

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:4072  
ANSWERED ON:09.08.2002  
REPAYMENT OF SDF LOAN  
KINJARAPU YERRANNAIDU;SUKENDER REDDY GUTHA

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

- (a) whether the Government of Andhra Pradesh have requested to increase the period of moratorium on repayment of Sugar Development Fund basis and payment of interest thereon;
- (b) if so, the details thereof;
- (c) whether similar requests have been received from other States as well;
- (d) if so, the details in this regard;
- (e) the action taken on these requests?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION ( SREENIVASA PRASAD )

(a)&(b): The Government of Andhra Pradesh had made a request for increasing the period of moratorium on repayment of SDF loans from 8 years to 11 years to provide some relief to the three sugar units of Nizam Sugars Ltd, to whom aggregating Rs.17.89 crores from the Sugar Development Fund were disbursed for modernisation/expansion, until its units are transferred to a private promoter. The Government of Andhra Pradesh informed that it had taken a decision to privatize all units of Nizam Sugars Ltd. The Sugar Development Fund Rules, 1983 do not provide for enhancement of period of moratorium.

However, the Sugar Development Fund Rules, 1983 provide that in case of default in repayment of the amount of loan or payment of any instalment thereof or interest thereon, an additional interest at the rate of two and half percent per annum on the amount of default shall be payable. All repayment of loan is required to be made in accordance with the provisions/ prescribed in the Sugar Development Fund Rules, 1983.

(c): No Sir.

(d)&(e): Does not arise.