

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:4251
ANSWERED ON:20.12.2011
DISTANCE BETWEEN SUGAR MILLS
Mandal Shri Mangani Lal;Mandlik Shri Sadashivrao Dadoba

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether there is any stipulation/regulation regarding minimum distance between two sugar mills;
- (b) if so, the details thereof;
- (c) whether there is any proposal to increase this distance;
- (d) if so, the details thereof alongwith the reasons therefor; and
- (e) the steps taken by the Government for setting up of new sugar mills in the country, State-wise?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) Yes Madam.

(b): Clause 6A of Sugarcane (Control) Order, 1966 provides that no new sugar factory shall be set up within the radius of 15 Kms of any existing sugar factory or another new sugar factory in a state or two or more states. However, the State Government may with the prior approval of the Central Government, where it considers necessary and expedient in public interest, notify such minimum distance higher than 15 Kms or different minimum distances not less than 15 Kms for different regions in their respective State.

(c) & (d): There is no proposal under consideration of the Central Government to increase the minimum distance of 15 Kms. However, the State Governments may submit proposal for increasing the distance higher than 15 Kms. between any existing sugar factory or another new sugar factory to the Central Government. In the recent past, the proposals of Government of Punjab, Haryana and Maharashtra for increasing the distance from 15 Kms to 25 Kms between any existing sugar factory or another new sugar factory have been approved by the Central Government due to reasons like decline in area under sugarcane, increase in capacity of existing sugar mills, etc.,.

(e): The Central Government does not set up sugar mills in any part of the country. After the delicensing of sugar industry w.e.f. 31.08.98, entrepreneurs are free to set up sugar mill in any part of the country by fulfilling the conditions laid down in Sugarcane (Control) Order, 1966.