

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
RAJYA SABHA
QUESTION NO 04.12.2009
ANSWERED ON
UTILIZATION OF SUGAR DEVELOPMENT FUND .

1722

Dr. Ram Prakash

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

- (a) whether crores of rupees of sugarcane farmers are credited with the Central Government as Sugar Development Fund;
- (b) if so, the details thereof;
- (c) whether Government has decided to use this Fund in sugarcane development and promotion of sugar industries; and
- (d) if so, the details of utilization of this Fund?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION

(PROF. K.V. THOMAS)

(a) to (d) A Statement is Annexed.

ANNEXURE

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE UNSTARRED QUESTION
NO.1722 DUE FOR ANSWER ON 04.12.2009 IN THE RAJYA SABHA.

(a)&(b):No, Sir. The Sugar Development Fund consists of the proceeds of duty of excise levied and collected on all sugar produced by any sugar factory in India reduced by the cost of collection together with any moneys received by the Central Government for the purpose of Sugar Development Fund Act, 1982 and any income from investments of such amounts.

(c)&(d): Yes, Sir. As per the Sugar Development Fund Act, 1982 and the Sugar Development Fund Rules, 1983, the funds thereunder are utilised by the Central Government for the following purposes:-

i) For making loans for facilitating the rehabilitation and modernization of any sugar factory or any unit thereof or the undertaking of any scheme for development of sugarcane in the area in which any sugar factory is situated.

ii) Making grants for the purpose of any research project aimed at the development of sugar industry.

iii) For making loans to any sugar factory or unit thereof for bagasse-based co-generation power projects with a view to improving their viability.

iv) For making loans to any sugar factory or unit thereof for production of anhydrous alcohol or ethanol with a view to improving their viability.

v) Defraying expenditure for the purpose of building up and maintenance of buffer stock of sugar with a view to stabilising price of sugar.

vi) Defraying expenditure on internal transport and freight charges to the sugar factories on export shipments of sugar.

vii) Loans for potentially viable sick sugar undertaking for rehabilitation and modernization of sugar factory or for sugarcane development scheme.

viii) Restructuring of loans for potentially viable sick sugar undertaking for facilitating the rehabilitation and

modernization of any sugar factory or any unit thereof or the undertaking of any scheme for development of sugarcane.

ix) Defraying expenditure for the purpose of financial assistance to sugar factories towards interest on loans given in terms of any scheme approved by the Central Government from time to time.

(x) Defraying any other expenditure for the purpose of the Act.