ORIGINAL IN HINDI

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

RAJYA SABHA
UNSTARRED QUESTION NO. 1508
TO BE ANSWERED ON 23RD SEPTEMBER, 2020

PAYMENT OF ARREARS OF SUGARCANE GROWERS IN BIHAR

1508. SHRI RAM NATH THAKUR

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

(a) whether there is any plan to restart the Samastipur Sugar Mill and Riga Sugar Mill at Sitamarhi in the State of Bihar,

(b) whether Government has any information regarding the arrears payable to farmers by these Sugar Mills; and

(c) whether Government would provide funds to the management of Sugar Mills for the payment of arrears so that farmers could be paid arrears?

A N S W E R

MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI DANVE RAOSAHEB DADARAO)

(a): As per the information received from Government of Bihar, Riga Sugar Mill at Sitamarhi has operated in current sugar season 2019-20 and it is likely to operate in the ensuing sugar season 2020-21 also. For revival of closed Government sugar mills, either in the form of a sugar mill or other industry, bidding process has been organised by State Government of Bihar to put them on long term lease to interested investors. In fourth bidding, M/s Winsome International Ltd. has been selected for developing Samastipur unit as Jute & Food Processing unit.

(b): As on 07.09.2020, Riga Sugar Mill at Sitamarhi has cane price arrears of Rs. 68.31 crore payable to cane growers for sugar seasons 2018-19 & 2019-20. No cane price arrears are pending against Samastipur sugar mill.

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(c): Payment of cane price to sugarcane farmers by the sugar mills is a continuous process. However, on account of surplus sugar production during the previous sugar seasons, the sugar prices remained depressed which adversely affected the liquidity of the sugar mills resulting in accumulation of cane price arrears of the farmers. With a view to improve liquidity of sugar mills enabling them to clear cane price arrears of farmers, the Central government has taken various measures in past three sugar seasons viz. extended assistance to sugar mills to facilitate export of sugar; extended assistance to mills for maintaining buffer stocks; extended soft loans to sugar mills through banks to clear cane price dues; fixed Minimum Selling Price of Sugar etc.

Further, Government of Bihar has provided Rs.12.50/quintal on purchase of sugarcane in form of subsidy to sugar mills to clear cane price dues for the sugar season 2018-19.

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