

<i>Name of State/ Union Territory</i>	<i>Number of Families Benefitted</i>
Uttar Pradesh	33,470
West Bengal	24,281
Andaman & Nicobar	—
Chandigarh	25
Dadra & Nagar Haveli	—
Daman & Diu	—
Delhi	662
Lakshadweep	—
Pondicherry	669
Total	2,20,167

(b) Yes, Sir.

(c) Does not arise.

[English]

Bank Credit for Sugar Mills

4304. SHRIM. V. CHANDRA SHEKARA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether the sugar mills are adversely affected by the High interest rates on the loans and because of inadequate credit facilities from banks as reported in 'Hindustan Times' dated November 22, 1992;

(b) if so, the details thereof; and

(c) the action taken or proposed to be

taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c). The said news item brings out the various difficulties faced by Sugar Mills in availin bank credit according to their judgement. The credit requirements of sugar industry are fixed by banks on the basis of peak deficit in monthly cash budget or drawing power (after deducting 20% margin on the value of stocks), whichever is less. The credit limit is not uniform for the entire year and varies according to the requirement of the mill during the course of the year. The limits so fixed are therefore need based. Reserve Bank of India holds meetings with the representatives of Indian Sugar Mills Association (ISMA) and the financing banks, as and when required, to discuss the credit requirements of sugar industry with a view to evolve satisfactory arrangements in this regard.