

SHRI S. N. MAZUMDAR: Will the hon. Minister please look into this matter?

MR. CHAIRMAN: If it is brought to your notice, you will look into it?

SHRI KHANDUBHAI DESAI: Yes, Sir.

#### SETTING UP OF NEW SUGAR REFINERIES

\*295. SHRI S. N. MAZUMDAR: Will the Minister for FOOD AND AGRICULTURE be pleased to state:

(a) whether the Deccan Sugar Factories Association has been given an assurance that Government would not encourage the setting up of any more sugar refineries; and

(b) if so, what are the reasons for such an assurance?

THE DEPUTY MINISTER FOR FOOD AND AGRICULTURE (SHRI M. V. KRISHNAPPA) :

(a) No.

(b) Does not arise.

SHRI S. N. MAZUMDAR: Has the attention of Government been drawn to the complaints made rightly or wrongly, by the sugar manufacturers' association, about the opening of these sugar refineries?

SHRI M. V. KRISHNAPPA: Yes, especially the association referred to by the hon. Member—The Deccan Sugar Factories Association. They have written to the Government protesting against the issue of licences to the refineries, and Government have replied that their wishes have been noted. But they have mistaken it to mean that we have accepted their proposals. We have replied that their opinions have been noted.

SHRI S. N. MAZUMDAR: What precisely was their complaint and have Government gone into that complaint?

SHRI M. V. KRISHNAPPA: Yes, Government are considering the whole question — They fear competition by the refineries.

SHRI T. V. KAMALASWAMY: But o\ il"not a fact tbWohce these refiner-

ies are established, then the Government will be obliged to import this raw sugar in order to get this raw material for these refineries?

SHRI M. V. KRISHNAPPA: I think we will have to import it.

PROF. G. RANG A: When the refineries are established in this country, will it not be possible to convert our own *gur* into sugar?

SHRI M. V. KRISHNAPPA: That is also under the consideration of Government and Government have not yet issued the licences because all these problems are before the Government.

PROF. G. RANG A: But whom is this, competition expected to affect adversely? Is it the sugar manufacturer or the sugar consumer?

SHRI M. V. KRISHNAPPA: Sometimes both.

PROF. G. RANGA: How?

SHRI M. V. KRISHNAPPA: Supposing jaggery is manufactured into-sugar, then the price of jaggery will go up and the poor consumer will suffer.

PROF. G. RANGA: Why?

(No reply.)

SHRI D. NARAYAN: Is it not a fact that they now work only for, six months and so for the remaining six months they can refine this raw sugar?

SHRI M. V. KRISHNAPPA: That is, also under consideration of Government, whether to refine the imported sugar or to refine this jaggery produced in the country, or both, and to what percentage, and whether it will affect the consumer or the industrialist. These are all before the Government and we hope to take a decision soon.

#### PRODUCTION OF SUGAR

\*296. SHRI S. N. MAZUMDAR: Will the Minister for FOOD AND AGRICULTURE be pleased to state:

(a) whether Government have a plan for increasing the production of

sugar by 4 J lakh tons in the next three years;

(b) if so, what are the details of the plan; and

(c) what steps Government propose to take to implement the plan?

THE DEPUTY MINISTER FOR FOOD AND AGRICULTURE (SHRI M. V. KRISHNAPPA) :  
(a) Yes.

(b) The increase in production is sought to be achieved by (i) allowing expansion in the existing factories, (ii) establishment of new sugar factories and (iii) establishment of sugar refineries.

(c) Licences have already been issued for substantial expansions of 22 existing units and for establishment of 23 new factories, with a total additional production capacity of 3.64 lakh tons. The issue of more licences is pending.

SHRI B. C. GHOSE: Sir, we are now told that one of the ways of increasing the production of sugar would be to establish sugar refineries. But two minutes back the Government have said that they have not yet come to a decision on that point. So what is the exact situation, Sir?

SHRI M. V. KRISHNAPPA: Sir, the exact situation is this. We wish to increase sugar production in India by 4i lakh tons within the next three years. By expansion of the existing factories we hope to get 1.66 lakh tons. New sugar factories will bring in another 2.29 lakh tons and the refineries 92 lakh tons. The decision will have to be taken to allow these refineries or not. If we do not allow them, then to that extent we will have new factories established.

SHRI B.C. GHOSE: They expect 92 lakh tons to be obtained by means of the sugar refineries. Does it mean they have already decided to have them?

SHRI M. V. KRISHNAPPA: We have already allowed import of raw sugar and they have been refined. So we have refined sugar to that extent.

SHRI B. C. GHOSE: And still the question of having sugar refineries is not yet settled?

SHRI M. V. KRISHNAPPA: No, not yet.

**EXPERT COMMITTEE ON SUGARCANE PRICES**

\*293. SHRI M. VALIULLA (ON BEHALF OF MOULANA M. FARUQI) : Will the Minister for FOOD AND AGRICULTURE be pleased to state:

(a) whether Government have set up or propose to set up an Expert Committee for the fixation of sugarcane prices;

(b) if so, what are the terms of reference of that Committee; and

(c) how many representatives of cane agriculturists are in that Committee?

THE DEPUTY MINISTER FOR FOOD AND AGRICULTURE (SHRI M. V. KRISHNAPPA): (a) to (c). Yes, there is a proposal to appoint an Expert Committee for examining the formula for linking cane price with the price of sugar and other allied matters.

The terms of reference and the composition of the Committee have not yet been finally decided.

SHRI M. VALIULLA: Pending the formation of the Committee, has the price been already fixed?

SHRI M. V. KRISHNAPPA: Prices have been fixed for a long time. There is a formula which will give additional profit to the cane-growers.

SHRI M. VALIULLA: The Central Government fix a price and the Bombay Government want an increased