

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA  
STARRED QUESTION NO. 431  
TO BE ANSWERED ON 23<sup>rd</sup> JULY, 2019

OUTSTANDING DUES TO SUGARCANE FARMERS

†\*431. SHRI DEEPAK BAIJ:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) the amount of dues of sugarcane farmers outstanding against sugar mills during the last three years and the current year, year and State-wise;
- (b) whether sugar mills are not clearing the dues of sugarcane farmers year-by-year and as a result the outstanding amount is continuously increasing; and
- (c) the steps taken by the Government in view of the non-payment of price/dues by sugar mills to the sugarcane farmers on time and the outcome thereof?

A N S W E R  
MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI RAMVILAS PASWAN)

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(a) to (c): A statement is laid on the Table of the House.

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**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE STARRED QUESTION NO.\*431 DUE FOR ANSWER ON 23.07.2019 IN THE LOK SABHA**

**(a)to(c): The State-wise cane price dues of sugarcane farmers against sugar mills during current sugar season 2018-19 and last three sugar seasons as on 17.07.2019 is at Annexure.**

**Depressed sugar prices due to surplus sugar production in sugar seasons 2017-18 & 2018-19 adversely affected the liquidity of the sugar mills resulting in accumulation of cane price arrears of the farmers.**

**With a view to improving the liquidity position of sugar mills in the country and enabling them to clear cane price dues of farmers, the Government has taken following measures in sugar seasons 2017-18 & 2018-19:**

- (i) Fixing a Minimum Selling Price (MSP) of sugar w.e.f 07.06.2018 at Rs.29/kg for sale at factory gate in domestic market, below which no sugar mill can sell sugar. MSP has further been increased to Rs.31/Kg. w.e.f. 14<sup>th</sup> February, 2019.**
- (ii) Extending Assistance to sugar mills to offset the cost of cane in sugar seasons 2017-18 and 2018-19.**
- (iii) Extending assistance to sugar mills by reimbursing carrying cost towards maintenance of buffer stock of 30 LMT of sugar.**
- (iv) Extending Assistance to sugar mills for defraying expenditure towards internal transport, freight, handling and other charges to facilitate export of sugar from the country in sugar season 2018-19.**
- (v) Extending soft loans to sugar mills through banks for which Government would bear interest subvention @ 7% for one year to clear cane price arrears.**

**Under the schemes enumerated in para (ii) to (v) above, it has been provided that funds will be directly credited to farmer's accounts on behalf of the sugar mills against their cane price 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 to enforce the provisions of Sugarcane (Control) Order, 1966 with regard to payment of cane dues of farmers is vested with the State Governments. Central Government from time to time issues advisory to the State Governments for ensuring clearance of cane price arrears of farmers and to take action against defaulting mills and also review the position through meetings and video conferences.**

**.....2/-**

**Payment of cane price to sugarcane growing farmers by the sugar mills is a continuous process. In sugar seasons 2017-18 & 2018-19, cane price payable to sugarcane farmers on all India basis was Rs. 85179 crores & Rs. 85646 crores respectively. As a result of various measures taken by the Government as enumerated in Para (ii) to (v) above, the cane dues of farmers for sugar season 2017-18 & 2018-19 have been reduced to Rs. 285 crores & Rs. 15222 crores respectively as on 17.07.2019.**

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**ANNEXURE**

**ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (c) OF THE STARRED QUESTION NO.431 DUE FOR ANSWER ON 23.07.2019 IN THE LOK SABHA.**

**(RS. IN CRORES)**

| <b>STATEMENT SHOWING STATE- WISE DUES OF SUGARCANE FARMERS IN THE CURRENT SUGAR SEASON &amp; LAST THREE SUGAR SEASONS.(AS ON 17.07.2019)</b> |                      |                |                |                |                                     |              |
|--|----------------------|----------------|----------------|----------------|-------------------------------------|--------------|
| <b>S. No</b>   | <b>Name of State</b> | <b>2018-19</b> | <b>2017-18</b> | <b>2016-17</b> | <b>2015-16 &amp; earlier years.</b> | <b>Total</b> |
| 1  | Bihar                | 856            | 12             | 1              | 39                                  | 908          |
| 2  | Haryana              | 145            | 0              | 0              | 0                                   | 145          |
| 3  | Punjab               | 902            | 39             | 0              | 0                                   | 941          |
| 4  | Uttrakhand           | 339            | 108            | 0              | 25                                  | 472          |
| 5  | Uttar Pradesh        | 9746           | 46             | 22             | 121                                 | 9935         |
| 6  | Andhra Pradesh       | 236            | 6              | 0              | 1                                   | 243          |
| 7  | Telangana            | 120            | 0              | 0              | 0                                   | 120          |
| 8  | Gujarat              | 896            | 1              | 17             | 18                                  | 932          |
| 9  | Maharashtra          | 826            | 62             | 2              | 171                                 | 1061         |
| 10   | Karnataka            | 598            | 5              | 0              | 33                                  | 636          |
| 11   | Tamil Nadu           | 348            | 0              | 394            | 1135                                | 1877         |
| 12   | Puducherry           | 0              | 0              | 10             | 11                                  | 21           |
| 13   | Chhattisgarh         | 100            | 2              | 0              | 0                                   | 102          |
| 14   | Odisha               | 75             | 0              | 0              | 3                                   | 78           |
| 15   | Madhya Pradesh       | 31             | 4              | 6              | 2                                   | 43           |
| 16   | Goa                  | 4              | 0              | 0              | 0                                   | 4            |
|  | <b>All India</b>     | <b>15222</b>   | <b>285</b>     | <b>452</b>     | <b>1559</b>                         | <b>17518</b> |

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