

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:93
ANSWERED ON:05.07.2004
ARREARS DUE TO SUGARCANE FARMERS
Hasan Chaudhary Munawwar

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the arrears due to sugarcane growers have been paid in all the States;
- (b) if so, the details thereof and if not, the reasons therefor; and
- (c) by when the arrears to the affected farmers will be settled all States especially in Uttar Pradesh?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a)&(b) : A statement showing State-wise position of cane price arrears for the season 2003-04 is at Annexure.

In the State of U.P., as on 30.6.2004, out of the cane price dues of Rs. 4079.46 crores, an amount of Rs. 3840.02 crores has been paid, leaving a balance of Rs. 239.44 crores, which is 5.87% of the total cane price dues.

The accumulation of cane price arrears is attributable to factors such as higher production levels achieved during preceding three consecutive Sugar seasons, financial constraints, inadequate sales realizations and negative net worth etc.

(c) :The responsibility of ensuring timely payment of cane price dues to the sugarcane growers lies with the respective State Governments. The Central Govt. on its part, besides writing to the State Governments for speedy clearance of the cane price dues, have taken the following steps:

(i)The levy obligation of sugar factories has been reduced to 10% w.e.f. 1st March, 2002 to enable the factories to sell more sugar under non-levy quota in the open market.

(ii)A Buffer Stock of 20 lakh tones of sugar was created initially for a period of one year from 18.12.2002 involving an outgo of Rs. 412 crores from the Sugar Development Fund. In addition, about Rs. 374 crores would be available from the Banks on account of the Buffer Stock. Thus, an amount of Rs. 786 crores would become available for the payment of cane price dues. The Government has extended the maintenance of buffer stock for a further period of one year beyond 18.12.2003.

ANNEXURE ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF UNSTARRED QUESTION NO. 93 DUE FOR ANSWER ON 05.7.2004 IN THE LOK SABHA.

STATEMENT SHOWING THE STATE-WISE POSITION OF CANE PRICE PAYABLE, PRICE PAID AND BALANCE OUTSTANDING FOR CANE PURCHASED DURING 2003-04 SEASON

(Figures in crore Rs.)

STATE/ZONE	TOTAL PRICE PAYABLE FOR CANE PURCHASED DURING 2003-04	TOTAL CANE PRICE PAID	BALANCE CANE PRICE PAYABLE	STATUS AS ON
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PUNJAB	404.49	328.93	75.56	30.4.2004
HARYANA	556.10	479.61	76.49	30.4.2004
RAJASTHAN	10.98	5.51	5.47	30.4.2004
U.P.	4079.46	3840.02	239.44	30.6.2004
UTTARANCHAL	350.24	323.73	26.51	15.6.2004
M.P.	73.26	66.73	6.53	30.4.2004

GUJRAT	769.81	736.99	32.82	31.5.2004
MAHARASHTRA	2311.20	1152.18	1159.02	30.4.2004
BIHAR	161.44	65.38	96.04	30.4.2004
ASSAM	-	-	-	N.A.
A.P.	763.88	699.18	64.70	31.5.2004
KARNATAKA	758.58	630.78	127.80	30.4.2004
TAMILNADU	639.34	593.52	45.82	15.5.2004
KERLA	-	-	-	N.A.
ORISSA	24.38	20.09	4.28	30.4.2004
WEST BENGAL	-	-	-	N.A.
PONDICHERY	17.13	10.32	6.81	30.4.2004
GOA	6.77	6.77	0	30.4.2004