

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

LOK SABHA
STARRED QUESTION NO. 148
TO BE ANSWERED ON 2nd JULY, 2019

DUES OWED TO SUGARCANE FARMERS

*148. SHRI RITESH PANDEY:

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

- (a) the details of dues owed to sugarcane farmers by sugarcane mills, State-wise;
- (b) the measures taken and proposed to be taken to relieve sugarcane farmers of financial distress due to unpaid dues;
- (c) the measures sought by the Ministry to hold accountable the defaulters of dues owed to sugarcane farmers; and
- (d) the measures taken and planned to diversify sugarcane farming away from sugar production and into other sugar-based production?

A N S W E R
MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAMVILAS PASWAN)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE STARRED QUESTION NO. *148 DUE FOR ANSWER ON 02.07.2019 IN THE LOK SABHA

(a)to(d): The State-wise details of cane price dues of sugarcane farmers during current sugar season 2018-19 and last sugar season 2017-18, as on 25.06.2019, is at Annexure.

With a view to improve the liquidity position of sugar mills enabling them to clear cane price dues of farmers, the Government has taken following measures in sugar seasons 2017-18 & 2018-19:

- (i) Fixing a Minimum Selling Price (MSP) of sugar w.e.f 07.06.2018 at Rs.29/kg for sale at factory gate in domestic market, below which no sugar mill can sell sugar. MSP has further been increased to Rs. 31/Kg. w.e.f. 14th February, 2019.
- (ii) Extending Assistance to sugar mills to offset the cost of cane in sugar seasons 2017-18 and 2018-19.
- (iii) Extending assistance to sugar mills by reimbursing carrying cost towards maintenance of buffer stock of 30 LMT of sugar.
- (iv) Extending Assistance to sugar mills for defraying expenditure towards internal transport, freight, handling and other charges to facilitate export of sugar from the country in sugar season 2018-19.
- (v) Extending soft loans to sugar mills through banks for which Government would bear interest subvention @ 7% for one year to clear cane price arrears.

Under the schemes enumerated in para (ii) to (v) above, it has been provided that funds released to sugar mills will be directly credited to farmer's accounts on behalf of the sugar mills against their cane price dues.

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 vested with the State Governments. The Central Government from time to time issues advisory to the State Governments for ensuring clearance of cane price arrears of farmers and to take action against defaulting mills and also reviews the position of cane dues through meetings and video conferences with State Governments.

With a view to diversify sugarcane farming away from sugar production, Government is promoting production of ethanol from sugarcane. To divert excess sugarcane for manufacturing ethanol, Government has for the first time allowed production of ethanol from B-Heavy molasses as well as from sugarcane juice. Further, Government has also fixed remunerative price of ethanol produced from C-Heavy molasses and B-Heavy molasses/sugarcane juice separately for supply under Ethanol Blended Petrol (EBP) programme during ethanol season 2018-19.

ANNEXURE

ANNEXURE REFERRED IN REPLY TO PART (a) TO (d) OF THE STARRED QUESTION NO. 148 DUE FOR ANSWERED ON 02.07.2019 IN THE LOK SABHA.

(RS. IN CRORES)

STATEMENT SHOWING STATE- WISE DUES OF SUGAR CANE FARMERS IN THE CURRENT SUGAR SEASON & LAST SUGAR SEASON (AS ON 25.06.2019).				
S.No	Name of State	2018-19	2017-18	Total
1	Bihar	923	26	949
2	Haryana	293	0	293
3	Punjab	925	39	964
4	Uttrakhand	542	108	650
5	Uttar Pradesh	10134	49	10183
6	Andhra Pradesh	289	7	296
7	Telangana	155	0	155
8	Gujarat	907	1	908
9	Maharashtra	1338	62	1400
10	Karnataka	1704	5	1709
11	Tamil Nadu	362	0	362
12	Puducherry	0	0	0
13	Chhattisgarh	106	2	108
14	Odisha	75	0	75
15	Madhya Pradesh	83	4	87
16	Goa	4	0	4
	All India	17840	303	18143
