

Production of Sugar

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- *454. { Shri P. Venkatasubbaiah:
Shri Bagri:
Shri M. L. Jadhav:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether the target set for production of sugar for 1963-64 has been achieved;

(b) if so, the reasons for acute shortage of sugar in the country; and

(c) what steps are proposed to be taken to increase the production?

The Deputy Minister in the Ministry of Food and Agriculture (Shri D. R. Chavan): (a) and (b). The production of sugar in 1963-64 is 25.2 lakh tonnes upto 15th of September 1964, as against the requirement of 33 lakh tonnes estimated in the beginning of the season. This accounts for the shortage of sugar in the country in the current year.

(c) Measures to step up production of sugar in 1964-65 are under consideration.

Shri P. Venkatasubbaiah: It is seen from the statement given by the hon. Minister that there is a shortage of nearly 8 lakhs tons of sugar for 1963-64 and that is the reason for the acute shortage of sugar in the country. In that case, may I know whether Government will consider the possibility of stopping the export of sugar to foreign countries so that it will be possible to have reasonable distribution of sugar in the country?

The Minister of Food and Agriculture (Shri C. Subramaniam): After making an estimate of the production in 1964-65, if there is going to be any acute shortage, certainly we will consider banning exports.

Shri P. Venkatasubbaiah: May I know whether the Government has got any assessment before it whether the sugar mills that have gone into production and that will go into production will reach the target envisag-

ed by the Government? What is the latest position regarding production by sugar mills?

Shri C. Subramaniam: It is not a question of want of capacity in the mills today. It is a question of supply of cane to the sugar mills, which is being diverted for the production of gur. The estimate of expectations for 1964-65 are optimistic and I am hoping that it would be possible to reach a sizable production during 1964-65.

श्री बागड़ी: क्या मंत्री महोदय यह बतलाने की कृपा करेंगे कि दक्षिण के चीनी कारखानों जिन पर कि कम लागत लगती है लेकिन चीनी की कीमत उत्तर के मुकाबले में ज्यादा होती है और उत्तर में चीनी की कीमत कम मिलती है इसी तरीके से दक्षिण में किसानों को गन्ने की कीमत ज्यादा और उत्तर में कम मिलती है, तो क्या इस उत्तर और दक्षिण को लड़ाने के व्यवहार को सरकार अभी भी जारी रखने का विचार कर रही है?

Shri C. Subramaniam: I do not think there is any disparity. As a matter of fact, the sugarcane price in the South is a little lower. As far as the price of sugar is concerned, the price fixed for the northern mills is higher than that for the southern mills.

Shri Tulshidas Jadhav: May I know what remedial measures have been taken to increase the production of sugar in the country, either by the expansion of the existing factories or by the opening of new factories?

Shri C. Subramaniam: That is quite a different question relating to licensing capacity and bringing about more capacity. Here the question is about utilizing the capacity by making available more cane.

Shri Himmatsinhji: May I know whether Government have made any definite commitments for the export of sugar and, if so, how much?

Shri C. Subramaniam: I think I have already answered that question.

Shri Himnatsinhji: I am asking about the quantity.

Shri C. Subramaniam: It is roughly 2.5 lakhs tons.

Shri S. M. Banerjee: According to the statement of the Minister, the shortage of sugar production is due to diversion of cane for production of *gur* and *khandsari*. I would like to know whether Government propose to give more incentives to the farmer increasing the price of sugarcane so that the entire sugarcane crop may be diverted to the sugar mills and, if so, what is the scheme?

Shri C. Subramaniam: That would mean increasing the price of sugar.

Shri S. M. Banerjee: No, by reducing the huge profits.

Shri C. Subramaniam: That is taken into account. Hon. Members need not imagine that huge profits are earned by the sugar mills and, therefore, there is cushion to increase the sugarcane price without any corresponding increase in the price of sugar. As a matter of fact, we have gone into the whole question. Another difficulty is the parity in the agricultural sector between the prices of foodgrains and sugar. If you give more and more to sugarcane, naturally there will be greater diversion to sugarcane production as against production of foodgrains.

Shri Shivaji Rao S. Deshmukh: What remedies has the Government in mind to cure the unhappy malady of sugar mills' capacity lying idle in the north for lack of cane and more cane being diverted to *gur* manufacture in the south because of the lack of capacity for manufacture of sugar? Further, what attention is Government paying...

Mr. Speaker: Thus far and no further.

Shri C. Subramaniam: As far as making available more cane for the northern mills is concerned, we are taking into account the various measures and I hope to announce them

very soon. It is still in the stage of consideration.

Mr. Speaker: Shri A. P. Jain.

Shri Shivaji Rao S. Deshmukh: What about the south? Only one portion of the first part has been answered.

Mr. Speaker: I allowed only one question.

Shri Shivaji Rao S. Deshmukh: But only one part of that question has been answered.

Mr. Speaker: That part in itself is a question by itself.

Shri A. P. Jain: The hon. Minister has unequivocally announced that the price of agricultural produce will be based on a remunerative return to the grower. In calculating the price of sugarcane will he keep this in mind and will the price of sugarcane be remunerative to the grower irrespective of the fact as to what parity it bears to the other food crops?

Shri C. Subramaniam: As a matter of fact, I have tried to make a calculation. The present price of sugarcane is quite remunerative.

Shri A. T. Jain: No, no.

श्री रामेश्वरानन्द : कृषि मंत्री ने कहा है कि हम चीनी का उत्पादन बढ़ाने के उपायों पर विचार कर रहे हैं। मैं यह जानना चाहता हूँ कि इस सम्बन्ध में वह क्या उपाय कर रहे हैं। और किसानों को क्या सुविधायें दे र हें।

Shri C. Subramaniam: The various inputs, like fertilisers, and the plant protection programme and all those things are being offered now. In addition to that, the price also is a factor and that is also being taken care of.

Shri Ranga: What is it that is being done in order to enable the peasants to increase the per acre production in addition to the fertilisers them-

selves? Are the fertilisers being supplied to them either free or as a part of the additional price that they should be willing to pay so that it would not touch their pockets and, at the same time, they can increase production by using these fertilisers?

Shri C Subramaniam: There are two or three aspects with regard to increased production, for example, the variety of cane which is being raised. Therefore we are improving the varieties. As a matter of fact, we have achieved significant success in evolving new strains which give increased production per acre. In addition to that, better fertilisation and better plant protection programmes are there. In calculating the cost all these are being taken into account and we are trying to find out what would be the per acre return. Today if we take that into account, taking into account even an average production, the return which the farmer is able to get is quite attractive.

Shri K. N. Tiwary: What was the number of sugar mills in UP and Bihar four years ago and what was their number in the south, and in Maharashtra and how many new mills have been increased in Maharashtra and in the South?

Mr. Speaker: Not so many "ands" in between. These two may suffice.

Shri K. N. Tiwary: How many sugar mills in U.P. and Bihar are closed due to economic reasons?

Shri C. Subramaniam: I do not have the number of mills, but if the hon. Member wants to know whether there has been an increase in the number of mills in the south, definitely it has increased. It is a natural thing because sugarcane production and the return are better there and therefore the laws of economics come into play.....

Mr. Speaker: Shri D. N. Tiwary.

Shri D. N. Tiwary: May I know whether any instructions have been sent to State Governments not to

license new sugar mills in those areas where there is already a deficit of sugarcane for the existing factories?

Shri C. Subramaniam: The licensing is done centrally here. This fact is taken into consideration. It is only wherever cane is available or there is potential development for cane, the licensing is made.

Shri Daljit Singh: May I know whether any foreign country has offered to set up sugar factories in India and, if so, the decision taken thereon?

Shri C. Subramaniam: I do not think any foreign Government has offered.

Dr. Sarojini Mahishi: In view of the fact that sugarcane is lying for days together in the factories and due to the defective machinery the recovery is also many a time less and as a result the farmers suffer and because the cost of production of sugarcane is linked up with the recovery, may I know what relief the Government is going to give to the producers under such circumstances?

Shri C. Subramaniam: In one or two individual cases, there might be some breakdown in the machinery and this might happen. I do not think this is a general complaint.

Mr. Speaker: Next Question. Questions 464 and 475 relate to the same subject. Mr. P. R. Chakraverti who has tabled Question No. 475 is not here. So, Question 464 may also be replied to a along with Question 455.

Agricultural Production in Third Plan

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*455. { Shri Hem Raj:
Shri K. C. Pant:

Will the Minister of Food and Agriculture be pleased to state:

(a) the States which have fulfilled their targets of agricultural production during the Third Five Year Plan till its third year and which have not, with their names separately;