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

RAJYA SABHA UNSTARRED QUESTION NO.1317 TO BE ANSWERED ON 11TH MARCH, 2025

OUTSTANDING DUES TO SUGARCANE FARMERS

1317 SHRI VAIKO: SHRI M. SHANMUGAM:

Will the Minister of *Consumer Affairs*, *Food and Public Distribution* be pleased to state:

- (a) the amount of outstanding dues of sugarcane farmers towards sugar mills during each of the last three years and the current year, State-wise including Tamil Nadu;
- (b) whether the sugar mills are not clearing the dues of sugarcane farmers every year and as a result, the said amount is consistently increasing, if so, the details thereof; and
- (c) the steps taken by Government to ensure timely payment of price/outstanding dues to sugarcane farmers by sugar mills?

ANSWER

MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

- (a): As per information received from State Governments, total outstanding dues of sugarcane farmers towards sugar mills during the last three sugar seasons (Oct Sept) and current sugar season, state-wise including Tamil Nadu is at **Annexure**.
- (b) & (c): Payment of cane dues to farmers is a continuous process and cane payment by the sugar mills to the farmers are being made on regular basis resulting in reduction of cane dues.

With a view to facilitate payments of outstanding dues to the sugarcane farmers, the Central Government has taken various steps in the form of policy interventions from time to time as and when required, which are as under:

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- i) Central Government fixes Fair and Remunerative Price (FRP) of sugarcane having regard to the factors mentioned in Clause 3(1) of the Sugarcane (Control) Order, 1966.
- ii) Diversion of surplus sugar to production of ethanol led to improved financial conditions of sugar mills.
- iii) Government allowed export of 10 LMT during current Sugar Season 2024-25 (Oct Sept) to prevent fall in ex-mill prices of sugar and accumulation of cane price arrears.
- iv) Minimum Selling Price of sugar was fixed initially at ₹ 29/ kg w.e.f 07-06-2018; and revised to ₹ 31/kg w.e.f. 14-02-2019.

As a result of these measures, significant reduction has been seen in cane price arrears. Up to sugar seasons 2023-24, more than 99.9% cane dues have been cleared and in the current Sugar Season 2024-25, more than 80 % cane dues have been cleared as on 05.03.2025.

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO.1317 FOR ANSWER ON 11.03.2025 IN THE RAJYA SABHA.

As on 05.03.2025 (figures in Cr. Rs.) Statement showing total outstanding dues of sugarcane farmers by sugar mills during the last 3 sugar seasons and current sugar season, State-wise including Tamil Nadu State 2021-22 2022-23 2023-24 2024-25 Uttar Pradesh Maharashtra Karnataka Gujarat Tamil Nadu Bihar Haryana Punjab Madhya Pradesh Uttarakhand Andhra Pradesh Telangana Chhattisgarh

Total