

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

UNSTARRED QUESTION NO:3718

ANSWERED ON:09.08.2016

Sale of Sugarcane to Mills

Chavan Shri Harishchandra Deoram;Jadhav Shri Prataprao Ganpatrao

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

- (a) whether the farmers in some States are bound to sell their sugarcane to the sugar mills;
- (b) if so, the details thereof and the provisions made in this regard;
- (c) whether due to the said norms farmers do not get the remunerative price for their sugarcane;
- (d) if so, the details thereof and the corrective steps taken in this regard; and
- (e) the outcome of the said corrective steps?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION

(SHRI C. R. CHAUDHARY)

(a) & (b): As per the provisions of Sugarcane (Control) Order, 1966, the Central Government may notify to reserve any area where sugarcane is grown for a factory having regard to the crushing capacity of the factory, the availability of sugarcane in the reserved area and the need for production of sugar, with a view to enable the factory to purchase the quantity of sugarcane required by it. The Central Government has delegated power of cane area reservations to the State Governments concerned.

Currently, some States like UP, Uttarakhand, Gujarat, Punjab, Bihar, Karnataka and Tamil Nadu etc. have adopted cane area reservation system under which farmers are required to sell sugarcane to the designated mill.

(c): No, Madam. The Central Government fixes Fair and Remunerative Price (FRP), which is the benchmark price, below which no sugar mill can purchase sugarcane from farmers.

(d) & (e) Do not arise.
