

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

UNSTARRED QUESTION NO:83
ANSWERED ON:09.11.2010
SUGARCANE PRICING
Devappa Anna Shri Shetti Raju Alias

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

- (a) whether the Commission for Agricultural Cost and Prices has sent any of income from Ethanol and production of electricity in fixing the price of sugarcane;
- (b) if so, whether the Government proposes to include the said proposal while fixing the sugarcane price during 2011-12;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

Answer

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

(a) to (d): The Central Government determines the fair and remunerative price (FRP) of sugarcane in terms of Clause 3 of the Sugarcane (Control) Order, 1966 w.e.f. 1.10.2009. The FRP is determined on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP) after consulting the State Governments and representative bodies of stakeholders.

The recommendations of CACP for 2011-12 for determination of FRP for sugarcane payable to sugar farmers have been received. The CACP has been requested as to whether while recommending the FRP for 2011-12 sugar season, the Commission has also considered the value on account of sale of by-products viz. molasses, bagasse and pressmud which have been worked out in the recommendations.

While determining the FRP for 2011-12 sugar season, the recommendations of the CACP will be taken into consideration in accordance with the provisions of the Sugarcane (Control) Order, 1966, in respect of determination of fair and remunerative price of sugarcane. Clause 3(1) of the Sugarcane (Control) Order, 1966, provides as under:

3. Fair and remunerative price of sugarcane payable by producer of sugar:

(1) The Central government may, after consultation with such authorities, bodies or associations as it may deem fit, by notification in the Official Gazette, from time to time, fix the fair and remunerative price of sugarcane to be paid by producers of sugar or other agents for the sugarcane purchased by them, having regard to-

(a) (e)

#(f) the realization made from sale of by products viz. molasses, bagasse and press mud or their imputed value

#(inserted vide S.O.2984(E).-/Ess.Com./Sugarcane dated 29.12.2008