

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

STARRED QUESTION NO:70
ANSWERED ON:10.12.2013
REMUNERATIVE PRICE FOR SUGARCANE FARMERS
Devappa Anna Shri Shetti Raju Alias;Sivasami Shri C.

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

- (a) the details of the factors taken into account for finalising the Fair and Remunerative Price (FRP) of sugarcane and the institutions involved for the purpose;
- (b) whether the Government has received requests/representations for hiking the FRP for sugarcane during the current sugar season and if so, the details thereof and the reaction of the Government thereto;
- (c) whether the Government has issued any advisories/directives to the States for ensuring remunerative price to sugarcane farmers and if so, the details thereof and the reaction of the States thereto; and
- (d) whether the Government proposes to hike the import duty on sugar to protect the interest of domestic sugar industry and sugarcane farmers and if so, the details thereof?

Answer

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

(a), (b) (c) & (d) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE STARRED QUESTION NO 70 DUE FOR ANSWER ON 10.12.2013 IN THE LOK SABHA

(a) The Central Government fixes FRP of sugarcane having regard to the factors mentioned in Clause 3(1) of the Sugarcane (Control) Order 1966 viz., cost of production of sugarcane; return to the growers from alternative crops and the general trend of prices of agricultural commodities; availability of sugar to consumers at a fair price; price at which sugar produced from sugarcane is sold by sugar producers; recovery of sugar from sugarcane; realization made from sale of by- products viz. molasses, bagasse and press-mud or their imputed values; and reasonable margins for the growers of sugarcane on account of risk and profits. The FRP so fixed is based on recommendations of the Commission for Agricultural Costs and Prices (CACP) and after consultations with State Governments and other stakeholders.

(b) No, Madam.

(c) The FRP is a benchmark guaranteed price of sugarcane determined by the Central Government. However, the sugarcane farmers generally receive cane price which is higher than FRP.

(d) The Central Government has not taken any decision in this regard.