

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

RAJYA SABHA
UNSTARRED QUESTION NO.227
TO BE ANSWERED ON 21ST JULY 2023

OVERDUE PAYMENT TO SUGARCANE FARMERS

227 SHRI DEEPENDER SINGH HOODA:

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

- (a) the overdue payment to sugarcane farmers by sugar mills during the last five years including the current year, year-wise and State-wise;
- (b) whether sugar mills are not paying the dues of sugarcane farmers year-by-year and as a result, the outstanding amount is continuously increasing;
- (c) the reasons for increasing arrears and unprecedented delay in payment to sugarcane farmers; and
- (d) the steps Government has taken/is planning to take so as to ensure the payment of dues by sugar mills to the sugarcane farmers on time and the outcome, the details thereof?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a): As per information received from State Governments, total overdue payment to sugarcane farmers by sugar mills during the last five years including current year, year-wise and state-wise is given at **Annexure**.

(b) to(c): Payment of cane dues to farmers is a continuous process and from the Annexure it may be seen that the outstanding cane arrears are decreasing continuously during last five years.

With a view to facilitate payments of outstanding dues to the sugarcane farmers, the Central Government has taken various steps in the form of policy interventions from time to time as and when required, which are as under:

- i) Central Government fixes Fair and Remunerative Price (FRP) of sugarcane having regard to the factors mentioned in Clause 3(1) of the Sugarcane (Control) Order, 1966.
- ii) Minimum Selling Price of sugar was fixed to prevent fall in ex-mill prices of sugar & accumulation of cane arrears (initially at ₹ 29/ kg w.e.f 07-06-2018; revised to ₹ 31/kg w.e.f. 14-02-2019).
- iii) Financial assistance of more than ₹ 18,000 crore extended to mills resulting in clearance of farmers' dues during 7 years i.e. sugar season 2014-15 to 2020-21.
- iv) Diversion of surplus sugar to production of ethanol led to improved financial conditions of sugar mills. As a result, they are able to clear cane dues early.

As a result of these measures, about 99.9% of cane dues up to sugar seasons 2020-21 have been cleared. For the previous sugar season 2021-22, more than 99.9% cane dues have been cleared and in the current Sugar Season 2022-23, about 91.6 % cane dues are cleared as on 17.07.2023.

(d): The powers have been delegated and vested with the State Governments/UTs for monitoring the cane price payment position of sugar factories on periodical basis and in case of delay in payments, suitable action is taken by them.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO. 227 DUE FOR ANSWER ON 21.07.2023 IN THE RAJYA SABHA

Status of Cane Price Payment (In Cr. Rs.) as on 17.07.2023															
Statement showing total overdue payment to sugarcane farmers by sugar mills during the last 5 years including the current year, year-wise and state-wise															
State	SS 2018-19			SS 2019-20			SS 2020-21			SS 2021-22			SS 2022-23		
	Payable	Paid	Arrear	Payable	Paid	Arrear	Payable	Paid	Arrear	Payable	Paid	Arrear	Payable	Paid	Arrear
Uttar Pradesh	33048	33048	0	35898	35898	0	33014	33010	4	35201	35155	46	38051	31736	6315
Maharashtra	23414	23394	20	14157	14157	0	32145	32086	59	43313	43281	32	35524	34893	631
Karnataka	12093	12089	4	10636	10636	0	13519	13519	0	20632	20632	0	19730	19603	127
Gujarat	3199	3199	0	2973	2973	0	3149	3149	0	3891	3891	0	3363	1712	1651
Tamil Nadu	2839	2766	73	2418	2418	0	2672	2672	0	3543	3543	0	3708	3564	144
Bihar	2393	2343	50	2039	2000	39	1440	1436	4	1578	1578	0	2153	2139	14
Haryana	2289	2289	0	2374	2374	0	2628	2628	0	2727	2727	0	2862	2596	266
Punjab	2399	2399	0	1740	1738	2	1881	1875	6	2308	2274	34	2572	2359	213
Madhya Pradesh	1212	1212	0	877	877	0	141	141	0	1839	1839	0	1771	1762	9
Uttarakhand	1170	1062	108	1316	1316	0	1219	1219	0	1531	1528	3	1697	1634	63
Andhra Pradesh	1499	1477	22	876	840	36	635	635	0	662	662	0	659	630	29
Telangana	734	734	0	415	415	0	365	365	0	662	662	0	805	791	14
Chhattisgarh	315	315	0	208	208	0	190	190	0	264	264	0	266	243	23
Others	119	119	0	4	4	0	77	77	0	120	120	0	75	75	0
Total	86723	86446	277	75931	75854	77	93075	93002	73	118271	118156	115	113236	103737	9499
