

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

**RAJYA SABHA**  
UNSTARRED QUESTION NO. 1840  
TO BE ANSWERED ON 28<sup>TH</sup> DECEMBER, 2018

**PAYMENT OF ARREARS BY MILLS TO FARMERS**

1840. SHRI K. R. ARJUNAN:

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

- (a) whether it is a fact that currently the sugar mills owe farmers more than ₹13,000 crore in arrears, down from a peak of more than ₹ 22,000 crore in May, 2018;
- (b) whether it is also a fact that none of the previous subsidy announced in May, 2018 has been claimed by mills or paid to farmers;
- (c) whether it is also a fact that of the ₹ 1,500 crore announced in May, 2018, nothing has been spent yet; and
- (d) if so, the details thereof?

**A N S W E R**  
MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI C. R. CHAUDHARY)

---

(a): Depressed sugar prices due to excess sugar production during previous sugar season 2017-18 adversely affected the financial health of sugar mills resulting in accumulation of cane price arrears which peaked at Rs. 14538 cr on the basis of Fair and Remunerative Price (FRP) and Rs. 23232 cr on State Advised Price (SAP) basis in the last week of May, 2018. However, as a result of various measures taken by the Government, the cane price arrears for the sugar season 2017-18 have come down to Rs. 1165 cr and Rs.3601 cr on FRP and SAP basis respectively as on 24.12.2018.

(b),(c)&(d): So far, 155 sugar mills have submitted their claims for assistance under the Scheme "Assistance to Sugar mills" notified vide notification dated 09.05.2018. Budgetary allocation for release of funds towards their claims shall be available through supplementary grants.

\* \* \*