

Sugar Mills

2448. SHRI SHANKERSINH
VAGHELA:
SHRI A. ASOKARAJ:
SHRIMATI SURYAKANTA
PATIL:
SHRI MANJAY LAL:
SHRI RAM PRASAD SINGH:

Will the Minister of FOOD be pleased to state:

(a) the number of sugar mills in private sector, public sector and cooperative sector at present, State-wise;

(b) the criteria for opening of new sugar mills under the new economic policy of liberalisation;

(c) the number of proposals sent by each State Government for setting up of new sugar mills upto June, 1994;

(d) the number of proposals pending with the Union Government, State-wise; and

(e) the time by which these are likely to

be cleared?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): (a) Statement showing the State-wise and Sector-wise number of installed sugar mills in the country is attached as **Statement-I**.

(b) The criteria for opening of new sugar mills is given in the licensing policy guidelines announced by the Government of India vide Press Note No. 16 dated 8.11.1991, a copy of which is attached as **Statement-II**.

(c) to (e). Statement-III showing the State-wise number of proposals received upto 30.6.1994 through the Department of Industrial Development for setting up of new sugar mills in various States of the country and the number of proposals pending with the Ministry of Food as on 30.6.1994 is attached. As regards pending applications after their scrutiny by the Screening Committee, the recommendations of the Ministry of Food will be sent to the Ministry of Industry for consideration by the Licensing Committee after which letters of intent will be issued by that Ministry.

STATEMENT-I

STATEMENT SHOWING THE STATE-WISE AND SECTOR-WISE
NUMBER OF INSTALLED SUGAR MILLS IN THE COUNTRY

As on 30-6-1994

S.No.	State	Private	Public	Coop.	Total
1.	Punjab	3	3	13	19
2.	Haryana	1	-	10	11
3.	Rajasthan	1	1	1	3
4.	Uttar Pradesh	44	35	31	110
5.	Madhya Pradesh	4	1	3	8
6.	Gujarat	-	-	18	18
7.	Maharashtra	6	-	103	109
8.	Bihar	15	15	-	30
9.	Assam	3	1	2	6

S.No.	State	Private	Public	Coop.	Total
10.	Orissa	1	-	4	5
11.	West Bengal	1	1	-	2
12.	Nagaland	-	1	-	1
13.	Andhra Pradesh	11	8	18	37
14.	Karnataka	10	3	18	31
15.	Tamil Nadu	15	3	15	33
16.	Pondicherry	1	-	1	2
17.	Kerala	1	-	2	3
18.	Goa	-	-	1	1
19.	Dadra Nagar Haveli	-	-	-	-
20.	Manipur	-	-	-	-
ALL INDIA TOTAL		117	72	240	429

STATEMENT-II*Government of India**Ministry of Industry**Department of Industrial Development*

PRESS NOTE NO. 16

(1991 Series)

Subject: Guidelines for licensing of new and expansion of existing sugar factories for the Sugar Year 1991-92 and the 8th Five Year Plan (1992-93 - 1996-97)

A. The Government of India have reviewed the Guidelines for licensing of new and expansion of existing sugar factories issued vide this Ministry's Press Note No. 4 (1990 Series) dated 23.7.1990. In supersession of the aforesaid Press Note, Government have formulated the following revised guidelines:

- (1) New sugar factories will continue to be licensed for a minimum economic capacity of 2500 tonnes cane crush per day (TCD). There will not be any maximum limit on such capacity. However, in areas specified as industrially backward areas by the Government of India and certified by the Indian Council of Agricultural Research to be agro-climatically suited for development of sugarcane, licensing of new sugar factories in the co-operative and public sectors would be allowed for an initial capacity of 1750 TCD subject to the condition that the units would expand their capacity to 2500 TCD within a

period of 5 Years of going into production.

- (2) Licences for new sugar factories will be issued subject to the condition that the distance between the proposed new sugar factory and an existing/already licensed sugar factory should be 25 kilometres. This distance criterion of 25 Kms. could, however, be relaxed to 15 Kms. in special case where cane availability so justifies.
- (3) The basic criterion for grant of licences for new sugar units would be their viability, mainly from the point of view of cane availability and potential for development of sugarcane.
- (4) All new licences will be issued with the stipulation that cane price will be payable on the basis of sucrose content of sugarcane.
- (5) Other things being equal, preference in licensing will be given to proposals from the Co-operative Sector and the Public Sector in that order, as compared to the Private Sector. In case more than one application is received from any zone of operation, priority will be given to the application received earlier. However, in such cases also, preference will be given to the Coop. Sector, followed by the Public Sector and the Private Sector, in that order, even though the applications of the first two

sectors may be of a later date.

- (6) Priority will continue to be given to sugar factories with capacity less than 2500 TCD to expand to the aforesaid minimum economic capacity.
- (7) While granting licences for new units and expansion projects, the additional capacity to be created upto the end of the Eighth Plan, i.e. 1996-97, will be kept in view.
- (8) While granting licences for new sugar factories, industrial licences in respect of downstream units for the use of molasses i.e. industries alcohol etc. will be given readily.

B. Applications for licences will be initially screened by the Screening Committee of the Ministry of Food, while considering such applications, the comments of the State Governments/Union Territory Administration concerned would also be obtained. The State Govt./Union Territory Administration would be required to furnish their comments within 3 months of the receipt of communi-

cation from the Ministry of Food.

C. Applications for grant of industrial licences for the establishment of new sugar factories as well as expansion of existing units should be submitted directly to the Secretariat for Industrial Approvals in the Department of Industrial Development in Form IL alongwith the prescribed fee of Rs. 2500/-. A copy of the application may also be sent to Ministry of Food.

D. The procedure and guidelines, as given above, are brought to the notice of the entrepreneurs for their information and guidance.

(Sd/-)

(S. Bhavani)

Deputy Secretary to the Govt. of India.

F. No. 10(74)/91-LP New Delhi, the 8th
November, 1991.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Principal Information Officer,
Press Information Bureau,
New Delhi.

STATEMENT-III

STATEMENT SHOWING THE STATE-WISE NUMBER OF PROPOSALS RECEIVED UPTO 30.6.1994 FOR SETTING UP OF NEW SUGAR MILLS IN VARIOUS STATES OF THE COUNTRY AND THE NUMBER OF PROPOSALS PENDING WITH THE MINISTRY OF FOOD AS ON 30-6-1994

Sl.No.	State	No. of proposals received	No. of proposals pending
1.	Uttar Pradesh	323	49
2.	Maharashtra	237	12
3.	Gujarat	13	-
4.	Bihar	27	-
5.	Haryana	18	-
6.	Punjab	34	4
7.	Andhra Pradesh	98	1
8.	Karnataka	64	4
9.	Tamil Nadu	46	5

Sl.No.	State	No. of proposals received	No. of proposals pending
10.	Madhya Pradesh	20	5
11.	Rajasthan	2	-
12.	Orissa	7	-
13.	Kerala	1	-
14.	Himachal Pradesh	2	1
15.	Assam	2	-
16.	Arunachal Pradesh	1	-
	Total	895	82