

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

UNSTARRED QUESTION NO:312
ANSWERED ON:26.02.2013
SUGARCANE DUES
Singh Baba Shri K.C.

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

- (a) whether the Government has made any assessment regarding the amount of sugarcane dues pending against the sugar mills in the country including Uttarakhand and Uttar Pradesh;
- (b) if so, the details and the outcome thereof along with the amount pending against the sugar mills during each of the last three years and the current year and the reasons for such pendency, State-wise;
- (c) whether the Government proposes to provide any assistance/package to sugar mills to improve their condition and ensure timely payment of sugarcane dues; and
- (d) if so, the details thereof?

Answer

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

(a) & (b) Yes Madam. A statement showing amount of outstanding sugarcane dues pending against the sugar mills during each of the last three years and the current year, State-wise as on 15th January, 2013, is at Annexure. It may be seen from therein that the cane price dues mainly pertain to supply of sugarcane in the current season. The dues position changes continuously on account of fresh supplies received and payments made for previous supplies. The reasons for cane price dues of the previous years include matters being sub-judice before the courts, mills taken under Securitization Act by lender Banks, etc.

(c) & (d) No special package to provide any assistance/package to sugar mills to improve their condition is under consideration of the Government. However, under Sugar Development Fund, Central Government provides soft loans to sugar mills for modernization, cane development etc. to improve their condition. As regards the timely payment of sugarcane dues, the Sugarcane (Control) Order, 1966 stipulates payment of cane price within 14 days of supply, failing which interest at the rate of 15% per annum on amount due for the delayed period beyond 14 days is payable. The powers for enforcing these provisions are delegated and vested with the State Governments/UT Administrations who have necessary field formations.