

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:189  
ANSWERED ON:21.07.2003  
STATUTORY MINIMUM PRICE OF SUGARCANE  
MINATISEN

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) the impact of recent hike in the Statutory Minimum Price of Sugarcane on the sugar industry;
- (b) whether in the absence of correction in the pricing policy of the Centre and States, several sugar units face the prospect of closure; and
- (c) if so, the remedial steps proposed to be taken by the Government?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a) to (c): The sugar industry has, in general, expressed difficulties in regard to payment of the revised Statutory Minimum Price (SMP) of sugarcane at the rate of Rs.69.50 per quintal for the 2002-03 sugar season. In order to assist the sugar industry, several steps have been initiated by the Government. These include creation of Buffer Stock of 20 lakh tonnes of sugar in December, 2002 for a period of one year, reimbursement of internal transport charges and neutralization of ocean freight disadvantage on exports of sugar.