reported to the police authorities for taking removal action.

Renovation of the Sone Canal

4455 SHRI RAMESHWAR PRASAD: Will the Minister of WATER RESOURCES be pleased to state

- (a) whether Union Government propose to renovate the Sone Canal Project, and
- (b) If so, the details of the schemes prepared in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATERRESOURCES (SHRI MANUBHAI KOTADIA) (a) and (b) State Government's proposal for removation of existing low level Some Canal System estimated to cost Rs 1194 72 crores envisaging irrigation to 9 06 lakin hectares was considered by the Advisory Committee in 1984 and in accordance with its directions, a Sone Modernisation Project Phase-I estimated to cost Rs 247 crores to be taken up as a pilot project, to benefit 30,000 hectares has been sent to the Planning Commission for investment clearance

[English]

Price of Sugar

4456 SHRIMATI USHA SINHA WIII the Minister of FOOD AND CIVIL SUPPLIES be pleased to state

- (a) the cost of production and the selling price of sugar at present and
- (b) the steps proposed to be taken to bring down the price of sugar?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI NATHU RAM MIRDHA):
(a) and (b) Under the pressent policy of

partial control, the ratio of levy: sale sugar is 45:55 for the season 1989-90. The zonewise cost of production of sugar for levy purposes is calculated on the basis of minimum cane price notified and the parameters of conversion cost and return recommended by the Bureau of Industrial Costs and Prices in their report of July, 1987. However, in actual practice, the factories are required to pay much higher cane price on the advice of the respective. State. Government, than the minimum notified price announced by the Central Government. In view of this, the cost of production of sugar varies from region to region.

The levy sugar is distributed through Public Distribution System at a winform retail price throughout the country which is presently Pts 5.25 per kg. The retail prices of freesale sugar for S-30 grade in principal markets of the country in the plains during March, 1990, however, have been in the range of Rs. 8 10-9 000 per kg. These prices for freesale sugar are lower than prices prevailing during September to November, 1989

The Government have released 39 lakh tommes of free-sale sugar (including imported sugar) from October, 1989 to April, 1990 as against 34.90 lakh tonnes in the corresponding periodilast year to keep the prices under check

[Translation]

Kanhar River Scheme in Bihar

- 4457. SHRI JORAWAR RAM: Will the Minister of WATER RESOURCES be pleased to state:
- (a) since when the Kanhar river Scheme in Palaman district of Bihar is pending with Union Government:
 - (b) the time by which it is proposed to be

taken up and completed; and

(c) the area likely to be irrigated thereby?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI MANUBHAI KOTADIA): (a) to (c). The project proposal received at the Centre in December, 1984 has been returned to the State Government in December, 1988 for submitting the modified report in accordance with the observations of various Central apprising agencies communicated to the State Government between March, 1986 to January, 1987.

[English]

Project Report of Andhra Pradesh to **Develop Second Grade Hospitals**

SHRI Y.S. RAJA SEKHAR 4458. REDDY: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether Union Government have received any project report from the Government of Andhra Pradesh for the development of a secondry grade hospital in Andhra Pradesh:
- (b) If so, the details of the project report and the place where the hospitals is to located; and
- (c) whether Union Government have given clearance to the project and if so, the details thereof?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI NILAMANI ROUTRAY): (a) to (c). The information is being collected and will be laid on the table of the House.

L.Is for Sugar Mills

4459. SHRI A.N. SINGH DEO: DR. VENKATESH KABDE:

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

- (a) the details of guidelines which are followed while sanctioning new sugar mills; and
- (b) the details of concerns, other than co-operatives, to whom Letter of Intent for setting up of sugar mills have been issued?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI NATHU RAM MIRDHA): (a) The details of existing guidelines followed for considering the applications received for grant of Industrial Licences in various sectors for establishment of new sugar factories is given in the Annexure-I (A and B).

(b) The details of the Letters of Intent issued during the 7th Five Year Plan upto 15.03.1990 to the sugar factories other than Cooperatives are given in the attached statement.

Government of India Ministry of Industry Department of Industrial Development

PRESS NOTE NO. 1

(1987 Series)

Sub:- Guidelines for licensing of new and expansion of existing sugar factories during the Seventh Five Year Plan.

Government have decided to grant Industrial Licences under the Industries (Development and Regulation) Act, 1951 for the establishment and expansion of sugar factories in areas of assured sugar cane availability with potential for further development of sugarcane.

- 2. The broad guidelines that will be followed in this regard are as under:-
 - (1) The Policy followed during the Sixth Plan period viz. grant of li-