

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:264
ANSWERED ON:02.08.2011
PRODUCTION OF SUGARCANE
Rajaram Shri Wakchaure Bhausahb

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether sugarcane production in the country is sufficient to meet the domestic demand of sugar;
- (b) if not, the steps taken/proposed to be taken by the Government to bridge the gap between sugarcane production and demand of sugarcane in the country;
- (c) whether the sugarcane growers of the country are getting adequate remunerative prices for their produce;
- (d) if so, the details thereof, State-wise, and if not, the reasons therefor; and
- (e) the steps being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE, FOOD PROCESSING INDUSTRIES AND PARLIAMENTARY AFFAIRS (SHRI HARISH RAWAT)

(a) & (b): Yes, Madam. Against an estimated domestic demand of about 210-215 lakh tonnes, total production of sugar in the country during the current season 2010-11 is provisionally estimated at about 242 lakh tonnes, which is adequate to meet the domestic demand of sugar during the year.

(c) to (e): The Government of India fixed the Fair & Remunerative Price (FRP) of sugarcane payable by sugar mills for 2010-11 sugar season at Rs.139.12 per quintal linked to a basic recovery rate of 9.5% subject to a premium of Rs.1.46 per quintal for every 0.1 percentage point increase in recovery above that level. The FRP of sugarcane cane for ensuing sugar season 2011-12 fixed by the Government is still higher at Rs.145/- per quintal linked to a basic recovery rate of 9.5% subject to a premium of Rs.1.53 per quintal for every 0.1 percentage point increase in recovery above that level. Under FRP, farmers would get an upfront payment of margins on account of profit and risk, which was not available under the earlier Statutory Minimum Price(SMP) for sugarcane.