

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

LOK SABHA
UNSTARRED QUESTION NO. 5196
TO BE ANSWERED ON 27TH MARCH, 2018

NON-PAYMENT OF SUGARCANE DUES

5196. SHRI SANJAY KAKA PATIL:

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

- (a) whether the sugarcane farmers in Maharashtra have decided to protest on the issue of non-payment of their dues as the Mill owners are unable to pay them owing to decrease in sugar prices and extra stocks of sugar in the market and if so, whether the State Government of Maharashtra has issued notices to some sugar mills for payment of dues to the farmers along with the response of the Union Government thereto;
- (b) whether the Union Government has issued certain directions to the State Governments to determine the Minimum Fair and Remunerative Price (FRP) of sugarcane for mill owners who make payment to sugarcane farmers at pre-determined prices; and
- (c) whether the steps taken by the Government in regard to control import duty on sugar have succeeded to resolve the issues?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a): As per information received from Government of Maharashtra there is no protest from farmers till date for non-payment of their dues by the mill owners. The mill owners are finding it difficult to pay the cane prices to the farmers on time due to decrease in sugar price. The State Government has issued notices to 228 sugar mill for the recovery of cane payment dues to farmers.

During the current season, in order to stabilize domestic sugar price and improve liquidity of sugar mills enabling them to clear cane dues of the farmers, import duty on sugar has been enhanced from 50% to 100%; stock limit on sugar mills has been imposed for two months and export duty on sugar has been withdrawn.

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(b): The Central Government fixes Fair and Remunerative Price (FRP) of sugarcane for every Sugar Season (October-September) on the recommendation of Commission for Agricultural Costs and Prices(CACP) and in consultation with State Governments and industry bodies. FRP so fixed by Central Government is the minimum bench mark statutory price of sugarcane below which no sugar mill can purchase sugarcane from sugarcane farmers.

(c): The Government has raised import duty on sugar from 50% to 100% w.e.f. 06.02.2018. It has prevented import of cheap sugar in the country and arrested the down-ward trend of sugar prices in the domestic market thereby improving the liquidity position of sugar mills to clear sugarcane price dues to farmers.
