

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

UNSTARRED QUESTION NO:2539
ANSWERED ON:16.08.2004
MINIMUM SUPPORT PRICE FOR SUGARCANE
Prasad Shri Hari Kewal;Saroj Shri Daroga Prasad

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

- (a) the norms laid down for fixing the Minimum Support Price of sugarcane;
- (b) whether these norms are not being followed; and
- (c) if so, the steps being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a) & (b): The Central Government fixes the Statutory Minimum Price (SMP) of sugarcane for each sugar season (October - September) payable by sugar factories to the sugarcane growers on the basis inter-alia of recommendations of the Commission for Agricultural Costs and Prices (CACP) which inter-alia takes the following factors into consideration:-

- i) the cost of production of sugarcane
- ii) the return to the grower from alternative crop and the general trend of prices of agricultural commodities
- iii) the availability of sugar to the consumer at a fair price
- iv) the price at which sugar produced from sugarcane is sold by producers of sugar; and
- v) the recovery of sugar from sugarcane.

(c): Does not arise.