

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

UNSTARRED QUESTION NO:3874
ANSWERED ON:19.12.2005
PROPOSALS FOR PROJECTS ON SUGAR
Saradgi Shri Iqbal Ahmed

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

- (a) whether the Government of Karnataka has forwarded proposals regarding approval for establishment of Bio-pesticides Production Unit for Integrated Pest Management of Sugarcane at Karnataka Sugar Institute, financial assistance under Sugar Development Fund (SDF) for expansion of Mysore Paper Mills` Sugar Mill and setting up of Cogeneration Unit, SDF assistance for development of cane areas of sugar factories in Karnataka and approval for establishment of large scale micro propagation of sugarcane by Karnataka Sugar Institute;
- (b) if so, the details thereof and the action taken thereon;
- (c) since when these proposals are pending for approval; and
- (d) the time by which these proposals are likely to be approved?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a), (b) & (c): Details of the proposals are as follows:-

(i) Two proposals from Karnataka Sugar Institute (KSI) for financial assistance under Sugar Development Fund (SDF) (Grants-in-aid) for research projects on `Establishment of Bio-pesticides Production Unit for Integrated Pest Management of Sugarcane` and `Establishment of Large Scale Micro Propagation of Sugarcane` were submitted in October, 2004. These proposals are considered by Standing Research Advisory Committee (SRAC), a Sub-Committee of the Development Council of Sugar Industry (DCSI). The proposals could not be considered earlier since DCSI was due for reconstitution. Nominations of the Committee Members have since been made by the Government in August, 2005.

(ii) A proposal from Government of Karnataka was submitted in December, 2004 for loan from SDF for capacity expansion, setting up of Cogeneration unit and plant for production of Ethanol for M/s. Mysore Paper Mills Ltd., Shimoga District, Karnataka. Since the proposal was not complete and all required documents were not submitted, the Government of Karnataka was requested in January, 2005, to furnish the same.

A revised proposal for a loan of Rs.42 crores for capacity expansion and bagasse based cogeneration power project has been received in this Department only on 2.12.2005. However, the same is still not complete in all respects.

(iii) Six applications for SDF assistance for development of cane areas of sugar factories in Karnataka have been received from the Government of Karnataka during the last two years. However, the same are not complete in all respects.

(d) Proposals/applications can be considered only when complete documents are submitted by the sugar mills/State Government. Receipt of applications and sanction of loan is a continuous process wherein loan/grant-in-aid applications are first scrutinized by the Screening Committee/Sub Committee/SRAC and thereafter by the Standing Committee. Recommendations of the Standing Committee are placed before the Government and on its acceptance, approval for SDF loan is issued. There is a time gap between receipt of loan applications and sanction of the same.