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

UNSTARRED QUESTION NO:3075
ANSWERED ON:20.12.2004
REVITALISATION OF SUGAR SECTOR
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has announced or formulated any policy/package for sugar industry, and sugarcane sector;

(b) if so, the details of the proposed policy/package;

(c) the benefits likely to accrue as a result thereof alongwith the efforts made for its implementation so far; and

(d) the amount proposed to be spent by the Government on this scheme?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c) & (d): The Union Government has announced the following package for farmers including sugarcane farmers:-

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(i) One time settlement scheme for small and marginal farmers;
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(ii) Special scheme for relief to farmers affected by natural calamities for at least
     two consecutive years in the last five years; and
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(iii) Scheme for providing relief to farmers in arrears.
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These measures are applicable to debts as on 31.3.2004.

All sugar producing States have been offered assistance by way of Open Market Borrowings to help sugar factories to clear cane price arrears of 2002-03 sugar season subject to terms and conditions thereof. This assistance would be available to the mills in the cooperative and public sectors in the States where the practice of State Advised Prices (SAP) of sugarcane is prevalent and to all sugar mills in the States where no such practice exists. The States of Tamil Nadu and Maharashtra availed of the assistance to the tune of Rs.229.97 crores and Rs.300 crores respectively. Besides, the concerned financial institutions like NABARD, RBI, NCDC etc. address the credit related problems of sugar industry on an ongoing basis.