

SHRI RAFI AHMED KIDWAI : I am afraid, Sir, this question was about cane.

SHRI RAJAGOPAL NAIDU : Does not the hon. Minister think, Sir, that the acreage of cane growing will be reduced if moneys are not paid in time for the cane growers to raise the next crop?

SHRI RAFI AHMED KIDWAI : I may inform the hon. Member that before we introduced this deferred payment system, in Madras many mills were not paying any part of the price of the cane they were crushing and in U.P. also some mills had ceased to pay any price, but the cane growers were anxious that the cane must be utilised.

SHRI RAJAGOPAL NAIDU : Why was not the State Government consulted before the order was issued by the Central Government ?

SHRI RAFI AHMED KIDWAI : But I have stated the proposal came from the U. P. Government and the Punjab Government and the Madras Government was consulted and they agreed.

SHRI J. R. KAPOOR : Do Government think that this deferred payment is going to affect the production of cane hereafter ?

SHRI RAFI AHMED KIDWAI : No, because the cane sowing season ends generally by the end of January and this difficulty arose in April and May.

SHRI B. RATH : Did the Government inquire into the paying position of the factories before they issued orders for deferred payment ?

SHRI RAFI AHMED KIDWAI : Government receive figures of accumulated stocks every week. Government also knew the financial difficulties' of the factories, because we had to intervene in some cases.

SHRI B. RATH : Is it not a fact that at the time of the crushing season, when the production of sugar goes up, the accumulation increases in factories ?

SHRI RAFI AHMED KIDWAI : I have not been able to follow the question.

SHRI B. RATH : Is it not a fact that during the crushing season, stocks accumulate in factories ?

SHRI RAFI AHMED KIDWAI : Yes, and as I have said, this year production has increased by five lakh tons over the averages of the last few years.

SHRI D. D. ITALIA : May I know if the rate is fixed for the coming season ?

SHRI RAFI AHMED KIDWAI : Not yet.

SHRI GOVINDA REDDY : May I know, Sir, if the Government have enquired into the reason as to how the sugar factories fell short of money for paying for the cane ?

SHRI RAFI AHMED KIDWAI : I think the hon. Member knows that every factory required some finance for working capital and factories mostly rely on their banks for finance. The banks had certain limits and this year because the production has increased by more than 50 per cent, this difficulty arose.

#### **ELECTION TO CENTRAL ADVISORY BOARD OF EDUCATION**

MR. CHAIRMAN : There is an announcement to make. As the number of candidates for election to the Central Advisory Board of Education is equal to the number of vacancies, I hereby declare that Shrimati Mona Hensman and Shri Ram Chand Gupta have been duly elected to the Central Advisory Board of Education.