

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

LOK SABHA
UNSTARRED QUESTION NO. 1794
TO BE ANSWERED ON 06TH MARCH, 2018

LOAN TO SUGAR MILLS

1794. KUNWAR BHARATENDRA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government can clarify the quantum of debt owed by sugar mills to sugarcane farmers, State-/UT- wise;
- (b) the steps being taken to ensure that the sugarcane farmers received their dues;
- (c) whether the Government can provide the details of the number of sugar mills that have been declared insolvent, owing to non-repayment of loans;
- (d) whether the Government is taking any steps to restore the financial health of these sugar mills; and
- (e) 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): As per the information received from the office of Cane Commissioners of the sugar producing States/UTs, a statement showing State-/UT-wise quantum of debt owed by sugar mills to sugarcane farmers, as on 31.01.2018, is at ANNEXURE.

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(b): Payment of sugarcane dues to farmers is an ongoing process. The Sugarcane (Control) Order, 1966 stipulates payment of cane price within 14 days of supply, failing which interest at the rate of 15% per annum on amount due for the delayed period beyond 14 days is payable. The Powers to enforce the provisions of Sugarcane (Control) Order, 1966 with regard to payment of cane dues of farmers is mainly vested with the State Governments as they have necessary field formation for its implementation. The State Governments have issued notices to all the defaulting sugar mills for clearing the balance cane price dues. State Governments of Uttar Pradesh, Karnataka and Madhya Pradesh have reported to have issued Recovery Certificates also to defaulting sugar mills. Central Government has taken the following measures in the past to improve financial health of the sugar industry enabling them to clear cane dues of the farmers:

- (i) Extended financial assistance to the sugar mills through SEFASU and Soft loan scheme.
- (ii) Provided incentive on export of raw sugar.
- (iii) Provided performance based production subsidy.
- (iv) Fixed remunerative price of ethanol for supply under EBP.

During the current season, in order to stabilise domestic sugar price and enable payment of farmers sugarcane dues, import duty on sugar has been enhanced from 50% to 100% and stock limit on sugar mills has been imposed.

(c): The State Governments of major sugar producing states informed that no sugar mill have been declared as insolvent.

(d) & (e): Does not arise.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO.1794 DUE FOR ANSWER ON 06.03.2018 IN THE LOK SABHA.

STATEMENT SHOWING STATE/UT WISE CANE PRICE ARREARS FOR SUGAR SEASON 2017-18,2016-17,2015-16 & EARLIER SUGAR SEASON

(Rs. in crores)

(As on 31.01.2018)					
SL. NO.	STATE	CANE PRICE ARREARS 2017-18	CANE PRICE ARREARS 2016-17	CANE PRICE ARREARS FOR 2015-16 AND EARLIER	TOTAL CANE PRICE ARREARS
	1	2	3	4	5
1	PUNJAB	433.79	45.06	0.00	478.85
2	HARYANA	416.10	0.00	0.00	416.10
3	RAJASTHAN	0.00	0.00	0.00	0.00
4	UTTAR PRADESH	5552.76	394.36	131.39	6078.51
5	UTTARAKHAND	426.09	0.00	24.92	451.01
6	MADHYA PRADESH	266.83	6.49	17.43	290.75
7	CHHATISGARH	28.82	0.05	1.01	29.88
8	GUJARAT	427.45	20.97	18.18	466.60
9	MAHARASHTRA	2636.03	2.62	236.23	2874.88
10	BIHAR	314.29	6.04	39.32	359.65
11	ASSAM	0.00	0.00	0.00	0.00
12	ANDHRA PRADESH	230.87	0.00	20.50	251.37
13	KARNATAKA	2713.65	0.57	44.12	2758.34
14	TAMIL NADU	303.27	414.18	1138.12	1855.57
15	KERALA	0.00	0.00	0.00	0.00
16	ODISHA	49.81	1.93	2.94	54.68
17	WEST BENGAL	0.00	0.04	0.43	0.47
18	NAGALAND	0.00	0.00	0.00	0.00
19	PUDUCHERRY	0.00	10.59	11.53	22.12
20	GOA	29.53	0.00	0.00	29.53
21	TELANGANA	102.32	0.00	0.00	102.32
	TOTAL	13931.61	902.90	1686.12	16520.63
