

Government of India  
Ministry of Finance  
Department of Financial Services

LOK SABHA  
Unstarred Question No. 632

To be answered on February 26, 2016/Phalguna 7, 1937 (Saka)

**Relief Package to Sugarcane Farmers**

**Question**

632. SHRI BHAGWANTH KHUBA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has any proposal to provide a comprehensive relief package to sugarcane farmers across the country; and

(b) if so, the details thereof?

**Answer**

The Minister of State in the Ministry of Finance  
(Shri Jayant Sinha)

(a) & (b): With a view to improving the liquidity position of sugar mills and facilitating timely payments of cane dues of sugarcane farmers, the Central Government has taken the following steps:

- Working capital loans of Rs.6420 crore were extended with interest subvention for five years under the Scheme for Extending Financial Assistance to Sugar Undertakings, 2014 (SEFASU-2014) .
- An amount of Rs.284 crore has been released so far under the scheme to provide incentive for raw sugar export during sugar season 2013-14 and 2014-15.
- Remunerative prices have been fixed for supplies of ethanol to Oil Marketing Companies (OMCs) for blending with petrol; excise duty has been waived on ethanol supplies to OMCs during 2015-16 and blending targets have been scaled up from 5% to 10%.
- Under the Scheme for Soft Loan to Sugar Sector, an amount of Rs.4212 crore was disbursed and credited to farmers' accounts with interest subvention @ 10% p.a. for one year.
- A scheme was notified on 2.12.2015 to extend production subsidy @ Rs. 4.50 per quintal of cane crushed to sugar mills to offset the cost of cane and facilitate timely payment of cane price dues of farmers for sugar season 2015-16. Funds to be released under the scheme shall be directly credited into farmer's accounts.

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DRAFT REPLY  
(TO BE TYPED IN HALF MARGIN DOUBLE SPACE)

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<p>632. SHRI BHAGWANTH KHUBA:</p> <p>Will the Minister of FINANCE be pleased to state:</p> <p>(a) whether the Government has any proposal to provide a comprehensive relief package to sugarcane farmers across the country; and</p> <p>(b) if so, the details thereof?</p>	<p>To be answered by The Minister of State in the Ministry of Finance (Shri Jayant Sinha)</p> <p>(a) &amp; (b): With a view to improving the liquidity position of sugar mills and facilitating timely payments of cane dues of sugarcane farmers, the Central Government has taken the following steps:</p> <ul style="list-style-type: none"><li>• Working capital loans of Rs.6420 crore were extended with interest subvention for five years under the Scheme for Extending Financial Assistance to Sugar Undertakings, 2014 (SEFASU-2014) .</li><li>• An amount of Rs.284 crore has been released so far under the scheme to provide incentive for raw sugar export during sugar season 2013-14 and 2014-15.</li><li>• Remunerative prices have been fixed for supplies of ethanol to Oil Marketing Companies (OMCs) for blending with petrol; excise duty has been waived on ethanol supplies to OMCs during 2015-16 and blending targets have been scaled up from 5% to 10%.</li><li>• Under the Scheme for Soft Loan to Sugar Sector, an amount of Rs.4212 crore was disbursed and credited to farmers' accounts with interest subvention @ 10% p.a. for one year.</li><li>• A scheme was notified on 2.12.2015 to extend production subsidy @ Rs. 4.50 per quintal of cane crushed to sugar mills to offset the cost of cane and facilitate timely payment of cane price dues of farmers for sugar season 2015-16. Funds to be released under the scheme shall be directly credited into farmer's accounts.</li></ul>

