

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

LOK SABHA
UNSTARRED QUESTION NO. 5260
TO BE ANSWERED ON 27TH MARCH, 2018

SUGARCANE ARREAR CRISIS

5260. SHRI B. SRIRAMULU:

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

- (a) whether sugarcane arrear crisis has been revived due to crash in prices of sugar and if so, the details thereof;
- (b) the details of the production, consumption and import of sugar in the country during the last 2 years; and
- (c) whether the Rangarajan Committee has made recommendations on Regulation of sugar sector and if so, the details thereof and the action taken thereon?

A N S W E R

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

(a): Due to higher production estimates during the current sugar season 2017-18, the down trend of sugar price has been witnessed which is affecting the liquidity position of the mills and timely clearance of cane dues of farmers. As on 21.03.2018, out of total cane dues payable of Rs.55,553 crore for 2017-18 Sugar Season, an amount of Rs.41,654 crore has been cleared and Rs.13,899 crore is pending.

(b): Details of the production, consumption & import of sugar in the country during the last two years are as under:-

(in Lakh MT)

Sugar Season	Production	Consumption	Import*
2015-16	251.21	247.61	19.06
2016-17	202.27	244.25	26.82

* Quantity imported under Advance Authorization Scheme(AAS) & Open General Licence(OGL)

(c): The committee headed by Dr. C. Rangarajan on Sugar Industry has, inter alia, recommended removal of the levy sugar obligation and dispensing with the regulated release mechanism on non-levy sugar; Rationalization of sugarcane pricing; Abolition of cane area reservation system and bonding; Doing away with the minimum distance norms as state discontinue cane area reservation. The Government has accepted the recommendations of the Committee pertaining to removal of levy sugar obligation on sugar mills and dispensing with the regulated release mechanism and has referred the rest of the recommendation of the committee for adoption and implementation to the State Governments.