

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

UNSTARRED QUESTION NO:4024
ANSWERED ON:20.04.2010
ILLEGAL PURCHASE OF SUGARCANE BY MILLS
Singh Shri Rajiv Ranjan (Lalan)

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

- (a) whether some cases of illegal purchase of sugarcane by mills have come to the notice of the Government;
- (b) if so, the details thereof, State-wise and mill-wise;
- (c) whether any raids have been conducted to verify the stocks of sugar held by the mills; and
- (d) if so, the details and the outcome thereof, mill-wise?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) and (b): Clause 6 of the Sugarcane (Control) Order, 1966 confers powers on the Central Government to regulate distribution and movement of sugarcane. Sub-clause (1)(a) of clause 6 of the Order provides that the Central Government may reserve any area where sugarcane is grown for a sugar factory having regard to the factors mentioned therein. This power has been delegated to the State Governments. The Cane Commissioner, Government of U.P. has reported illegal purchase of sugarcane by some sugar mills in the State. The Cane Commissioner, Government of Andhra Pradesh has reported that some cases of illegal purchase of sugarcane have come to the notice by sugar factories within Andhra Pradesh and sugar factories situated in adjoining States of Karnataka and Maharashtra. The state-wise and mill-wise details are enclosed at Annexure I. The Cane Commissioner, Government of Karnataka has reported that M/s Indian Sugar Mills and Refineries Ltd. has obtained orders from the High Court of Karnataka and Supreme Court of India against the illegal transportation of sugarcane from the reserved area of their factory. The matter is sub-judice. The Cane Commissioners of Gujarat, Haryana, Maharashtra and Tamil Nadu have reported that no case of illegal purchase of sugarcane by sugar mills has come to their notice.

(c) and (d): The Cane Commissioner, Government of Uttar Pradesh has reported that while verifying the stocks of six sugar mills, they have observed irregularities in case of five sugar mills and action under relevant provisions of the Essential Commodities Act, 1955 has been taken against defaulting mills. The list of these sugar mills is at Annexure-II.