

## LOK SABHA DEBATES

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### LOK SABHA

Wednesday, 24th July, 1957

The Lok Sabha met at Eleven of the  
Clock

[MR SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Sugar Mills

\*288. { Shri D. C. Sharma†:  
Shri Jhulan Sinha:

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

(a) what is the total unused capacity  
in the sugar mills at present; and

(b) what steps Government have  
taken to enable the sugar mills to  
employ their unused capacity?

The Minister of Co-operation (Dr.  
P. S. Desmukh): (a) and (b) Apart  
from a few small uneconomic factories  
whose plants are worn out there are  
6 factories with production capacity  
of about 30,000 tons of sugar per year  
which are not working. The reasons  
for this and whatever steps it has  
been possible to take so far to bring  
any of these factories into production  
are indicated in the statement placed  
on the Table of the Lok Sabha [See  
Appendix I, annexure No 87]

Shri D. C. Sharma: May I know  
the number of factories lying idle, or  
whose capacity is not being fully  
used, besides those whose names have  
been given in the statement?

Dr. P. S. Deshmukh: As has been  
pointed out, there are altogether 16  
factories which are lying idle. Ten  
of them are such whose machines are

worn out and it would be no use  
rehabilitating them. There are only  
six factories which have been men-  
tioned in the statement and the causes  
are also indicated.

Dr. Ram Subhag Singh: May I  
know since when those 16 factories  
are lying idle, and whether sugar-  
cane is produced in the areas where  
those factories are situated?

Dr. P. S. Deshmukh: There are  
various dates from which these fac-  
tories have been lying idle. As would  
be seen even from the statement,  
some have been not in use from 1943-  
44, some from 1950-51 and so on. The  
remaining ten factories are practical-  
ly uneconomical and their machines  
are also worn out.

Shri Heda: Is it not a fact that  
while in certain areas factories are  
lying idle in certain other areas  
sugarcane is grown more than what  
the factories in those areas can con-  
sume, and the scheme of the Gov-  
ernment was to transfer the factories  
from deficit areas to sugarcane sur-  
plus areas, if so, may I know what  
steps are being taken so that these  
six or seven factories may be trans-  
ferred to the sugarcane surplus areas?

The Minister of Food and Agricul-  
ture (Shri A. P. Jain): The Sugar  
Development Council considered the  
whole question. It invited the fac-  
tory owners to indicate whether  
their factory was unsuitably situated  
and, if it was so, whether they would  
like to have it shifted. We received  
a number of applications. All those  
applications have been dealt with and  
there is no pending application where  
any factory owner has applied for  
shifting his factory from one place  
to another.

**Shri Viswanatha Reddy:** Most of the unused capacity of sugar factories is to be found in North India, because North India is not so very suited for sugar industry. Several expert committees have recommended for the migration of sugar industry to South India. If it is so, may I know what steps the Government has taken in this direction?

**Dr. F. S. Deshmakh:** Some of the factories are situated in South India also. Moreover, it would be realised by the House that the amount of capacity unused is very small now-a-days. It used to be far greater sometime back, but since there is improvement in sugarcane production a number of factories have found it economical to work and the capacity lying idle is only about 30,000 tons in a whole year.

**Shri A. P. Jain:** It is only 3,000 tons.

**Shri Dasappa:** In view of the fact that out of the many unused factories, which have been named here, six are unused for the last five or eight years due to disputes between partners and so on, will the Government be pleased to consider the evolving of some formula or procedure by which they can take hold of these factories, and either put them to good use at the places where they are at present, or transfer them to places where they are needed more?

**Shri A. P. Jain:** In fact, the hon. Member seems to forget that they are privately owned factories. Most of them are uneconomic and they need expansion. Expansion has been allowed but money has to be found by the owners of these factories. In some cases they are under litigation or some other trouble. For instance, one was under the custody of the Custodian of Evacuee Properties because some of the owners migrated to Pakistan and the factory was not working. We have done everything that can possibly be done, but so long as private ownership exists we cannot compel them to use these sugar factories.

**Pandit D.-N. Tiwary:** May I know whether the Government proposes to pass a legislation by which they can take over the factories which are not being used due to disputes, or are uneconomic for the size of the plants, so that there will not be any national loss?

**Shri A. P. Jain:** The Government has no idea of taking over sugarcane factories which are running under a loss.

**Shri Tangamani:** Of the six factories which are lying idle, Muruguppa Sugar Company is one with a crushing capacity of 100 tons a day. May I know whether steps will be taken for the early re-opening of this factory instead of asking the owners to apply to the State Finance Corporation?

**Shri A. P. Jain:** After all, there are certain organisations through which finances can be provided. So far as this particular factory is concerned, it tried to expand its capacity to 400 tons but could not complete the project because of financial difficulties. It is for the factory to find the money, and the hon. Member should not forget the fact that, while the total amount of sugar produced is 20 lakh tons the capacity lying idle is only 3,000 tons.

#### Minor Ports in Andhra

\*289. **Shri M. V. Krishnarao:** Will the Minister of Transport and Communications be pleased to state

(a) whether Government have any proposal for the development of minor ports in Andhra Pradesh,

(b) if so, the nature of the proposal and the decision taken thereon; and

(c) the names of ports?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) to (c) The development of minor ports is primarily the responsibility of the State