

**Title:** Need to issue necessary instructions to the financial institutions to provide credit facility to Sugarcane Growers' Cooperative Societies especially in Western Maharashtra.-Laid

SHRI SADASHIVRAO DADOBA MANDLIK (KOLHAPUR): I want to draw your attention towards the difficulty being faced by Sugarcane Growers Cooperative Societies particularly in Western Maharashtra to whom letters of intent for establishment of new sugar industry have already been issued about two years ago. With a view to ensure that letters of intent do not remain unimplemented for a long time, a timeframe of three years for implementation of letters has been stipulated. Though the Government has provided preference to the sugarcane growers Cooperative Societies for grant of industrial licences for setting up of new sugar factories, this effort is not being fructified as RBI has issued instructions to NABARD for not entertaining the loan applications for setting up sugar industry including the cooperative societies without considering the particular case on merit. This step has discouraged the sugar entrepreneurs and they are facing much difficulty. In addition to this, IDBI, ICICI, IFCI are also not entertaining their applications for loan. Thus the letter of intent is not being implemented even where the sugar industry is viable and new sugar industry has full potential to repay the loan. While getting funds out of NCDC, the State Government is also not distributing the sum properly. There should be some mechanism to scrutinise the loan demand of particular sugar industry centrally and loan in cheque should be provided in the name of particular sugar industry.

I, therefore, request the Central Government that necessary instructions be issued to financial institutions including above ones to provide credit facility to Sugarcane Growers Cooperative Societies particularly in Western Maharashtra.