

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:4163
ANSWERED ON:15.12.2009
SUGARCANE CULTIVATION
Dhotre Shri Sanjay Shamrao;Ganeshamurthi Shri A.

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether several sugarcane farmers have shifted to cultivation of other crops;
- (b) if so, the details thereof, State-wise;
- (c) whether the Government has any programme to assist such farmers to revert back to sugarcane cultivation;
- (d) if so, the details thereof; and
- (e) 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 AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) & (b): Yes, Madam. The farmers have shifted some sugarcane area to other crops during 2009-10 as compared to the area coverage in 2008-09. The area coverage in major sugarcane growing States as per 1st Advance Estimates for the year 2009-10 as against the area coverage during previous year (4th Advance Estimates) indicates reduction in area coverage of sugarcane in the States of Andhra Pradesh, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Uttarakhand and Uttar Pradesh.

The details of area coverage under sugarcane during 2009-10 and 2008-09 in important sugarcane growing States, are given in Annexure, which indicates the reduction of sugarcane area in the current season in the above mentioned States.

(c) to (e): The Government has number of programmes to assist and encourage farmers to cultivate sugarcane. To increase the production and productivity of sugarcane, a Centrally Sponsored Scheme of Sustainable Development of Sugarcane Based Cropping System (SUBACS) under Macro Management of Agriculture is implemented in major sugarcane growing States. The scheme provides assistance for transfer of production technologies to the farmers through field demonstrations, training of farmers and extension workers, supply of planting material, drip irrigation system, farm implements etc.

Besides, the Ministry of Consumer Affairs, Food and Public Distribution is providing soft loans to sugar mills from Sugar Development Fund (SDF) for cane development in mill areas for production of planting materials, irrigation purposes, incentive to farmers for switching over to improved varieties, ratoon management, tissue culture laboratories etc.

Furthermore, the Central Government has now fixed the Fair & Remunerative Price (FRP) of sugarcane payable by sugar mills for 2009-10 sugar season at Rs.129.84 per quintal linked to a basic recovery rate of 9.5% subject to a premium of Rs.1.37 per quintal for every 0.1 percentage point increase in recovery above that level. Hitherto, the Central Government was fixing the Statutory Minimum Price (SMP) of sugarcane. The FRP announced by Government of India is substantially higher than the SMP of 2008-09 sugar season which was Rs.81.18 per quintal with an additional premium of Rs.0.90 for every 0.1% point increase in recovery above 9%.

Besides to generate more demands for sugarcane, loans at an interest rate of 4% per annum are also given to sugar factories from Sugar Development Fund (SDF) for modernization of plant and machinery, expansion of crushing capacity, utilization of by-products vis. Baggasse for co-generation of power and molasses for production of ethanol etc.

In additions, short-term scheme is implemented by the Ministry of Consumer Affairs, Food & Public Distribution for cane development in the current financial year under which loans of Rs.1.0 to 2.5 crore is provided to sugar factories, depending upon their crushing capacity, for purchase of seeds, fertilizers and pesticides for the use of sugarcane farmers.