

loans sanctioned but denied disbursement have been reported to them.

[Translation]

**New Pension Scheme to Widows of Allahabad Bank**

165. SHRI DINESH CHANDRA YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Allahabad Bank has implemented the new pension scheme and started paying pension to widows of its employees;

(b) if so, the reasons for not providing pension to the dependent widows of the employees of the bank who retired from the year 1989 to 1990 under the new pension scheme;

(c) the branch-wise number of applications received by the authorities particularly of Faizabad, Sultanpur and Kanpur branches of Allahabad Bank from the dependents of the retired employees in this regard during the last six months; and

(d) the reasons for not clearing these applications so far ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d) The information is being collected and to the extent available, will be laid on the Table of the House.

[English]

**Free Licence Policy**

166. DR. T. SUBBARAMI REDDY :  
SHRI CHHITUBHAI GAMIT :

Will the Minister of INDUSTRY be pleased to state :

(a) whether his Ministry has proposed a new free licensing regime for the sugar industry;

(b) whether the proposal has been approved by the Government ;

(c) if so, the details thereof alongwith criteria worked out for giving approval to new sugar project;

(d) whether his Ministry has also felt that the current level of 1700 TCD is uneconomical and inflates costs;

(e) if so, the details thereof;

(f) whether the Indian Sugar Mills Association has expressed its view against the policy; and

(g) if so, the details thereof ?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (g) At present there are 14 industries under compulsory licensing. The Government has taken up review of licensing of industries under compulsory licensing. The sugar industry is one of these industries. The Government has not yet taken any decision in this regard. However, the Government has recently issued guidelines for considering

applications for industrial licences for sugar factories, the details are enclosed as Statement. A representation from the Indian Sugar Mills Association has been received against the new guidelines issued by the Government. They have raised objections regarding the distance between a new sugar unit and an existing sugar unit which has been reduced from 25 kms to 15 kms.

**Statement**

*Government of India*

*Ministry of Industry, Department of Industrial Policy and Promotion*

PRESS NOTE NO 1  
(1997 SERIES)

**Subject :** *Guidelines for considering applications for industrial licences for sugar factories*

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 16 (1991) dated 8.11.91. The existing guidelines need revision in order to take into account the changes in the business scenario following economic liberalisation, the need for introducing simplified and transparent procedures and the technological changes that have taken place in the sugar industry over the years. In supersession of the aforesaid Press Note, Government have now formulated the following revised guidelines :

- (i) New Sugar factories will continue to be licensed for a minimum economic capacity of 2500 tonnes cane crushed per day (TCD). There will not be any maximum limit on such capacity.
- (ii) Preference in licensing would be given to the proposals involving larger capacity, modern technology and development of integrated complexes producing value added products and co-generation of power.
- (iii) For the consideration of application, a revenue district will be taken as the unit. In case more than one application is received for any unit of operation, other things being equal, priority will be given to the application received earlier.
- (iv) 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 not less than 15 kilometres.
- (v) The basic criterion for grant of licences for new sugar units would be cane availability or the potential for the development of sugarcane or both.
- (vi) Other things being equal, preference in licensing will be given to the proposals from the Growers' Cooperative Societies. However, industrial licence issued to such a cooperative cannot be transferred to any other entity.