

Issues of licences to sugar factories

3334. **SHRI SHIVAJI GIRIDHAR PATIL:**

SHRI VITHALRAO MADHAVRAO JADHAV:

Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that Government of India have sanctioned more than 100 licences for establishment of sugar factories with 2500 TCD (Daily Crushing Capacity) by 1989-90, if so, the number of the Cooperative Sector, Public Sector and Private Sector;

(b) the number of them provided with term loans by the financing institutions giving groupwise break-up;

(c) what are the reasons for a large number of sugar factories being denied the term loans; and

(d) whether it is a fact that the cost of the sugar factories has jumped from Rs. 25 crores in 1990-91 to Rs. 35 crores in 1992?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN

AHMED): (a) After the issue of the licensing policy guidelines for the 7th Five Year Plan, vide Press Note dated 2.1.87, 99 letters of intent were issued for the establishment of new sugar factories by the end of the sugar year 1989-90 (i.e. till September 1990). Of this 95 were for 2500 TCD each and 4 for 1750 TCD each, of which one has already been converted to 2500 TCD. The Sector-wise break-up of these Letters of Intent is as under:—

Nos. of letter of intent issued	Sector
71	Cooperative
2	Public/Joint
26	Private

(b) As reported by Industrial Finance Corporation of India, out of the 99 Letters of Intent/Industrial Licences issued during the 7th Five Year Plan for new sugar factories, 35 have been sanctioned financial assistance, the Sector-wise break-up of which is given below:—

	Coop. Sector	Private Sector	Public/Joint Sector	Total
Number of cases	26	11	2	39

(c) and (d) Industrial Finance Corporation of India (IFCI) has indicated that as the project cost has gone up to about Rs. 35 to Rs. 42 crores, and there has been no commensurate increase in the incentives or sales realisation of sugar, the viability of new sugar projects has become uncertain. Industrial Finance Corporation of India has further intimated that processing of pending applications would be taken up after

the revision of incentive scheme is announced and the viability picture becomes clearer.

Release of sugar for export

3335. **SHRI N. GIRI PRASAD:**
Will the Minister of FOOD be pleased to state:

(a) what is the quantity of Sugar released for export, State-wise and