

**GOVERNMENT OF INDIA**  
**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC**  
**DISTRIBUTION**  
**RAJYA SABHA**  
**QUESTION NO 1205**  
**ANSWERED ON 27.07.2018**  
**Package for Sugar sector**

1205

Shri Rajkumar Dhoot

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

- (a) whether Government has recently announced a package for the Sugar industry and the sugarcane growers;
- (b) if so, the details thereof;
- (c) whether Sugar industry and sugarcane growers of Maharashtra have been covered in the package; and
- (d) if so, the details thereof and if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI C. R. CHAUDHARY)

(a) & (b): Yes, Sir. With a view to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of farmers, the Government has brought out a comprehensive package with the following:

- (i) Scheme for "Assistance to sugar mills" under which financial assistance @Rs.5.50/quintal of cane crushed will be provided to sugar mills to offset the cost of cane amounting to about Rs.1540 crore;
- (ii) Creation of buffer stock of 30 LMT for which Government will reimburse carrying cost of Rs.1175 crore towards maintenance of buffer stock;
- (iii) Extending soft loans of Rs.4,440 crore through banks to the mills for setting up new distilleries and installation of incineration boilers to augment ethanol production capacity for which Government will bear interest subvention of Rs. 1332 crore;
- (iv) Further, in order to prevent cash loss and to facilitate sugar mills to clear cane dues of farmers in time, the Government has also fixed a minimum selling price of sugar at Rs.29/kg for sale at factory gate in domestic market, below which no sugar mill can sell sugar.

(c) & (d): Yes Sir. All the above measures cover the sugarcane farmers and sugar mills of the country including state of Maharashtra.

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