

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
RAJYA SABHA
QUESTION NO 1002
ANSWERED ON 13.12.2013

Revival of sugar industry

1002 SHRI VEER SINGH

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

- (a) whether Government is aware of the problems of finance and liquidity of sugar industry at large in the country;
- (b) if so, the reaction of Government thereto, State-wise;
- (c) whether Government has any proposal to offer loans to sugar mills without charging any interest;
- (d) if so, the details thereof; and
- (e) the other relief measures taken by Government for revival of sugar industry particularly offsetting of sugar mills arrears?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(PROF. K.V. THOMAS)

(a) and (b): Yes, Sir. The apex bodies of the sugar industry and some State Governments have submitted representations to the Central Government stating, inter-alia liquidity problem being faced by the sugar industry due to low realisation received from sale of sugar.

(c) and (d): The Government has formed an Informal Group of Union Ministers under the Chairmanship of Minister of Agriculture to look into the problems being faced by the Sugar industry. The group has, inter-alia recommended extending bank loans to sugar mills with interest subvention by the Central Government.

(e): The other relief measures taken by the Central Government to help the sugar industry inter-alia include dispensing with the release mechanism for sale of sugar,

abolition of levy obligation on sugar mills for sugar produced from October, 2012, increasing the customs duty on import of sugar under Open General Licence (OGL) from 10% to 15% and liberalisation of sugar exports etc.
