

Modernisation of Sugar Industry

*465. SHRI V. SREENIVASA PRASAD †:
SHRI BANWARI LAL PUROHIT:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government have called upon the sugar industry to quicken the pace of modernisation in the country;

(b) if so, the reaction of the Indian Sugar Mills Association in this regard;

(c) whether any assistance has been provided by Government to modernise the sugar industry; and

(d) if so, the details thereof?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT): (a) Yes, Sir.

(b) The Indian Sugar Mills' Association has welcomed this.

(c) and (d). The sugar factories whose schemes for modernisation/rehabilitation of plant and machinery are approved by the specified financial institutions are eligible for financial assistance from the Sugar Development Fund. The maximum assistance available from the fund is limited to the 'Promoters' Contribution specified by the financial institutions. Up to November 30, 1987 financial assistance of the order of Rs 828.94 lakhs has been sanctioned to 11 sugar factories.

[Translation]

SHRI BANWARI LAL PUROHIT: Mr. Speaker Sir, modernisation of financially

weak sugar factories and small sick mills is highly essential. They are running into such high losses that they do not even have enough money to pay to the farmers. They cannot be modernized because they are not contributors. Is the government thinking of some other proposal for them? The government's modernisation schemes are progressing very slowly and only 8 or 10 mills have so far been modernised. You have called for the modernization of all sugar mills. This is not possible because of problems with the financial institutions. What is the government doing about it?

SHRI H.K.L. BHAGAT: Just now the hon. member asked me what the government is doing about small sick units which are not in a position to contribute? Guidelines for the sugar policy have been laid down in the Sugar Development Fund. Priority shall first be given to those factories which are 25 years old or more and there after factories with 1250 ton capacity shall be given priority. Other factories shall be given priority later. I have stated in the reply that financial assistance is given, from the 'promoters contribution' out of the Sugar Development Fund. We are also giving thought as to how to modernise small sugar mills.

SHRI BANWARI LAL PUROHIT: At one point in his speech the hon. Minister said that research is highly essential for modernisation. Who is responsible for research in modernisation? Is it the government or the industrialists? Is the government assuming the responsibility of carrying on research or is it throwing it on the industrialists? Would the government provide assistance in this regard? Besides, what research work is being done?

SHRI H.K.L. BHAGAT: The hon. member's question pertain to research. The Sugar Development Fund is utilized for modernisation, cane development schemes, besides research and certain

other allied activities. The Central Government has written time and again to the State governments to sponsor research, modernization and cane development schemes for the Sugar mills in their private, public and co-operative sector. The schemes sent by them for different factories are scrutinised and then we extend financial assistance to them. I have myself written letters to the State governments in this regard, and continue to do so periodically. The government is keen to work for the research, modernization and expansion of the sugar industry. I have written to the Agriculture Ministry and they have sent us schemes relating to research. This would help us in developing our research centres in different parts of the country in a better way. I want to assure the hon. Member that I am personally keen in implementing any proposal under this policy for any factory. I am forcing the State governments to this effect and I have directed them in this regard. The government is fully aware of this matter and wants to expedite it urgently.

[English]

SHRI CHANDRA PRATAP NARAIN SINGH: Government has very often said that most of the sugar factories are not efficient because they are too old. The running of a sugar factory depends on boilers. All the old sugar factories have obsolete boilers where they burn firewood also. On the other hand, one sees that sugar factories are located in rural areas and the depletion of forests is the maximum in those areas, specially in northern India, in the Terai region. The Terai region is on the foothills of the Himalayas where forests are disappearing even though firewood is more expensive than even sugarcane. Will the hon. Minister give us the assurance, as it is the priority sector of Government, that our forests will be saved and that these boilers will be changed so that firewood is not utilised to the extent it is and that the bagasse that is burnt in sugar factories will not also be burnt and will be

used for paper-making instead?

SHRI H.K.L. BHAGAT: I am grateful to the hon. Member for giving this suggestion to me and bringing this to my notice. I entirely agree with him in what he says. We do not want that our forests should be destroyed and so on. Now, these sugar factories' boilers do not use firewood, etc. But what he is telling me, what he has brought to my notice, I shall take care of that, so that when modernisation is done.....

SHRI CHANDRA PRATAP NARAIN SINGH: He is saying that boilers do not use firewood. What do they use then while being fired?

SHRI H.K.L. BHAGAT: Now the sugar factories' boilers use bagasse; they do not use firewood. That is what I have been advised. But let me confess that my technical knowledge of this is, perhaps, not as good as that of the hon. Member. I shall give full consideration to the point which he has made.

SHRI THAMPAN THOMAS: The problems of the sugar industry are multifarious in many States: one is absence of modernisation because of which factories are not running properly. In my constituency, there are two major sugar factories which are sick and which are not properly working: one is, Pandalam Sugar Mill and the other is Travancore Sugar Mills. The reasons are: sugarcane is not available on the one hand and, on the other hand, the factories which are there are old, there has been no modernisation. They have now switched over to producing liquor, but molasses are not available. I would like to ask the hon. Minister to make a study of the problems of these units which are involved in the production of sugar and liquor and see that they are modernised, they are reorganised in some manner or the other. Has the Government any programme for this?

[*Translation*]

SHRI H.K.L. BHAGAT: Sir, I would like to assure the hon. Member that we shall very seriously look into the problems of all these factories in each State. They should ask their State Governments to send these projects to us and the Government is very keen. In fact, I am much keener than anybody else to support this.

[*Translation*]

SHRI RAM NAGINA MISHRA: Mr. Speaker, Sir, I would like to give some information in relation to the hon. Minister's reply. Out of the total sugar mills in the country half are located in the State of Uttar Pradesh alone. The hon. Minister just said that priority for modernisation shall be given to those sugar mills which are more than 25 years old. I want to inform the hon. Minister that there are 14 such sugar mills in our district which are as old as 40 years what to talk of 25 years. Their capacity is 1250 tons and their condition is very bad.

I would like to know from the hon. Minister as to how many mills in Uttar Pradesh which are more than 25 years old have been identified for modernisation?

SHRI H.K.L. BHAGAT: Mr. Speaker Sir, there are a total of 27 such factories in Uttar Pradesh which have a crushing capacity of less than 1250 tonnes. I would like to inform the hon. Member that whereas I have tried to give full attention to all the States, I have also given due attention to Uttar Pradesh as befits a State of that size. We want sugar production to increase in Bihar and Uttar Pradesh. We have written letters to the State Government and I have spoken thrice to the Chief Minister of Uttar Pradesh. Previously, the Uttar Pradesh government did not agree to these guidelines. Now they have agreed. They are sending their proposals now. You may send cases from your district. We will

consider them sympathetically.

[*English*]

Departmental Promotion to the Post of Deputy Accounts Officers

*466. SHRI S. THANGARAJU: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether pursuant to the recommendations of the Fourth Pay Commission, Junior Accounts Officers (JAOs) in the Department of Telecommunications who completed three years of service as on 31 March, 1987 are eligible for promotion to the post of Deputy Accounts Officers;

(b) if so, the number of JAOs who fall within the normal zone of consideration for promotion to the post of Deputy Accounts Officers as on 31 March, 1987 and the number of SC/ST candidates among them;

(c) whether any SC/ST JAOs outside the normal zone of consideration have also been considered for promotion as Deputy Accounts Officers;

(d) if so, the details in this regard; and

(e) if not, the steps proposed to protect the interests of SC/ST candidates?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI SONTOSH MOHAN DEV): (a) Yes, Sir.

(b) 1448 Telecom. J.A.Os fall within the normal zone of consideration including 64 J.A.Os belonging to SC & ST (57 SC and 7 ST).

(c) Yes, Sir.

(d) 14 J.A.Os belonging to SC & ST outside the normal zone of consideration (13