



GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND
PUBLIC DISTRIBUTION
LOK SABHA
UNSTARRED QUESTION NO. 1438
ANSWERED ON 21.08.2012

PAYMENT FOR SUGARCANE

1438 . Dr. SANJAY SINH

JADHAV PRATAPRAO GANPATRAO

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

- (a) the linkage between percentage of sugar recovery and the State Administered Price of sugarcane during the last three years, State-wise;
- (b) the details of delivery cost, transportation cost and harvesting cost, separately during the said period; and
- (c) the relation between sugar recovery and the Sugar Development Fund?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) The Central Government has been fixing the Statutory Minimum Price (SMP) / the Fair and Remunerative Price (FRP) of sugarcane for every sugar season linked to the sugar recovery on all India basis and not State-wise. However, the States of Punjab, Haryana, Uttrakhand, Uttar Pradesh and Tamil Nadu announce the State Advised Price (SAP) of sugarcane. In all these States except Tamil Nadu, State Advised Price is not linked to sugar recovery. A statement indicating the SMP / FRP and SAP of sugarcane in respect of said five States for the last three years is at Annexure.

(b) The average transportation cost of sugarcane from field to factory, taken into account in fixation of SMP / FRP of sugarcane for the said years was Rs. 13.36

per quintal. With regard to harvesting cost, operation wise cost details are not generated. Since sugar mills procure sugarcane from their respective cane reservation area, the question of delivery cost does not arise.

(c) Sugar recovery is dependent on many factors like cane varieties, plant and machinery of the factory, agro-climatic conditions etc. Loans from Sugar Development Fund at concessional rate of interest are provided, inter-alia, for cane development activities including varietal improvement and modernization of plant and machinery.

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO. 1438 DUE FOR ANSWER ON 21.08.2012 IN THE LOK SABHA

Statutory Minimum Price (SMP) / Fair and Remunerative Price (FRP)

(Rs. Per Quintal)

Sugar Season	SMP / FRP	Basic recovery rate
2008-09 (SMP)	81.18	9.0
2009-10 (FRP)	129.84	9.5
2010-11 (FRP)	139.12	9.5

State Advised Prices

(Rs. Per quintal)

State	Variety	2008-09 season	2009-10 sugar season	2010-11 sugar season
1	2	3	4	5
Punjab	Early varieties	165	180	200
	Mid varieties	160	175	195
	Late varieties	155	170	190
Haryana	Early varieties	170	185	220
	Mid varieties	165	180	215
	Late varieties	160	175	210
Uttar Pradesh	Early varieties	145	170	210
	Other varieties	140	165	205

	Late varieties	137.50	162.50	200
Uttrakhand	Early varieties	148	197	215
	Other varieties	143	192	210
Tamil Nadu		110 (for 9.0% recovery rate)	153.74(for 9.5% recovery rate)	190 (for 9.5% recovery rate)