggestions were made in order to bring them relief, and some of them, I believe, were accepted though very partially, but somehow or other the sugarcane-growers in our country, whether in the South or in Northern India, are not having a fair deal; they had been subject to the caprices and cupidity of the industrialists in this line, that is to say, the sugar mill-owners and other profiteers that hang around them. It is interesting today to hear Shri S. K. Patil on the subject. He has a drive, and he did something, he says Well, we shall see how he fixes the formula. But it was also interesting to hear his predecessor in the Ministry, Shri Ajit Prasad Jain, speaking in the other House and relating the grievances and criticising indirectly some of the policies of the Government. I was wondering what he was doing when he himself was the Minister-in-charge of the Department. But then it so happens, the moment you are out of the Ministry, you seem to be somewhat of an understandable person.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Is it right, Mr. Bhupesh Gupta, that we should comment on a person who is in the other House? Comment on the Government policy.

SHRI BHUPESH GUPTA: Yes, Sir; it is on that policy. Please do not bring in such rules now. That is why you provoke our Socialist friends to do such a thing. You know that I am discussing the Government matter; he spoke in that House and it is Government policy I am concerned with. Now, he says very good things; some of the things are good, but I do not exactly remember what he said when he was incharge of the Ministry. Anyhow, now you can see the dialogue between the former Minister of Agriculture and the present Minister of Agriculture. Polemic is developing between them though they both belong to the same party, one ousted from the Treasury Benches and another in it. This is all the difference that I get, but there is substance in it,

[Shri Bhupesh Gupta.] because this question has never been a party question, and the inhibitions from which perhaps Mr. Jain suffered in the old days because of his official responsibility no longer being there, he can speak somewhat boldly on the subject. Now, as far as we are concerned, we have never suffered from this inhibition, not t

hat we would like to have this position sometimes; we would like to have the inhibition if it means going there. Our position is this that the sugarcane-growers need relief, and their interests must have precedence in the whole scheme of things. It was, I believe, in 1953 or so, when that dynamic personality, that wonderful man, Mr. Rafi Ahmed Kidwai was the Minister, he got certain things done through his persuasion. But then he had that quality. As you know, he used to do things; he had a peculiar type of drive; he hardly gave any promises; he had things done, and then he came to Parliament to tell this had been done. I well remember by meeting him in Calcutta in connection with food, and I saw how Mr. Rafi Ahmed Kidwai worked in that matter. He just took steps, and he was not bothered much about it, not that he made a great difference to the situation, but that is how he moved. In this case also he persuaded the sugar mill owners in U.P. that they should accept a kind of formula whereby, after fixing the minimum price, they would—voluntarily of course—share a part of the excess profits they were making. That was done in the typical Rafi Ahmed style. It is a good thing he did it. He was one Minister who produced less gas in Parliament and more substance. He is no more now; unfortunately he is gone. Then it was expected that what had been voluntarily fixed would be sanctioned by law. why? Because the material justification or the economic justification was there, the sugarcane-growers deserved a fair deal, better price and better share, and the sugar industry was in a position to pay since they were making enormous

profits. Now, any Government should have legalised it then and there, and it did; this Government did, but how did it do, it has been explained, and then, well, things went from committee to committee. The matter should have been settled at that time subject to variations for certain contingencies, subject to new eco

nomie developments. The hon. Minister is very clear on the facts; he has given us the facts, but some of the things he did not give, not intentionally, perhaps missed to tell us that these sugar mill-owners continued to flout the law; they continued to violate the law, and what was due from them, no longer under any voluntary agreement basis but under the law was not being given. How the Government dealt with them? Government was all kindness to them. The Government had the power to prosecute them under the Essential Commodities Act. But nothing was done. Hardly any prosecution, if at all, took place. Government connived at it; in short, the Government sanctioned it, this flouting of the law, this denying to the sugarcane growers what was due to them under the law, according to a sacred agreement buttressed by the force of law. The Government allowed it and the sugar-mill-owners continued to do so and that when they were being given concessions in the form of exemption from excise duties. And lately, they have been receiving certain incentives for export and so on. And what happened? Government did more things. From the funds of the Government they gave them loans—I do not know how many crores; five or six crores of rupees, or even more were advanced to the sugar industry in order to boost production. And so, money was given from public funds and they were making enormous profits. At the same time they were not compelled to obey the law, to carry out their obligation under the law as far as giving the minimum price plus a share in the extraordinary profits, they were making, was concerned.

two lines of development took place.

When it came to the question of the sugarcane-growers, the Government turned their back on their interests and ignored them; when it came to the sugar-mill-owners, the Government went out of its way not only to provide incentives in the manner in which the hon. Minister has explained, but also to provide heavy liquid cash from the Government funds, and so on. The sugar industry in a period of a few years earned, according to official estimates and so on, nearly Rs. 50 crores or so; in five or six years or so they earned that much—the exact figure, I think, was 50 crores or so. I think this was also substantiated by the review of the Reserve Bank. They were making so much profit, but at the same time they were denying the sugarcane-growers. As far as the price is concerned, the consumer continued to suffer. Therefore, all except the sugar mill-owners continued to suffer, the consumer because the price was dictated by them—well, whatever the justification they sought from the official side, the consumer none the less suffered; the sugarcane-growers because they were not being given a fair price to which they were highly entitled, and the country as a whole because the wealth was concentrated in a few hands in this manner while imbalances were encouraged in the economy. Even now they are giving this export subsidy. As you know, subsidies to the tune of Rs. 12 crores or Rs. 12½ crores are being given in order to earn foreign exchange of about Rs. 13 crores or so. That again fills the coffers of the sugar mill-owners. Now, the Government should have explained today why it was not possible to enforce the Essential Commodities Act or act under other laws to enforce it at that time when the decision was taken in 1958. Somebody should be held responsible, some Minister should be held responsible, some official should be held responsible. The matter should be gone into and Parliament should be informed of the reason thereof. The result is a failure on the part of the Government, » dear case of maleficence, if

I may use that expression, which resulted in a total denial of the order of Rs. 30 crores to the sugarcane-growers by way of accumulation of excess profits which have not gone to them on the basis of that formula. And this has a very bad effect on the entire economy. Apart from that, the cause of sugarcane production has greatly suffered. We do not have any assurance even now that the sugarcane era will be getting a fair deal at all. Even now the Government could have brought forward a measure in the existing law. The Parliament sits every year several times. It is not because we are not ready to give the Government power that they are not doing it. In fact, when the Essential Commodities Act was sought to be amended, we readily gave the power to the Government so that it would be utilised in the interest of the sugarcane-growers but it was not utilised and that sugar mill-owners were helped.

Now, the rehabilitation point has not been mentioned. It seems that some rehabilitation allowance, etc. will be given. We have about 80—100 sugar factories in the country but this little benefit may go to 30 or 40 factories. There also the sugar industry as a whole will not be benefited from all this kind of mechanism of the Government or the arrangements the Government is making. A small number of people benefit over this matter. How long will the Government take to give up these things? If the Government has failed in this respect, they should pay the penalty. If the capitalist class or sugar mill-owners have defaulted in discharging their legal responsibilities in the matter, they should be penalised and the Government, if necessary, should have the necessary power to tap the resources from them, compel them to disgorge these excess profits for the sake of sugarcane growers.

These are the points, Mr. Vice-Chairman, that I wish to place before the House, because somehow or the other, we have been discussing this matter many a time but we have not been able

[Shri Bhupesh Gupta.] to bring even the minimum requisite assistance to the distressed and suffering sugarcane-growers, whereas these people at the top, the mill-owners, have earned enormous profits. It does not require any argumentation to prove it. The balance sheets of the sugar mills of the country, especially the big ones, will show how they were making enormous profits in the period which forms the subject matter of discussion under this Bill, whereas these other elements, namely, the sugarcane-growers were suffering. It is a simple thing. The Government can fix the price and compel the sugar mill-owners to part with it. While doing so the Government will take into account the cost of production, the profits that they are earning and the cost of living of the sugarcane growers also. And having settled this question once and for all, it is possible for the Government, and easy for the Government, to enforce it.

Now, expert committee and all these committees have been mentioned. While it travelled from one committee to another and various other things, the poor sugarcane-grower continued to be ground down; he continued to suffer. That is the state of affairs which has been created in this particular line of industry. I hope some serious, radical steps will be taken.

Sir, Mr. Patil has given us an assurance that he will do everything possible. Similar assurances we got from Mr. Ajit Prasad Jain and also from others before. I do not say that they did it in bad faith or wanted to bluff the House intentionally. But after that, what they said did not have much meaning in practice because bigger forces operated in order to frustrate whatever little was sought to be done. What is the guarantee today that despite the assurances that are being given, the sugarcane-growers' interest will be upheld and protected? In order to do so you must try and must compel the monopolist interest in the sugar industry or the big bosses in the sugar industry to part with some, of their wealth and accumula-

tions and earnings in order that these sugarcane-growers may be helped and the consumers also may gain. The sugar industry has earned enough of pampering from the Government. More of it should not be given to that industry. In fact, if in any other country this industry had behaved in this irresponsible, highly anti-social and profiteering manner, a democratic government would have nationalised that industry or taken over that industry. Even under our present law, the Industries (Development and Regulation) Act, it is open to us to take over the management of such industries which behave in this manner. But in our country, strange as it may seem, the more they followed the laws, the more they grabbed the profits at the cost of the consumer and the sugarcane-grower and the more kindly the Government became towards them. This is the crux of the situation and this is the core of the problem. Therefore, basic changes are needed in the fundamental approach to the policy that has been hitherto followed. And in that context, two categories of people must have the priority, not everybody together, firstly the sugarcane-growers and the industry workers and the consumers. Consumers and workers I put together. These are the two categories of people who should have the precedence and all the consideration and all the solicitude—if the Government has any—of the Government. This is what I say. This is how the matter should be approached.

I am not satisfied with the presentation of the case here because much that should have been said has been left out, maybe on account of shortage of time, maybe the story is much too unpalatable and unsavoury for a Minister to tell in this House. But this story has to be recalled time and again when we discuss this subject. I may impress upon the Government that what is needed today is not merely empowering themselves with certain provisions of the legislation, what is needed today is a very radical change of policy so that the sugar mill-

owners are made to behave and they do fulfil their obligations immediately and pasts arrears are cleared up and the cane growers get a fair and decent deal from the community. After all, it is they and the workers together who produce sugar in our country and earn foreign exchange. But it is the capitalist class and the industrialists who sit on the top of profits and so on and make money out of it. Their role is parasitic while the role of the workers and sugarcane-growers is creative and constructive. It is the latter who need to be assisted by the Government in every possible way. Thank you.

SHRI PANNALAL SAROGI (West Bengal): Mr. Vice-Chairman, Sir, the present Bill would enable the Government to amend the Sugarcane Control Order to enforce a revised formula in regard to the payment of a portion of the alleged excess profits by the sugar industry to the growers. Sir, I am really sorry as well as amazed that a lot of heat was generated during the course of discussion on this Bill in the other House and even senior Members used harsh words probably out of sentiment without going into the merits of the matter.

SHRI A. B. VAJPAYEE (Uttar Pradesh): Against whom?

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : We are not concerned with the words used in the other House.

SHRI PANNALAL SARAOGI: I am simply prefacing. I am not going into what they said. I heard Mr. Bhupesh Gupta with rapt attention but I am again sorry to say that his was a highly superficial speech and he was only rigmaroling and pandering from one end to the other without coming to the facts of the matter. Within the short time at my disposal, I would try to place relevant facts as I know them and while doing so, I would go as far back as 1950-51 when the Government of India, for the first time, assumed control to fix the price of sugarcane. In 1952 the late Food

Minister, Shri Rafi Ahmed Kidwai, took the very bold step of de-control. He also reduced the price of sugarcane from Rs. 1-12-0 per maund to Rs. 1-5 per maund because Mr. Kidwai felt that control was a big source of inhibiting production and it was he who devised the formula of profit-sharing as an alternative to control, mopping up the excess profits of the industry. We now come to the year 1958 when control was re-introduced first in Punjab, U.P. and North Bihar and subsequently, extended to South Bihar in April, 1960, and it is the factories of these areas which are supposed to fall within the ambit of the present Bill. After the introduction of this control, the question of price fixation of sugar was entrusted to the Tariff Commission and this body was charged to go into the question of the cost of manufacturing sugar. The Tariff Commission went into very exhaustive examination and sent out their own cost accounts officers, who went into 47 factories and they exhaustively dealt with the matter and went into the whole thing and, thereafter, recommended a price, as The cost of manufacturing sugar, plus 12 per cent, as a return on the capital employed by the industry, which again included gratuity, bonus to labour, managing agents' remuneration, interest on borrowed capital and debentures and so many other imposts. As a matter of fact, I am reading out to the House the actual language which the Tariff Commission used in this regard:

"In determining the fair price we allowed a return of 12 per cent, on the capital employed by the industry, with a view to provide sufficient funds for each unit to meet its commitments under bonus, gratuity, interest on borrowed capital and debentures, dividend on preference shares, managing agents' commission and income-tax and to leave a residue to a majority of units 'in different regions to declare reasonable dividends."

I would very strongly stress that never did the Tariff Commission envisage

[Shri Pannalal Saraogi.] that there would be any deferred payment to the cane-growers for the period of the four year control and no provision was actually made for Has in the controlled price of sugar. It might have been that some of the better units or more efficient units might have had more than 12 per cent, and the weaker ones may have had less than 12 per cent, but the 12 per cent, was the aggregate, and if now any attempt is made to take anything out from the units, who made more than 12 per cent., the aggregate percentage is affected and I, personally feel, that there is both a moral and legal claim in this matter which is involved and I would respectfully submit that the hon. Food Minister will keep this point in view.

I would now refer to the items of export losses and rehabilitation, about which objection has been taken. The reference to export losses in the Statement of Objects and Reasons of the Bill is both unnecessary and confusing in my opinion. According to the formula which is sought to be revised with retrospective effect, it is only the net sale proceeds of sugar that go to the pool. If sugar has been exported at a lower rate than the internal one, then what has not been realised will not go in the divisible pool. Hence, reference to export losses in the Bill is redundant. About rehabilitation, I would submit that it has always been regarded as an item of cost. Even the Supreme Court, in the famous Associated Cement Company case, while adjudicating on the question of labours participation in the surpluses, have decided that rehabilitation has a prior charge. The Gopalakrishnan Committee has also accepted this formula and recommended 52 nP. for this purpose. The Tariff Commission also has recommended 40 nP. as rehabilitation allowance in their Report. They state in this connection:

"An *ad hoc* amount of 40 nP. for 10 per cent, recovery for a duration of 150 days should be provided as the rehabilitation allowance when

applying the formula in the JNortn-ern region".

It has become really necessary for me to draw a comparison between the much-maligned factories of the northern belt and the factories of the other areas. I heard with attention the hon. Food Minister speaking about the munificence of the factories of Maharashtra as well as those in South India, but I would certainly like to draw his attention to certain basic facts which he cannot overlook in this connection. Any profit study of the sugar industry in this country will show that there are two distinct patterns mainly because of the following factors: Firstly, the factories of Punjab, U.P. and Bihar were singled out and subjected to a price control during the years 1958 to 1961. In the control during the war years which continued till 1952, there was no discrimination and there was price control throughout the country but this time it was confined to the factories of the northern belt only. Secondly, the recovery of sugaraane is less in the factories of the North and on top of that there has been gradual deterioration during the last few years. I would quote figures of the Tariff Commission in support of my contention. In U.P., the recovery in 1959-60 was 9.69 per cent. It came down to 9.53 per cent, in 1960-61 and to 9.34 per cent, in 1961-62. In Bihar, the recovery was 9.43 per cent, in 1959-60 and it came down to 9.22 per cent, in 1960-61 and it came down to 9.11 per cent, in 1961-62. In Punjab, the recovery was 9.14 per cent, in 1959-60, it came down to 8.92 per cent, in 1960-61 and it came to as low as 8.22 per cent, only in the year 1961-62.

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Thirdly, the factories in the rest of the country have always enjoyed an advantage of over Rs. 2 per maund corresponding to the freight incurred in carrying the sugar from one part of the country to another. These factors have to be borne in mind. Further, the report of the Wage Board

which has been available to us recently gives the average profits of sugar factories per annum. They are very revealing and I would like to place before the House these facts. During the eight years from 1951—58, the factories in the northern region earned only Rs. 2,92,000 per year. As against this sum of Rs. 2,92,000 earned by the factories in the North, the factories in Maharashtra earned Rs. 12 lakhs, those in Madras earned Rs. 13,03,000 every year and those in Andhra Pradesh earned Rs. 10,02,000 a year. You can compare these figures, Rs. 2,92,000 for the North and Rs. 12 lakhs, Rs. 13,03,000 and Rs. 10,02,000 of other areas. These facts I have to bring to the notice of the House.

Sir, with all sense of responsibility, I can even state that the profits of the sugar industry of the North are the lowest as compared to the profits of any other industry in the country. I have got here with me the figures of the profits of the sugar industry from the study of the Reserve Bank. They give the average percentage of the gross profit on the capital employed by the sugar industry. For the years between 1951 and 1955 it is 9.8 per cent., while for the years 1956, 1957 and 1958 it is 10.1, 9.9 and 9.3 respectively. As against this, the average percentage of gross profit to the capital employed in iron and steel, cement, paper, matches, tea plantations are 15.1 per cent., 13.8 per cent., 12.2 per cent., 14.1 per cent., and 16.9 per cent., respectively. This figure that I gave is for the sugar industry as a whole. I have got the break-up for the different regions also and this region-wise break-up will give us a still more dismal picture, especially, so far as the northern parts are concerned. In 1955, for the sugar factories in the North, the figure is 6.6 per cent., for those in Maharashtra, it is 13.5 per cent., and for those in the South, it is 14.6 per cent. In 1958, the figure for the factories of the North is 6.9 per cent., for those in Maharashtra 13.1 and for those in the South it is 9.2 per cent. For the year 1957, for the northern factories

it is 6.6 per cent., for those in Maharashtra it is 14.9 per cent., and for the South 9.2 per cent. In 1958, the figure for the North is 7.3 per cent., for the South 11.1 per cent., and for Maharashtra it is 9.6 per cent. What I am trying to drive is that these facts also have to be taken into consideration when we discuss this matter and in this connection, I would like to bring to the notice of the hon. Minister that the capacity of northern sugar factories is limited.

Before I conclude, I would like to say in all sincerity that I have really no grudge against any payment to the cane-growers. I have absolutely none. Nor do I wish to champion the cause of the industry unnecessarily. I have only tried to place the facts before the House as I have studied them. One thing I would like to make very very clear, namely, that the hon. Minister of Food and Agriculture has done a distinct service to the growers in bringing forward this Bill. I would go further and say that he has done a distinct favour to the growers. Those who are opposing this Bill in any shape or form are only self-styled friends who out of their over-anxiety or over-zeal or over-enthusiasm are trying either to play to the galleries or are doing it as a vote-catching device.

PROF. M. B. LAL (Uttar Pradesh): This Bill brings to light grave dereliction of duty on the part of the Government. Parliament passed a law concerning the compulsory payment of certain deferred prices to the cane-growers. The Government was empowered by the law to determine the share of the cane-growers in the excess profits. It was also authorised to get its order implemented by the industrialists with the help of a penal clause, if it so desired. But to this day, the Government has not tried to discharge its duty in this particular matter. The law that Parliament passed remains unimplemented. This has caused considerable losses to the cane-growers. They have suffered from frustration and irritation and

[Prof. M. B. Lai.] sometimes their irritation has burst out into agitation in the States of Uttar Pradesh and Bihar. The Government, instead of realising the cause of the agitation, instead of sympathising with the cane-growers, instead of discharging its duty that is imposed upon it by Parliament, came down on the cane-growers' agitation with a heavy hand. Those who sympathised with the cane-growers were called agitators and they were also clapped in jail. I would like, Sir, Parliament to decide whether those who agitated that the law of Parliament, the will of the Parliament, should be implemented, deserved to be punished, or whether those who refused to implement the law and the will of Parliament, should be punished.

We are in an era of planned economy. If in an era of planned economy, the Government takes more than four years for implementing the law, does that government deserve to be in charge of the affairs of the country or to be put in charge of the planned economy of the country? That is the question.

The Government now comes to this Parliament for powers to be used with retrospective effect and refers to certain recommendations of the Tariff Commission. This reference to the recommendations of the Tariff Commission indicates that having secured from Parliament the power to modify the law with retrospective effect, the Government will modify the right which accrued to the peasants under the Act of 1958. I beg to submit, Sir, that such retrospective legislation is in no way desirable or conducive to the good of the country. Under the Act of 1958, the peasants were assured a certain right in the form of bonus and deferred payment out of the excess profit, and in the year 1962, this right is going to be modified by the Government. I beg to submit, Sir, that the peasants deserve not only the payment to which they were entitled under the Act of 1958, but

they are also entitled to get the interest for not being paid their money at the proper time.

Sir, delay, it may be said, was due to lack of agreement among the cane-growers and the owners of sugar factories. It may be due to that but Parliament enacted this Act in 1958 when the voluntary arrangement had failed. It invested Government with the powers of compulsion. Of course, it was possible for the Government, if it had so willed, to decide what the value of X must be. If this question cannot be decided by the Government for four years, I must say it would be very difficult for the Government to successfully implement any plan project. Sir, again I wish to point out that according to the Report of the Tariff Commission, an agreement had been arrived at between the cane-growers and the mill owners. The agreement was to the effect that that sixty per cent, of the excess profits should go to the cane-growers and forty per cent, was to be retained with the millowners. I do not know why the Government hesitated to implement that agreement.

I may also submit, Sir, that the condition of the sugar industry hardly justified postponement of the implementation of the Act of Parliament. If conditions of the industry so justified it, it was the duty of the Government to place the entire matter before Parliament and seek permission of Parliament in a proper statutory fashion for the postponement of the implementation of an Act of Parliament.

Sir, the Tariff Commission having once forwarded the common agreement between the cane-growers and the factory owners now tries to modify that award or agreement. It talks of deductions from excess profits on account of the rehabilitation of factories and export losses. If I mistake not, Sir, Government itself in one of its letters dated the 14th April, 1961, told the mill-owners' association that factories were not entitled to export loss, and they based this argument on

a certain calculation of prices into the details of which I need not go. Now, in regard to rehabilitation, I might say, if, of the two, the factories and the cane-growers, rehabilitation is needed, it is the rehabilitation of the cane-growers that is needed most. We know, in many parts of India, sugarcane-growers suffer sometimes from drought and sometimes from floods. These days, due to heavy floods in Uttar Pradesh and Bihar, the sugarcane-growers have suffered considerably. So, if the Government is really keen about rehabilitation and if the Tariff Commission is equally solicitous of the interests of the capitalists and the cane-growers, then we should insist on a rehabilitation fund for the help of the cane-growers who suffer on account of drought or on account of floods. Instead of that, the Tariff Commission talks of rehabilitation of the mill-owners as if the mill-owners suffer more from calamities than the cane-growers, as if the mill-owners are weaker of the two.

Sir, the Food Minister has tried to point out that sufficient attention must be paid to the recommendations of such an important body as the Tariff Commission. Is the Government prepared to implement all the recommendations of the Tariff Commission even in the case of the sugar industry? Is it not a fact, Sir, that the Tariff Commission recommended that incentive money that accrued on account of the reduction in excise duty should be distributed between the cane-growers and the mill-owner, thirty per cent, to the factory owners and seventy per cent, to the growers and our Government instead of accepting that recommendation, is contemplating to reserve twenty-five per cent, for rehabilitation of the factory owners and then to distribute the rest between the two, at what ratio, this is not yet made clear by the Government?

The Tariff Commission, in one of its Reports doubted the feasibility and the advisability of linking price with recovery and yet the Government ignored the advice of the Tariff Com-

mission and linked the price of sugarcane with recovery. The Central Government not only ignored the advice of the Tariff Commission but they have also ignored the recommendations of the Governments of Bihar and Uttar Pradesh in this matter.

Our Food Minister claims to be a friend of the peasant and it is not possible really, Sir, for anyone to be in the Government of India, India being mostly composed of peasants, to remain there unless he claims to be a friend of the peasant. It is not possible for me, Sir, to say what his real intentions are, but I must submit, Sir, that his policies at least, in recent times, have been anti-peasant. I would only invite attention to a law recently passed by Parliament under his guidance wherein an attempt is made to regulate the crushing of sugarcane. I then pointed out, Sir, that in the midst of the season it would hardly be proper to limit the crushing of the sugarcane. The sugarcane that is produced must be crushed and must not be allowed to waste. I am told the entire sugarcane was crushed. So the regulation of the amount of sugar to be produced has failed. But while the entire sugarcane is crushed, a large amount of the sugarcane was bought by mill-owners at considerably reduced price. His regulation failed to regulate the production of sugar. His regulation only hit the cane-growers who had to be satisfied with less price than they were otherwise entitled to have.

In the end, I wish to point out that the cane-growers of Uttar Pradesh and Bihar have proved to be less amenable to reason than the cane-growers of Bombay and Madras. From all that the Food Minister has told us this afternoon, it is clear that while there is higher yield of sugar in the sugarcane produced in Bombay and Madras, the mill-owners of Bombay and Madras are paying more than the minimum prices which are paid by mill-owners of Bihar and Uttar Pradesh. There were, in my own city, two sugar factories. Now,

[Prof. M. B. Lai] they are unked together into 'one. I once studied the working of these two sugar factories very carefully and I am definitely of the opinion that the recovery of sugar is not being reduced increasingly because mother earth is producing worse quality of sugarcane than before; but because the management of factories in Uttar Pradesh and Bihar is getting deteriorated. The old factories are not able to crush sugarcane as well as they used to do before. I beg to submit that strong measures are needed to protect the peasants of Bihar and Uttar Pradesh from the highhandedness and exploitation of the mill-owners.

I may point out to you that because of the attitude of the mill-owners of sugar factories of Bihar and Uttar Pradesh there is an increasing demand among the peasants of these States that these sugar factories should be taken over by the Government and run as public enterprises. As pointed out by our friend who preceded me, even under the existing law it is possible for the Government to do so if the G

overnment so desires, and I have no doubt in my mind that the Government will act with courage and I feel that then these very mill-owners will be prepared to give a better deal and a more generous deal to the cane-growers. India is a land of peasants and it is the duty of all those who claim to represent India to be solicitous of the interests and the welfare of Indian peasantry, and I hope, the Government will give due consideration to their claims. For four years the Government does nothing and now comes and says that unless you give us power with retrospective effect we will not be able to ensure to the peasants the right that accrued to them under the Act of 1958 in the last three years. This is really a very strange thing. The Government wishes to have a blank cheque from us. The Government does not tell us what formula is going to be enforced by the Government. I do not know whether the Govern-

ment has even made up its mind with regard to that formula. And if even after four years the Government has not been able to formulate a formula on this question, then God help India and God help this Government.

SHRI M. R. SHERVANI (Uttar Pradesh): Mr. Vice-Chairman, Sir, the Sugarcane Control (Additional Powers) Bill raised considerable controversy in the other House and even excited some passion, presumably because the objects clause is rather unhappily worded. A superficial reading of that clause by someone who knows very little about the sugar industry would lead him to believe that something is being taken away from the cane-growers and is being handed over to the sugar industry, which is very contrary to facts.

To appreciate the real situation the historical background of the evolution of this profit-sharing formula has to be examined. Sir, there are three partners

in the sugar industry, but before I come to that I would like to point out to the House that the use of the word 'mill owner' in the meaning that is given is very misleading. What is meant by 'mill owner' is the managing director or the managing agent or the manager of the mill who, while holding some shares in the company, by and large is not the majority share-holder. If statistics are collected in the sugar industry in our country, it will be found that the majority of the shares in the industry are held by a vast number of small shareholders who invest their money for some reasonable return. However, the fact of the matter is that in the sugar industry there are three partners who are vitally interested, the shareholders, the sugarcane-growers and the Government. And it must not be forgotten that per year this industry yields to the cane-growers about Rs. 150 crores, while it gives to the Government, in the form of various taxes, about Rs. 60 crores and the shareholders or the so-called mill owners, after paying all taxes, get about five

to six crores of rupees per year m
th₁ ry. Sir, when the late
Mr. Rati Ahmed Kidwai de-controlled sugar
and brought down the price of sugarcane to
Rs. 1-6 or Rs. 1.31 nP. per maund, he decided
and rightly too, that the grower should share
the prosperity of the industry with the
Government and the third partner, the
industry. Of course, in adversity the other two
partners always get away and leave the third
partner, that is, the industry holding the baby.
I am absolutely positive that as far as this Bill
is concerned the industry would not shed a
tear if it is withdrawn. The facts of the matter
are that the formula provided that the growers
should share the additional profit or the excess
profit which the industry may make and of
course the industry had no objection to
sharing that extra profits. But soon thereafter
control was brought in. During the period- of
control price was fixed. Every item of cost
was taken into consideration. The price was
fixed by the Government of India on the
advice of the Tariff Commission taking into
consideration every item of cost and Re. 1.31
nP. was fixed as the price of cane. The
question, therefore, of making additional
profits did not arise and there was no question
of sharing that profit. The Tariff Commission
after going into the minutest details decided
that the industry should get a certain amount
of profit and they said it will be 12 per cent,
on the capital employed. After control was
brought in, obviously there was no question of
any additional profits because the Government
of India, while fixing the price of sugar, took
all the known *items* of cost into consideration
and fixed a reasonable price, giving to the
industry on the average, the profit that was
recommended by the Tariff Commission.
Now, the point of view of the grower,
obviously, was that when he supplied
sugarcane to the factories, he was promised
some deferred payment, some additional
payment. He was not interested whether there
was control or no control. We wanted
that additional

payment. There was some justmction in that
demand. There was equal justification in the
argument advanced by the industry that when
there was no additional profit, there was no
question of any additional payment. It was
due to this reason that the industry,
particularly in North India, did not pay any
money, which was complained about by the
hon. Minister of Food -and Agriculture. There
were no additional profits. Now, I would not
like to dilate on it by giving various figures
which have already been given by my friend,
Mr. Pannalal. It is a known fact that in UP.
and Bihar the recovery of sugar from
sugarcane is very low. They are surplus areas
and with surplus production of sugar they
have their own problems. In the case of sugar
factories in the South, Bombay, Maharashtra
and other places, in the first place, their
recoveries are very high 11, 11" 5 and even
12 per cent. Their duration is much longer.
And then they have the additional freight
advantage of about Rs. 2-8-0 to Rs. 3 per
maund. It is due to these reasons that whereas
a thousand-ton capacity factory in U.P. makes
a profit of Rs. 2 lakhs, the factory of the same
size which has a high recovery, longer
duration and the freight advantage of Rs. 2-8-
0 to Rs. 3 per maund, makes as much as Rs.
20 lakhs Rs. 30 lakhs or Rs. 40 lakhs.

The hon. Food Minister mentioned— and
by that indirectly reflected upon the conduct
of the industry in U.P. and Bihar—that the
Bombay, Mysore and other South Indian
factories have paid, whereas the U.P.
factories have not. It is true that they have not
paid, bec'ause they do not have the money to
pay. If the U.P. and Bihar factories had also
earned even half as much as the factories in
the South, they would have been very willing
to pay it.

Now, coming to the Bill the intention of
the Government appears to be to take some
money out of the industry's fixed, limited
profit of 12 per cent, and distribute it to the
gro-

[Shri M. R. Shervani.] wers. The argument appears to be that some factories have made more than 12 per cent, profit. For instance, due to efficiency or longer duration or better recovery, they may have made 14, 15 or 16 per cent, whereas the Tariff Commission has recommended 12 per cent, on the paid-up capital, I mean capital employed. True, there are factories which have made that money. But I feel that it is not fair to take that extra profit from those factories and pay it out to the growers without adjusting the loss of those factories which have made less than 12 per cent. There are a large number of factories which due to low recoveries or shorter seasons, have not got 12 per cent, profit.

There is another point to which I would like to draw the attention of the hon. Food Minister. The Tariff Commission has fixed the average profit of 12 per cent, on the capital employed. Now, by this Bill what he is proposing to do is to reduce that 12 per cent., because those who have made more than 12 per cent, will have to pay an additional price to the growers and those who have made less than 12 per cent, will be left to fend for themselves. Therefore, the average profit that will be given to the industry will be less than 12 per cent, which is against the recommendations of the Tariff Commission.

Another point that was raised was that the sugar factories have been given a colossal amount of incentive. The hon. Food Minister, when he took charge of this Ministry, took a step the results of which are obvious. From being a deficit country we have now so much surplus sugar that we are exporting sugar and we have become more or less permanent exporters. The incentive that was given was 3 annas per maund of cane to the cane-growers and Rs. 4/2/0 per maund of sugar to the industry on the additional production over the two years' average. May I point out to the House that according to the incentive announced by the Government, for the two years the sugarcane-

grower got Rs. 30 crores at the rate of 3 annas per maund more for his cane, whereas the industry got minus taxes about Rs. 6 crores only? Now, what the Food Minister is intending to do is to divide even this Rs. 6 crores and give 60 per cent, of it to the growers, so that this profit also be shared. I would certainly agree to sharing the incentive with the growers as equal partners. But what about the industry sharing the incentive, of Rs. 30 crores that they have got? The incentive was 3 annas per maund of cane to the grower and Rs. 4 per maund of sugar to the industry. It should

also be pooled and shared. There should be no objection to it. But somehow or other I have begun to see that our hon. Minister—because sometimes he is criticised from the opposite side to be friend of the capitalists or some such thing—has always been harsher to the industry than to the cane-growers. The incentive that was given was purely an incentive to the industry. There is no question of sharing that incentive, whereas under this Bill it has to be shared now.

Further, there is another point. Some Members do not seem to realise and understand that the previous law on the subject could not force the industry to pay the additional price to the cane-growers. If they could, this Bill would not have been necessary. The fact that this Bill has been brought forward shows that the Government have found out that without this Bill becoming an Act, the Government will not be able to realise the extra money, whatever they have to realise from the industry, and pay to the growers. So, this Bill is in the interests of the growers and I am surprised at the knowledge of the people, the so-called friends of the farmer, who oppose this Bill. Whether they really seriously mean to oppose it or whether they want only to play to the gallery. (*Interruption*) I will not take mu'h more time of the House . . .

SHRI BHUPESH GUPTA: Are you speaking for the industry?

SHRI M. R. SHERVANI: . . . and I would say that taking all things into consideration, this Bill should be supported and I hope it will be adopted unanimously.

श्री ए० बी० दाजपेयी : उपसभाध्यक्ष जी, यह विधेयक देखने में छोटा सा है लेकिन इसके परिणाम दूरगामी होंगे। अतः इस पर गम्भीरता से विचार करना आवश्यक है। श्री पाटिल के भाषण को सुन कर मुझे थोड़ा सा आश्चर्य हुआ। सम्भव है, दूसरे सदन में इस विधेयक की जो आलोचना की गई है, जिसमें कांग्रेस के सदस्य भी शामिल हैं, पुराने खोद्य और कुछ मंत्री भी जिसमें समाविष्ट हैं—मैं समझता हूँ कि उन पर यह आरोप लगाना कि वह वोटों के लिये या गैलरी के लिये इस तरह का भाषण दे रहे थे, अनुचित ही नहीं बल्कि अन्यायपूर्ण होगा, लेकिन उस आलोचना के प्रकाश में खाद्य मंत्री ने यहां जो भाषण दिया है वह बड़ा चतुरता से भरा हुआ है। उन्होंने यह दिखाया कि कोशिश की है कि यह विधेयक गन्ना पैदा करने वाले किसानों के लाभ के लिये लाया गया है। काश, यह बात सच होती और अगर यह बात उतनी सच है जितनी कि खाद्य मंत्री हमें समझाना चाहते हैं तो इस विधेयक की इतनी बड़ी आलोचना करने का कोई कारण नहीं था। लेकिन यह कहना भी ठीक नहीं होगा कि विधेयक किस उद्देश्य से लाया गया है, इसे खाद्य मंत्री के अलावा और कोई नहीं समझता या इसे वह लोग समझते हैं जो चीनी उद्योग से किसी प्रकार सम्बन्धित हैं और जो उसके मुनाफों की रक्षा करना चाहते हैं। मुझे आश्चर्य है कि खाद्य मंत्री ने इस विधेयक की चर्चा करते समय स्टेटमेंट आफ आब्जेक्ट्स का बिल्कुल उल्लेख नहीं किया। यह बात अलग है कि राज्य सभा में जो विधेयक आया है उसमें स्टेटमेंट आफ आब्जेक्ट्स एण्ड रीजन्स नहीं है लेकिन वे इस बात से इंकार नहीं कर सकते कि इस विधेयक के साथ जो उद्देश्यों का वक्तव्य दिया गया है, उससे बाकी

सारी बातें प्रकट होती हैं, किन्तु यह प्रकट नहीं होता कि यह विधेयक केवल गन्ना पैदा करने वाले किसान के हित-कल्याण की कामना से लाया गया है। उन्होंने रिहैबिलिटेशन एलाउन्सेज की बात नहीं की, एक्सपोर्ट लासेज की बात नहीं की, इन्सेन्टिव्ह्स की बात नहीं की। क्या मैं यह समझ लूँ कि इस विधेयक के पारित हो जाने के पश्चात् अतिरिक्त मुनाफे की जो रकम किसानों को मिलनी चाहिये उसमें से उद्योग के पुनर्वास के लिये और निर्यात के घाटे के लिये कुछ कटौती नहीं की जायेगी? जो भी अतिरिक्त मुनाफा मिलमालिकों ने कमाया है क्या उसे किसानों को दे दिया जायेगा? अगर यह बात सच है, जिस पर विश्वास करने को मेरा जी नहीं चाहता, यद्यपि मैं चाहूँगा कि यह बात सही हो तो फिर यह जो स्टेटमेंट आफ आब्जेक्ट्स है इसमें इस प्रकार की भाषा क्यों लिखी गई है, इस प्रकार के उद्देश्य का वर्णन क्यों किया गया है? मैं यह भी जानना चाहूँगा कि सरकार १९५८ से १९६२ तक, चार साल तक हाथ पर हाथ रख कर क्यों बैठी रही? अगर गन्ना पैदा करने वालों के कल्याण की इतनी तीव्र कामना खाद्य मंत्री के अंतःकरण में जागी है तो १९६२ में क्यों जागी? १९५८ से गन्ना पैदा करने वालों की गाड़ी कमाई का पैसा मिलमालिकों द्वारा हड़पा जा रहा है और यह शासन हाथ पर हाथ रख कर बैठा रहा—कोई कार्यवाही नहीं की गई। खाद्य मंत्री ने स्वीकार किया है कि मिलमालिकों ने अपनी इच्छा से जो उन्हें अतिरिक्त मुनाफा हुआ, लाभ हुआ, वह उन्होंने गन्ना पैदा करने वाले किसानों को नहीं दिया। तो इस सरकार ने क्या किया? चार साल तक एक पत्ता नहीं हिला, किसानों के हित के लिये कोई कदम नहीं उठा है। मैं समझता हूँ, यह नया कानून बनाने की कोई जरूरत नहीं थी। २७ अगस्त, १९५५ को जो आर्डर पास किया गया उसके क्ल ३(ए) के अंतर्गत सरकार को इस बात का अधिकार था कि मिलमालिकों के अतिरिक्त मुनाफे में से गन्ना पैदा करने वालों को लाभ देने के

[श्री ए० वी० वाजपेयी]

लिये मजबूर करती। मगर सरकार ने ऐसा नहीं किया। क्यों नहीं किया, इसका स्पष्टीकरण मिलना चाहिये। और सरकार चार साल तक हाथ पर हाथ रख कर बैठी रही, इसलिये शासन के उद्देश्यों के बारे में शंका पैदा होती है। जिस ढंग से इस सदन के वादविवाद में उस सदन के वक्तव्यों का चयन किया गया और वक्ताओं ने बातें कही हैं, उससे उन संदेहों की और भी पुष्टि होती है कि सरकार गन्ना पैदा करने वाले किसान के साथ न्याय करने के उद्देश्य से यह विधेयक नहीं लाई है। अब आलोचना के बाद अगर सद्बुद्धि आ जाये तो मैं नहीं कहता कि हम उसका स्वागत नहीं करेंगे, लेकिन जहाँ तक इस विधेयक को लाने के उद्देश्य हैं वे संदिग्ध हैं और खाद्य मंत्री केवल उनका उल्लेख करके उन संदेहों को निर्मूल नहीं कर सकते। मैं यह भी जानना चाहूँगा कि इस फारमूले को जब १९५५ में कानूनी रूप दिया गया तो उसे रेगुलेशन एक्ट से लागू करते समय, १९५८ की बात क्यों कही जा रही है? १९५५ की बात क्यों नहीं कही जा रही? हो सकता है, खाद्य मंत्री कहें कि यह वही तक है जो पहले दिया जा चुका है और मैं उसकी पुनरावृत्ति कर रहा हूँ। मगर मैंने, दूसरे सदन में विवाद का उत्तर देते हुए उन्होंने जो भाषण दिया है, उसको पढ़ा है और मैं इस सम्बन्ध में अभी तक सन्तुष्ट नहीं हो सका हूँ कि इस को रेगुलेशन एक्ट से लाने की जरूरत क्या है और अगर लाया गया है तो १९५८ से ही क्यों, १९५५ से क्यों नहीं? यह कहना ठीक नहीं है कि १९५५ में जो कानूनी रूप दिया गया वह कानूनी नहीं था और केवल समझौते से स्वीकृत किया गया था। मैंने रूल ३(ए) की धारा को उद्धृत करके बताया है और उसके अनुसार मिलमालिकों को अतिरिक्त मुनाफे में से गन्ना पैदा करने वाले किसानों को लाभ देने के लिये विवश किया जा सकता था। मैं यह भी जानना चाहूँगा कि चीनी के मिलमालिक कितना मुनाफा

कमा रहे हैं? इस सम्बन्ध में परस्पर विरोधी बातें कही गईं। अभी हमने सुना कि चीनी के मिलमालिकों की हालत बहुत खराब है, वे जैसे जैसे इन मिलों का भार ढो रहे हैं—ढोना नहीं चाहते मगर समाज के कल्याण के लिये, भार ढोने को मजबूर हैं—अन्य उद्योगों में जो मुनाफा होता है वह चीनी उद्योग में नहीं होता—यद्यपि उन्होंने कहा तो नहीं लेकिन दबो जवान से इशारा किया और जो कुछ उन्होंने कहा उसमें से ध्वनि यह निकलती थी कि गन्ना पैदा करने वाले किसान की हालत खराब नहीं है, चीनी के मिलमालिकों की हालत खराब है और अगर सरकार को कोई कदम उठाने चाहिये तो मिलमालिकों को राहत देने के लिये कदम उठाना चाहिये। मैं खाद्य मंत्री जी से चाहूँगा कि इस स्थिति को स्पष्ट करें; क्योंकि रिजर्व बैंक के १९६१ बुलेटिन से जो आंकड़े प्राप्त हुए हैं उनसे पता लगता है कि १९५५ और १९५६ के बीच में ५१.२ करोड़ ६० का मुनाफा चीनी मिल के मालिकों ने कमाया। कुछ कम्पनियों में तो मुनाफा २० फी सदी से ज्यादा है। अब इस मुनाफे को देखते हुए क्या सरकार को इस बात का विचार नहीं करना चाहिये कि इसमें से गन्ना पैदा करने वाले किसान को भी कुछ हिस्सा मिले? चीनी उद्योग का विकास हो, चीनी उद्योग अच्छी तरह से चले, इसमें कोई मतभेद नहीं है। लेकिन किस कीमत पर चीनी उद्योग का विकास किया जाये? क्या गन्ना पैदा करने वाले किसान की कीमत पर या चीनी खाने वाले उपभोक्ता की कीमत पर? इसका विचार होना चाहिये और अभी तक न तो गन्ना पैदा करने वाले किसान के साथ न्याय हुआ है और न चीनी के उपभोक्ता के साथ न्याय हुआ है।

उपसभाध्यक्ष जी, मैं एक ऐसे इलाके से आता हूँ जहाँ चीनी की दो मिलें हैं और गन्ना केवल किसानों की जीविका नहीं है, किसानों का जीवन है। वह अगर गन्ना पैदा न करें और उस गन्ने का अगर उन्हें उचित मूल्य न मिले

तो फिर किसी प्रकार के सुखमय जीवन के भविष्य को वे याशा नहीं कर सकते। लेकिन उनके साथ किस तरह का व्यवहार होता है, उसका थोड़ा सा विचार होना चाहिये और दाम निर्धारित किया जाता है वह दाम उन्हें पूरा नहीं मिलता, गन्ने को ठीक तरह से तोता नहीं जाता, गाड़ियां खड़ी रहती हैं कई दिनों तक और गन्ना पैदा करने वाला किसान मिल मालिकों की व्यवस्था के कारण परेशान होता है। मिलें ठीक तरह नहीं चलतीं, किसानों का गन्ना समय पर नहीं पैदा जाता, यमों के दिनों में गन्ने का रस सुखने लगता है और तोलने पर गन्ने का भार कम हो जाता है, जिससे किसान को गन्ने की कीमत कम मिलती है। और दामों को निर्धारित करने समय इन बातों का विचार नहीं किया जाता कि जो गन्ने को पिराई से खोई निकालती है उसका लाभ मिल मालिकों को होता है बाकी के जो और उपकरण उत्पन्न होते हैं उनसे मिल मालिक ही लाभ उठाते हैं। आज स्थिति ऐसी है कि पूर्वी उत्तर प्रदेश में और उत्तरी बिहार में अगर गन्ना पैदा करने वाले किसानों को गन्ने का ठीक मूल्य नहीं मिलेगा तो फिर इस क्षेत्र की व्यवस्था बड़े संकट में पड़ जायेगी। अभी उन प्रदेशों में बाढ़ आई है और गन्ने की एक ऐसी फसल है जो बाढ़ में किसान को तहारा देती है। और फसलें बह जाती हैं, डूब जाती हैं मगर गन्ना किसान का संजल बन कर खड़ा रहता है। अब उत्तर प्रदेश और बिहार के इलाके के मिल मालिक धमकी देते हैं कि वे उन मिलों को उठा कर दक्षिण की तरफ ले जायेंगे, जैसे मिलें उनकी बपीती हैं, जैसे उन्होंने मिलों की बनाई में जो रुपया लगाया है वह मुताफे के रूप में कमाया नहीं है। मैं इस प्रश्न को दोहराना चाहता हूँ कि अगर मिल मालिकों की हालत उतनी खराब है जितनी कि वे इस सदन में बैठ कर बताते हैं तो फिर वे मजदूरों को और गन्ना पैदा करने वाले किसानों को अपनी मिलें क्यों नहीं सौंप देते? मगर हालत उतनी खराब नहीं है जितनी बताई जाती है। गन्ना पैदा करने वाले किसान को गन्ने

की कीमत कम मिलती है और गन्ने के खेतों में जो मजदूर काम करते हैं उनकी मजदूरी कम मिलती है और जो बेज बोई के फौजले वे वे किसानों ने तमामान्वित नहीं किये गये। मैं यह कहना चाहता हूँ कि जहाँ मन्त्री जो वे इस सदन में जो बातें बता रहे हैं उनसे अनुसार अगर किसान को खेती को सबे जो फिर इस विधेयक के द्वारा किसानों के हितों का संवर्धन होता है लेकिन उनसे भाषण में और विधेयक के उद्देश्य में एक विरोधाभास है जिसका उन्हें विरोध करना चाहिये नहीं मराना निवेदन है।

SHRI S. K. PATIL: Sir, I have very little to say but there seems to be a wrong impression. I would begin with the speech of my hon. friend, Shri Vajpayee, who said that because I did not refer to certain things, I had one thing in my mind and that I was telling something which was different. I would assure my hon. friend that he should not credit me with that type of attitude either in this House or anywhere else, and I can tell him in one word—if I can satisfy him by that—that I would do exactly what he would do if he were sitting in my chair. If any formula that is so devised can stand the test of law, it is good. It is very easy to be sentimental and talk about things. I may also say that the whole world should be given to the poor man. But surely, there are other people, unfortunately, in that world and they have also got a right to say something. Courts of law have been created (Interruptions). I do not yield. When I come to my hon. friend . . .

SHRI BHUPESH GUPTA: The point is, you said that the formula should stand the test of law. We say, you make a formula according to some good principle and then have the law to sustain it. If there is any change . . .

SHRI S. K. PATIL: I won't make myself a fool and be declared a fool

SHRI S. K. PATIL: before my wisdom is proved. It is my hon. friend's way, it is not my way.

SHRI BHUPESH GUPTA: Yesterday you changed the Law.

SHRI S. K. PATIL: It was a mistake to yield. If I did, it was out of sheer friendship.

What I say is, I want to do everything in my power. It is not merely for the sake of saying that I have been doing it. During the last three years, I have availed of every opportunity that I had got to use my private influence, as you may call it, in order to take as much out of these mills and mill-owners without even going to a court of law. I have done it, crores of rupees. Now, you might say, "Oh! they had looted it and kept it somewhere. What is it that you did?" But the fact of the case is that money is the hardest thing that men can part with and surely, to induce them to part with crores of rupees by persuasion is something that really does need commendation not condemnation. What I am saying is this. This is not for taking credit, and even the devil must be given its credit. Surely, whether the devil is opposite or it is here, the credit is due.

SHRI BHUPESH GUPTA: Mr. Vice-Chairman, I would like to give the devil its due. I follow the English proverb. I will give the devil its due. But the devil does not deserve its due.

SHRI S. K. PATIL: I am very glad that one devil is giving credit to another devil.

What I was telling my hon. friend, Shri Vajpayee, was this. If it is possible to do and even to go higher or even more than what the Tariff Commission has done, Government is prepared to do it. That is why I did not mention those things. He thought that the omission was on purpose. The omission was not on purpose because if it is possible for me to do something even more, I would have done. That is a matter which is not so simple as |

it appears to be because profit, whether it is ordinary profit or excessive profit or exorbitant profit or unreasonable profit—whatever you may call it—is a term which has got to be defined and if you and I cannot mutually define it and come to an adjustment, it is a court of law that defines it. Therefore, I say that nowhere in this vast world a legislation of this kind has ever been tried in order to regulate the relation of the excess profits. What is done elsewhere, whether in Europe or America—Russia does not need any of these things—is that when there is a likelihood of some kind of an excessive profit, it is the owners and the workers who sit together, because the workers have got a threat in their hands that if the owners do not do it they will go on strike, as there are umpteen strikes anywhere in this world. Therefore, the industrialists feel that in order to buy peace, it is much better to have a compromise on an individual basis. Such a compromise has been attempted elsewhere. (*Interruption*). If it was done, it was a different matter altogether.

My friend, the hon. Shri Pannalal, said that I referred to the munificence of the people. I tell you that there is no munificence in this world because, after all, they in South India or in Maharashtra do not give it because they are munificent or generous. I can quite understand if they did it. They did it because they thought it much better to do so; thereby they earned more profits. Therefore, I did not refer to any munificence. I merely gave a tale of fact as to exactly what they did. They had the money, they could buy peace and by doing so, surely, they could work better, and a nice type of sugarcane was cultivated and so on and so forth. I did not give any special credit for it. I am merely saying that they did it, it is a point of fact. It is a voluntary agreement between two parties and a voluntary agreement has a greater chance of being implemented because no court of law comes in.

Now, we decided in 1958 'chat it should be done by law. My hon. friend, Shri Vajpayee, asked me, "Why did you not do it in 1955?" Here, he has not known the facts. In 1955, I had no right to do it. In 1956-57, I had no right to do it because only on the 23rd of September, 1958, I passed that order that gave me the power to apply that law. I could have done it only from the 1st of November, 1958. That is why we said 1st of November, 1958.

Now, here is my friend, Prof. Mukut Behari Lai. He makes a very good speech in the interests of the cane-growers. If I were in his shoes, I would have made. that speech. But it is very easy to do that and ask why it was not done. It was ^not done because it was impossible for the Government to do it. We were prevented from doing it because there were Commissions after Commissions. Even the Gopalakrishnan Committee that recommended a bonus on the basis of which this formula had been evolved, had recommended four regions, not one. I had to work out that formula" separately for each region. It is not very easy. It is easy to make a speech but surely, it is not easy to implement that formula. Immediately after that, many other things came into the picture, because that holy term 'profit' became so illusory. After you control, i| the Tariff Commission sits and gives a certain price including the profit and the other elements in it, then naturally it can be argued. Whether that argument can stand in a court of law or not is a different matter. When a competent committee or a commission has gone into the whole structure of prices and given a price, that price cannot be called a profit. Then you will have to go to the individual mill. It is a good mill if it has made more 12 per cent. Twelve per cent, is the figure given to them, not profit; it includes ever so many things, bonus and many other things. Even apart from that, that has been given to them. Therefore, that term 'profit' has to be defined. All thes_e committees have sat upon it. It is a very >

difficult thing to do. And that is why on the representation both of the owners and the growers the formula was once again given to the Tariff Commission that they should give their independent opinion as to what should be done. And their Report came, as I have said, in August, 1961. It is very easy to be eloquent and say that the Government is really res possible, that there is serious dereliction of duty and that they have done something which should not have been done and they have not done which should have been done. I do not understand that argument at all. It is for the first time now, 5 P.M. when all these reports came, that I am in a position to declare that X, which X has become so complicated now by all these circumstances, even now it is complicated, if that formula was ready with me in my pocket, I would have shared that with the hon. Members of this House or that House. But I want this competence before thi_s House disperses, because any formula that I will make, when that formula has got to be implemented under the Essential Commodities Act or under the Sugar Control Order, I have no right to give it a retrospective jurisdiction. My jurisdiction is limited to the year to which J. am confined, that is, if it was only for this year, I would have done it, and I need not come before this House, or any such thing—I do not want any law. But when that formula has got to be had from the 1st November, 1958, a retrospective effect has got to be given, because it is a moot point how the court of law will deal with it. The hon. Member should not advise me that I should simply go on declaring that formula, then go to the court, and when the court declares that I have not got such a right, then they would once again come and give me the retrospective effect. What is the wrong? What are you doing? You are not doing anything. There is no formula on which you are voting. What you are voting is on this; if I am competent to do something in the year 1962, please consider me com-

[Shri S. K. Patil.] petent to do that from the year 1958. That is exactly what I am asking; nothing more, nothing less. That is the legal position, and that is why the House is doing no wrong indeed in giving the retrospective effect that I am asking.

Now, many other speeches were made either for or against. I think, if anybody would be most happy if this Bill is withdrawn, it is those who are in charge—the mill-owners, because then they have nothing to do, and therefore, it is not that they are supporting it, and so on; I am afraid, might be there is something up the sleeves, because they know that in this country there is the rule of law. Whatever it is, this democracy has not departed from the rule of law. This is the healthiest feature of our democracy. Therefore, they know that if I do anything wrong, there is a court of law where they will go. Now, I do not want the case of the sugarcane-growers, millions of sugarcane-growers, to be prejudiced by a judgment of a court of law that I had not such a right. Therefore, the Government is arming itself with this power of giving retrospective effect to this legislation. There is nothing more; there is nothing less.

Arguments have been advanced that this sugar industry should have been nationalised. It is the same argument that my hon. friend opposite, Shri Bhupesh Gupta, advanced when the Banking Companies Bill was under consideration. That is a different matter altogether. If in our wisdom any time we feel that this industry can be nationalised and thereby we could protect the cane-growers and all others—of course I doubt it very much—but even then, if you are doing it, it has nothing to do with this Bill. This Bill is a simple legislation. It does not go as far as nationalisation of the industry. This is an industry and I know that in the entire U.P. and Bihar, and particularly in U.P., even this industry is mixed with politics. I do not find fault with

anybody. My hon. friend said that here are the people, they are owners and therefore they are related to the industry. And are not the other hon. Members related to the industry?

AN HON. MEMBER: There are the cane-growers.

SHRI S. K. PATIL: Yes, because this industry has got millions of people in U.P. who are the voters who send us to where we belong, and therefore, naturally, let us not go into this thing as to who is related and who is not related. We are all good relatives and very near relatives of this industry, some of them because they get some money out of it, others because they get their very existence in this Parliament out of them, and therefore it is not these considerations that are worrying me. What is worrying me is that these cane-growers, millions of them, have been waiting for so long, because the legal position, was like that. It was not their normal thing of course; they have getting their money all right; this is a share in the excess profits to which also, if they are entitled, they must get it. They were getting it, as I

have explained in the morning, and they would get even more if it is adjusted. I am going to appeal to the mill-owners and the industry that it is on the goodwill on both sides that the industry will go. Law, as far as possible, must be avoided. Although I am arming myself with the law, I do not want to use it, and I am quite sure the mill-owners would not compel me to use it, that they also will not use it themselves because, if these things are amicably settled between the cane-growers on the one hand and the mill-owners on the other, it is all to the good of the industry and to everybody concerned, and I can assure my hon. friend that it is not with any ulterior motives that I am bringing this Bill. I am advised by those who are competent to talk about law that this retrospective effect, if I do not take, I cannot get back to 1958 the advantages that I want for the millions of cane-growers everywhere in this country.

With these words, Mr. Vice-Chairman, I commend the consideration of this Bill.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : The question is:

"That the Bill to empower the Central Government to amend the Sugarcane (Control) Order, 1955, with retrospective effect in respect of certain matters, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : We shall now take up the clause by clause consideration of the Bill.

Clause 2 was added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI S. K. PATIL: Mr. Vice-Chairman, I move:

"That the Bill be passed."

The question was proposed.

SHRI BHUPESH GUPTA: Mr. Vice-Chairman. Sir, our Food and Agriculture Minister is interesting; he makes small things look big and big things look small, and that requires certain very good qualifications.

SHRI M. R. SHERVANI: Are you giving him credit for it?

SHRI BHUPESH GUPTA: You do not look at all; that is the point.

Now, this qualification is certainly an admirable qualification in a politician, and Mr. S. K. Patil is a politician par excellence. Now, when it was suggested to him on the basis of the Statement of Objects and Reasons in the Bill that matters relating to this little rehabilitation business had not been mentioned, Mr. S. K. Patil, our hon. Minister, almost made it

sound that there was nothing in it, hat it could be easily ignored. that there was a purpose in it, and so on. I am not at all concerned with the intentions here. Yet the fact remains that this matter formed a big part of the discussion in the other House, and he himself was at pains to explain the various pros *and cons* of the matter. How is it that that which was very important and which engaged his attention so much only a few days ago had become so unimportant today—on the 6th of September? I do not know.

SHRI ANUP SINGH (Punjab): It has been talked out.

SHRI BHUPESH GUPTA: Therefore, I say he has all sense of values and perhaps he thinks this is not a very important matter for the Rajya Sabha to deal with. I can understand that. But it is not unimportant because these provisions or the Statement of Objects and Reasons gave rise to serious misgivings in the minds of many Members of Parliament, and some of them voiced it in the course of the debate in the Lok Sabha. Therefore, if Mr. Vajpayee has raised it, the point has to be met, not by merely giving an assurance and so on. Well, I make this point because I have not got a satisfactory reply on that score from the hon. Minister. He was speaking on behalf of the Government. I do not say, when many things happened, he was personally responsible at that time. Nor do I say that he is personally responsible now. I am concerned with the Government. As he said, for friendship and for sheer friendship I will not say things for or against him that way. I speak about the Government and I raise this point that the Government failed to implement this old law. The hon. Food Minister did not give a satisfactory answer. I know that he has got majority in this House and he knows that with the support of that majority the minority can be s

ilenced in this matter because ultimately it is the support that matters. But it remains to be explained to the

[Shri Bhupesh Gupta.] country, if not to one's own conscience, that these cane-growers did not get what they should have got even under the law, let alone a formal, voluntary agreement.

Now, as I pointed out, somebody should have been held responsible and the matter should have been explained. But nothing has been done. It may be inconvenient for the hon. Food Minister to deal with it. But certainly when we discuss matters like this, it is a very relevant question to be raised because we judge the Government not merely by what it says but also by what it had been saying yesterday and practising immediately after. Now, the practice of "the Government belles their protestations about their concern for the cane-growers as far as sugar industry is concerned. We have not received any satisfaction from the hon. Food Minister on that score.

Then, again, about the formula he said that I should not try to make him look like a fool. I do not know if there is anybody on this planet, not merely in India but on this planet of ours, who can make Mr. S. K. Patil look foolish in such matters because he is an extremely clever man. Anyone who has managed the Bombay Congress must necessarily be a clever man. We have watched his career with some interest since 1930. You can accuse me of anything else, but cleverness he has in abundance.

(Interruptions.)

SHRI M. P. BHARGAVA (Uttar Pradesh): How is it relevant to the Bill?

SHRI BHUPESH GUPTA: It is relevant because Mr. S. K. Patil would not like to be befooled by anybody.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Mr. Bhupesh Gupta, I hope you will curtail it.

SHRI BHUPESH GUPTA: Oh, you do not like this thing. It is an un-

savoury thing. Anyway, you see Mr. Vice-Chairman, it was not my intention. But you see how the camp followers are getting up. He does not need protection. In fact, he can look after many of them. All of them got up to protect him. You see, Sir, how unsolicited support is coming but let them support him when the support is needed. Over this matter he does not need it.

So, Sir, the only thing that I suggested was that a formula could be made and then, simultaneously, the formula could be sustained by legislation, if necessary. That is to say, we can pass laws, simultaneously taking into account what will be the possible interpretations in the Supreme Court. To obviate that difficult situation this can be done here in Parliament. How on earth we cannot make a formula? Is it impossible within the scope of law to fix a formula with regard to what should be the price given to the cane-growers?

SHRI M. R. SHERVANI: This is all repetition of your earlier arguments.

SHRI BHUPESH GUPTA: I have to repeat it because I thought you did not understand my point.

SHRI M. R. SHERVANI: I have understood it.

SHRI BHUPESH GUPTA: Oh, you have understood it. I see. But, then there is no tangible effect of it.

Now, I was saying that the formula could have been fixed. A formula could be laid down and this should be supported by law. In any case I would not like the hon. Food Minister to be placed in an embarrassing situation where his Acts are challenged in the Supreme Court and set at naught by the decision of the Supreme Court. I would not like such a thing to happen. In such matters all I can say is that it was possible to invoke the authority of law and sustain it with the sanction of the law, taking into account what might be the possible

■percussions in a court of law. Every-:hing is possible but it has not been done.

With regard to the sugarcane-growers, when I look at Mr. S. K. Patil, the hon. Food Minister, I am reminded of the Indian farmer. He has got the stamina and the structure of a farmer. I agree that he may have sympathies also with the farmer. But the trouble is that these things are not done. Even if he says something, it will be flouted. Ways and means will be found by the sugar industry to escape the consequences of his policies in law. For that can we not get a remedy from here? Maybe, some little things will be done which will depend upon how he handles the provisions. I hope if he gives any reply—I do not think he can escape the temptation of giving a reply—he should tell us that in this particular matter whatever policy he formulates he would do so from the point of view of the cane-grower first and foremost, to use his own words. Let the country know that here is a Food and Agriculture Minister, whatever may have happened in the past, what he is going to do, he will be doing primarily in this particular matter from the point of view of the interests of the cane-growers in the country. There they deserve justice in this matter more than anybody else. Perhaps, that is why I am insisting on it.

As far as incentives to industrialists are concerned, I should say that you have given them enough.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): That is enough. The question is:

SHRI BHUPESH GUPTA: You did not ask him.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): He feels there is no need to reply.

SHRI BHUPESH GUPTA: At least, on one occasion he has shown some restraint.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): The question is:

"That the Bill be passed."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI ALI KHAN): The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at seventeen minutes past five of the clock till eleven of the clock on Friday, the 7th September, 1962.