

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 appraising agencies communicated to the State Government between March, 1986 to January, 1987.

[English]

Project Report of Andhra Pradesh to Develop Second Grade Hospitals

4458. SHRI Y.S. RAJA SEKHAR 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 secondary 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 ROUSTRAY): (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-

cences for the establishment of new sugar factories in the Cooperative Sector followed by the Public Sector, will continue in the Seventh Plan. However, in areas where proposals for these two sectors are not received, the proposals from the private sector would be considered

- (2) The basic criterion for establishment of a new sugar unit would be the adequate availability of sugarcane in a compact area around the proposed factory site. The potential for cane cultivation would be only an additional factor.
- (3) Where there are a large number of sugar factories located in one district, State Governments should make proper zoning of sugarcane areas for each existing sugar factory before a request for expanding the capacity of any existing factory or installation of any new sugar factory in that district is considered. State Governments have been delegated with powers to regulate reservation of such areas under the Sugarcane (Control) Order, 1966.
- (4) To ensure supply of adequate availability of sugarcane for existing capacity as well as for future expansion, no licence would normally be granted for the establishment of new sugar factories within a radius of 40 kilometers of an existing unit.
- (5) In regard to the Initial licensed capacity of new sugar units and expansion of existing units to be licensed during the Seventh Plan Period, the new units would be licensed for an initial capacity of

2500 TCD and expansion of existing units would be allowed upto of adequate sugarcane.

Expansion of capacity of existing units would be permitted upto a maximum of 5000 TCD provided that the additional requirements of sugarcane above 3500 TCD accrue through increased productivity and not by expansion of area under sugarcane.

- (6) Licensing of new sugar units in backward area will be given priority subject to adequate availability of sugarcane and techno-economic viability.
- (7) Industrial licence applications for the establishment of new sugar factories as well as expansion of existing units should be submitted to the State Government for onward transmission to the Secretariat for Industrial Approvals in the Department of Industrial Development. The State Government, while forwarding the applications should give their specific recommendations alongwith clear and comprehensive details of sugarcane availability position in the proposed factory area.

Sd/-
(P.K.S. IYER)
Director

F.No.10/133/86—L.P. New Delhi, 2.1.1987

Government of India
Ministry of Industry
Department of Industrial Development

PRESS NOTE NO. 12
(1989 Series)

Subject:- Revised guidelines for licensing in the sugar industry for the remaining period of 7th Five-Year Plan.

The Central Government had announced in December, 1986 the new sugar

licensing policy for the Seventh Plan period. Under this policy, the initial capacity of new sugar units to be set up during the Seventh Plan was fixed at 2500 TCD (Tonnes cane crush per day) as against 1250 TCD in the earlier plan. This was done to take advantage of the economies of scale and facilitate incorporation of modern technology. The spatial distance between a new sugar factory and the existing units was kept at 40 Kms. as against 30 Kms. prescribed earlier. Since the announcement of this policy, there have been representations from industry, State Governments and others for relaxation of these conditions, particularly in respect of industrially backward areas, in view of the high capital cost involved and correspondingly higher quantum of share contribution required from cane growers or the State Governments, and more quantity of cane required right from the beginning

2. The Government has considered this matter and has decided to relax the sugar licensing policy announced for the 7th Five-Year Plan period as under:—

- (a) In area 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 Cooperative and Public Sectors would be allowed for initial capacity of 1750 TCD subject to the condition that the units would expand their capacity to 2500 TCD within 5 years of going into production.
- (b) The spatial distance of 40 kilometers may be relaxed to 25 kilometers subject to the satisfaction of the following conditions:
 - i) The average per hectare yield

of sugarcane should be higher by at least 20 percent over the national average cane yield.

- ii) At least 40 per cent of the area should be under improved and high-sucrose varieties of cane like COJ-64, COC-671, etc.
- iii) Adequate cane should continue to be available for existing factories (with potential for further intensive cane development for meeting both present and future requirements.

The initial capacity to be licensed in such cases will, however, continue to be minimum of 2500 TCD.

- (c) The incentives which are now available to sugar units with capacity of 2500 TCD would also be available to the new units of 1750 TCD, but only for the initial 5 years.

3. Government hopes that these relaxations would further facilitate the establishment of new sugar units in the co-operative and public sectors in the industrially backward areas. The relaxation of the spatial distance from 40 to 25 Kms. will also facilitate setting up of new units in certain areas where cane cultivation is both intensive and extensive, and enough cane is available to sustain additional units even within the radial distance of 25 kms.

4. The existing guidelines for granting licenses for setting up new sugar units and for effecting substantial expansion in the existing units for the Seventh Five-Year Plan period announced vide this Department's Press note dated 2.1.1987 will continue to be in force with the above modifications. The

overall guiding principle for licensing new sugar units would be to ensure that adequate cane is available for a new sugar unit to be licensed as also for existing factories with potential for further intensive cane development for meeting both present and future requirement

5 Applications for industrial licence for the

F No 10 (133)/86-L.P

establishment of new sugar factories as well as for expansion of existing units should be submitted to the State Government for onward transmission to the Secretariat for Industrial Approvals in the Department of Industrial Development. The State Governments, while forwarding the applications, should ensure the fulfilment of the various conditions and give clear recommendations and comprehensive details on all the points

New Delhi, the 11th May, 1989.

Forwarded to Press Information Bureau for giving wide publicity to the contents of the above press note

Sd/-

(S Bhavani)

Deputy Secretary to the Government of India

STATEMENT

List of letters of intent/licences issued during the 7th Five Year Plan for setting up of New Sugar Factories other than cooperative sector (as on 15.03.1990)

Sl No.	Full Name of the Factory Location and District	Date of LI/IL	Capacity	Sector
1.	2.	3.	4.	5.
TAMIL NADU				
1	M/s. Rajshree Sugars and Chemicals Ltd , No. 4/387, Avanashi Road Coimbatore-641 037 at Periyakulam	12.5.87	2500 TCD	J.S.
2	M/s. Sakthi Sugars Ltd . 180 Race Course Road. Coimbatore-641 018 (Location Tq. Sivaganga District Pasumpon Muthuramalingam)	12.5.87	2500 TCD	J.S.
3.	M/s. Thiru Arooran Sugars Ltd., 109, Nungambakkam, High Road, IInd Floor Madras-600 034 (Location Tq. Kumbakonam, District Thanjavur)	12.5.87	2500 TCD	J.S.
4.	M/s. Dharani Sugars and Chemicals Ltd.. No. 1 Veenus Colony, 2nd Street, Alwarpet, Madras-600018 (Location Tq. Sivagiri District Tirunelveli)	12.5.87	2500 TCD	J.S.
5	M/s. Poondi Sugars Ltd .	22.3.88	2500 TCD	J.S.

Sl No	Full Name of the Factory Location and District	Date of L I IL	Capacity	Sector
1	2	3	4	5
	House of Poondi, No 1 Vallam Road, Thanjavur. (Location at Valangaiman Firka Teh Valangaiman, District Thanjavur)			
TAMIL NADU				
6	M/s Kalakankar Industrial Complex Ltd (Suresh Chandra Sharma) SISMAM, 10/47C MC Robertnani Kanpur-208-001 (Location AINTHU, Teh Kurda, District Pratnagarh)	08 3 88	2500 TCD	J.S.
ANDHRA PRADESH				
7	Nizam Sugar Factory Ltd P.B. No. 1, Kairatabad, Hyderabad-500 004 (Location at Bobbili, District Vizianagaram)	28.12 88	2500 TCF	P S
8	Shri M/s. M. Sreenivasulu Reddy Raghava Sugars Pvt Ltd, 3-6-436 Himayatnagar, Hyderabad-500 029 (Location at Gudur, Teh Gudur Mandalam, District Nellore)	20 3 89	2500 TCD	J S

Sl. No.	Full Name of the Factory Location and District	Date of L/IL	Capacity	Sector
1.	2	3.	4.	5.
9.	M/s. Telugu Sugars Ltd., No.1 Sesh Villas, 3-6-293, Hyderguda Hyderabad-500 025 (Location at Kummaranatham, Teh. Punganur, District Chittoor)	11.7.89	2500 TCD	J.S.
10	M/s. Shree Kailas Industrial Gases Ltd., Street No. 3, Tarnaka Secunderabad-500 017 at Peruvancha, Teh Kallur, Mandal District Khurram	20.10.89	2500 TCD	J.S.
MADHYA PRADESH				
11	M/s. Orient Cartons (P) Ltd., 909 Parekh Market, 39, J.S. Road, Bombay-400 004 (Location at Teh Kareli, District Narsimhpur)	11.7.89	2500 TCD	J.S.
ORISSA				
12	M/s. Sakti Sugars Ltd	29.8.88	2500 TCD	J.S.

Sl No	Full Name of the Factory Location and District	Date of L.I./IL	Capacity	Sector
1	2	3.	4	5
13	180 Race Course Road, Coimbatore-641 018 (Location of Sogar Village, Teh Kamakhya Nagar, District Dhenkanal)	20 3 89	2500 TCD	Joint Sector
14	M/s Industrial Promotion and Investment Corporation of Orissa Ltd, IPICOL House Janpath Bhubaneswar-751007 (Location at Bolangir)	20 3 89	2500 TCD	Joint Sector
15	M/s Industrial Promotion and Investment Corp of Orissa Ltd IPICOL House, Janpath Bhubaneswar-751 007 (Location at Dharamgadh, Teh Dharamgarh, District Kalahandi)	20 3 89	2500 TCD	—do—
16	M/s IPICOL, IPICOL House Janpath Bhubaneswar Anandapur District Keonjher	13 2 90	2500 TCD	—do—

<i>Sl. No.</i>	<i>Full Name of the Factory Location and District</i>	<i>Date of L/I/L</i>	<i>Capacity</i>	<i>Sector</i>
1.	2.	3.	4.	5.
UTTAR PRADESH				
17.	Venus Sugar Mills Ltd., Pathakpur, Teh. Sambhal, District Moradabad	7.3.90	2500 TCD	J.S.

Note: J.S. = Joint Stock.

P.S. = Public Sector