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Title: Need to provide financial assistance to co-operative Sugar factories in Andhra Pradesh.

SHRI MUTHAMSETTI SRINIVASA RAO (AVANTHI) (ANAKAPALLI): Eighty per cent sugarcane cultivators under the Cooperative Sugar Industries are small and marginal farmers. They grow sugarcane in their small holdings and leased lands from big farmers. Due to vagaries of monsoon, payment of higher lease rates, high cost of labour, non-availability of labour, higher cost of harvesting and transportation, growing sugarcane is not remunerative leading to decreased cane area and lower cane availability for crushing to run the sugar industry for a minimum duration of 130 days.

The Cooperative Sugar Factories were established for the betterment of the livelihood of farming community in Andhra Pradesh and to provide employment to rural folk to uplift their standard of living. With this ambition about 16 cooperative sugar factories were established. Out of this only 10 Cooperative Sugar Factories were existing and out of these, only six Cooperative Sugar Factories are working with a lot of financial and technical problems. Out of six sugar factories, four factories come under the jurisdiction of my Anakapalle Parliamentary Constituency. These are Etikoppaka, Govada, Thandava and Thummapala.

With the launch of MGNREGA Programme, the only major crop affected is sugarcane as there is acute scarcity of labour.

Due to lower realization from the sale of sugar and other byproducts, payments are not being made in full to the tune of FRP and also transport incentives which were promised to the cane suppliers have not been made so far.

Therefore, I demand the Government to provide financial assistance to clear sugarcane price dues as grant; to provide financial assistance and continuation of grant of 40 per cent SDF loans to install co-generation facilities in all the Co-op sugar factories to improve revenue generation, to fix sugar price at a minimum of Rs. 3,500 per quintal of sugar excluding taxes and to link up sugarcane crop with MGNREGA scheme.