

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

UNSTARRED QUESTION NO:710
ANSWERED ON:15.07.2014
LOAN SUBSIDY TO SUGAR MILLS
Patil Shri A.T. (Nana)

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

- (a) whether the Government provides interest free loan/subsidy to the sugar mill owners in the country;
- (b) if so, the details thereof indicating the quantum of funds provided and the purpose for which the said funds were provided during the last three years and the current year;
- (c) the number of sugarcane growing farmers benefited and the quantum of funds provided to them during each of the last three years and the current year, State-wise including Maharashtra; and
- (d) the mechanism put in place by the Government to monitor timely transfer of funds and its utilisation by the farmers?

Answer

THE MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): The Central Government on 03.01.2014 has notified a 'Scheme for Extending Financial Assistance to Sugar Undertakings, 2014 (SEFASU, 2014)' envisaging interest free loans worth Rs.6600 crores by Banks as additional working capital to sugar mills. The loan amount has to be utilized by the sugar mills for clearance of cane price arrears of previous sugar seasons and timely settlement of cane price of current sugar season to sugarcane farmers. As per the information received from the nodal bank i.e. State Bank of India, loans amounting to Rs.5775 crores have been sanctioned upto 30.06.2014 under the scheme. Out of the sanctioned amount Rs.5164 crores have been disbursed to the sugar mills upto 04.07.2014.

(c):Data relating to number of sugarcane growing farmers benefited under SEFASU, 2014 is not maintained by the Central Government. However, a statement indicating state-wise details of the loan amount sanctioned and disbursed to sugar mills under the scheme is annexed.

(d):It has been stipulated in the scheme that State sugar/cane commissioners would monitor the utilization of the loan. The concerned sugar mills would submit utilization certificate to the Central Government duly verified by sugar/cane commissioner certifying that the loan amount has been utilized for the purpose specified in the scheme.