

Regarding need to expedite release of pending interest subsidy under the Interest Subvention Scheme - 2018 to Sugar Mills in Maharashtra-Laid

SHRI BAJRANG MANOHAR SONWANE (BEED): I would like to draw the attention of the Government towards an important issue concerning ethanol projects in the country. Under the Government of India's 'Atmanirbhar Bharat' initiative, the Ethanol Blended Petrol Programme aimed to achieve the E-20 blending target by 2030. However, due to the significant contribution of the sugar industry, this target has been successfully achieved in 2025 itself. Despite this achievement, serious concerns have emerged regarding the implementation of the Interest Subvention Scheme - 2018 under the Department of Food and Public Distribution DFPD as several sugar mills have not received the interest subsidy even after more than two years of approval; banks have already recovered interest on loans, while the subsidy from the Government is still pending; and the sugar industry has invested approximately ₹40,000 crore in ethanol projects, with Maharashtra contributing nearly 40% of the total investment. This situation is putting severe financial stress on sugar mills and may adversely affect ethanol production and the long-term energy security goals of the country. Therefore, I urge the Government to expedite the release of pending interest subsidy under the Interest Subvention Scheme - 2018 and consider extending the scheme to boost ethanol production and energy self-reliance.
