

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

UNSTARRED QUESTION NO:1438
ANSWERED ON:21.08.2012
PAYMENT FOR SUGARCANE
Ganpatrao Shri Jadhav Prataprao;Sinh Dr. Sanjay

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

- (a) the linkage between percentage of sugar recovery and the State Administered Price of sugarcane during the last three years, State-wise;
- (b) the details of delivery cost, transportation cost and harvesting cost, separately during the said period; and
- (c) the relation between sugar recovery and the Sugar Development Fund?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) The Central Government has been fixing the Statutory Minimum Price (SMP) / the Fair and Remunerative Price (FRP) of sugarcane for every sugar season linked to the sugar recovery on all India basis and not State-wise. However, the States of Punjab, Haryana, Uttrakhand, Uttar Pradesh and Tamil Nadu announce the State Advised Price (SAP) of sugarcane. In all these States except Tamil Nadu, State Advised Price is not linked to sugar recovery. A statement indicating the SMP / FRP and SAP of sugarcane in respect of said five States for the last three years is at Annexure.

(b) The average transportation cost of sugarcane from field to factory, taken into account in fixation of SMP / FRP of sugarcane for the said years was Rs. 13.36 per quintal. With regard to harvesting cost, operation wise cost details are not generated. Since sugar mills procure sugarcane from their respective cane reservation area, the question of delivery cost does not arise.

(c) Sugar recovery is dependent on many factors like cane varieties, plant and machinery of the factory, agro-climatic conditions etc. Loans from Sugar Development Fund at concessional rate of interest are provided, inter-alia, for cane development activities including varietal improvement and modernization of plant and machinery.