

## Sugar sale price should be over ₹37.50/kg: NFCSF

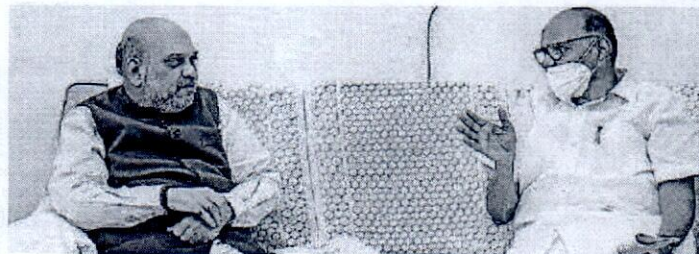
### OUR BUREAU

Pune, August 3

The National Federation of Co-operative Sugar Factories Limited (NFCSF) has demanded that the government raise the minimum selling price (MSP) of sugar from ₹31 per kg to above ₹37.50.

A delegation of NFCSF under the leadership of Nationalist Congress Party chief Sharad Pawar met Cooperation and Home Minister Amit Shah in New Delhi on Tuesday with a list of demands to boost the sugar sector.

NFCSF — the apex body of 259 cooperative sugar mills and all nine State cooperative sugar federations across India — told Shah that the cooperative sector as a whole and cooperative sugar mills, in par-



NCP Chief Sharad Pawar in a meeting with Home Minister Amit Shah in New Delhi to discuss issues faced by the sugar co-operatives PTI

ticular, continue to reel under financial stress, which, if not contained in time may explode in the form of mills permanently pulling down shutters and millions of farmers facing unprecedented anxiety and stress for their very survival.

**Grade-wise pricing**  
Sugar barons also demanded

grade-wise pricing of sugar (small, medium, large grain size) to remove the current anomaly and bring about a level playing field. MSP revision will not put any financial burden on the government.

Pawar and members of the delegation said that the Tripartite Agreement (TPA) between ethanol suppliers, OMCs, and banks has not suc-

ceeded for cooperative sugar distilleries due to their unhealthy balance sheets. As a result, only 88 out of 422 proposals have been funded by banks in which the share of cooperatives is negligible.

"To overcome this major roadblock, we suggest to permit establishing an independent 'Ethanol Manufacturing Unit' within the premises of the present co-operative sugar mill. Banks will have a comfort level to enter into TPA with these independent business units based on their future estimated revenue on supplying committed ethanol to OMCs that can release payments in escrow account from where banks can collect their loan amount," the delegation demanded in a letter.