

**GOVERNMENT OF INDIA
MINISTRY OF COOPERATION**

**LOK SABHA
UNSTARRED QUESTION NO. 4068
TO BE ANSWERED ON 25th MARCH, 2025**

Allocation by NCDC for Margin Money Loan Scheme

4068. Ms. Praniti Sushilkumar Shinde:

Will the Minister of Cooperation (**सहकारिता मंत्री**) be pleased to state:

- (a) whether the allocated loan amount of Rs. 549.54 crore received from the National Cooperative Development Corporation (NCDC) for the Margin money Loan Scheme is sufficient to meet the working capital needs of eligible cooperative sugar factories in Maharashtra and the factors considered while determining this amount;
- (b) the measures in place to ensure transparency and accountability in the distribution and utilization of these loan funds by cooperative sugar factories, along with the mechanism for monitoring and preventing potential misuse of funds; and
- (c) the expected impact of this margin money loan on sugarcane farmers supplying to these cooperative sugar factories and whether it is likely to result in better prices for their produce or improved infrastructure for their farming practices?

ANSWER

**THE MINISTER OF COOPERATION
सहकारिता मंत्री (SHRI AMIT SHAH)**

(a) NCDC, a statutory corporation under the administrative control of Ministry Cooperation disbursed loan under Margin Money Loan Scheme in Maharashtra to meet working capital needs of eligible cooperative sugar factories.

The loan amount of Rs. 549.54 crore was based on analysis and recommendations of Cooperation, Marketing and Textile Department of Government of Maharashtra to meet the working capital needs of following six Cooperative Sugar Mills (CSMs) of Maharashtra namely,

- (i) Bhima Sahakari Sakhar Karkhana Ltd, Takali, Solapur
- (ii) Karmayogi Shankarraoji Patil SSK Ltd., Indapur, Pune
- (iii) Nira Bhima Sahakari Sakhar Karkhana Ltd., Indapur, pune
- (iv) Shree Rameshwar Sahakari Sakhar Karkhana Ltd., Raosaheb Nagar, Jalna
- (v) Shetkari Sahakari Sakhar Karkhana Ltd. Killari, AUSA, Latur
- (vi) Shri Shankar Sahakari Sakhar Karkhana Ltd., Tal. Sadashivnagar, Solapur

The following factors have been considered by the Government of Maharashtra for considering the loan amount:

- (a) Sugarcane Pending bills
- (b) Harvesting and transporting bills
- (c) Salaries and Wages dues
- (d) Machinery Repairs, Maintenance and Consumables
- (e) Traders outstanding advances and other dues payable.

(b) For monitoring, working and financial position of the sugar mill societies, representatives of NCDC visit sugar mill societies on half-yearly basis till the currency of loan. In the event of violation of any of the terms and conditions, NCDC has the right to foreclose the sanction and recover the entire amount of assistance released along with the interest.

(c) The loan has been disbursed to the Government of Maharashtra for onwards passing on to the six CSMs for meeting the following purposes,

- (a) Sugarcane pending bills
- (b) Harvesting and transporting bills
- (c) Salaries and Wages dues
- (d) Machinery Repairs, maintenance and consumables
- (e) Traders outstanding advances and other dues payable.

After availing loan from NCDC under the scheme, CSMs are able to pay their pending sugarcane bills and current sugarcane bills to its farmer members and also meet their day-to-day expenses for operating the sugar mill. Thus, timely cane payment to farmers will ensure the availability of sufficient sugarcane for crushing and optimum capacity utilization will improve the productivity and efficiency of the CSMs.

The improved financial position of the CSMs will enable them to pay better prices of sugarcane to its farmer members which will help the farmer members to improve their infrastructure for farming practices.
