

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:728  
ANSWERED ON:05.03.2007  
REMUNERATIVE PRICE FOR SUGARCANE  
Danve Shri Raosaheb Patil

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

- (a) whether the production of sugarcane is sufficient to meet the domestic demand of sugar in the country;
- (b) if not, the steps taken/proposed to be taken by the Government to bridge the gap between production and requirement of sugarcane in the country;
- (c) whether the sugarcane growers of the country do not get remunerative price for their produce;
- (d) if so, the details thereof and the reasons therefor, State-wise; and
- (e) the steps being taken by the Government to ensure remunerative price to the farmers?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

- (a): Yes, Sir. The production of sugarcane in the country is sufficient to meet the domestic requirement of sugar.
- (b): To increase the production and productivity of sugarcane, a Centrally Sponsored Scheme of Sustainable Development of Sugarcane Based Cropping System (SUBACS) under Macro Management of Agriculture is implemented in 23 States/Union Territories. The scheme provides assistance for field demonstrations, training of farmers and extension workers, farm implements/machinery, heat treatment plants, production of planting material and drip irrigation.

Besides, the Ministry of Consumer Affairs, Food and Public Distribution is providing soft loans to sugar mills from Sugar Development Fund (SDF) for cane development in mill areas for production of planting materials, irrigation purposes, incentive to farmers for switching over to improved varieties, ratoon management, tissue culture laboratories etc.

- (c) to (e): The Central Government announces Statutory Minimum Price (SMP) of the sugarcane for every sugar season. SMP is based on the cost of production of sugarcane, return to the growers from alternative crops, general trend of the prices of agricultural commodities, availability of sugar to consumer at a fair price, the price at which sugar produced from sugarcane is sold by sugar producers and the recovery of sugar from sugarcane etc.

To encourage the sugarcane farmers to grow more sugarcane, the SMP for the sugar season 2007-08 has been fixed at Rs.81.18 per quintal linked to a basic recovery of 9% subject to a premium of Rs.0.90 for every 0.1% increase in the recovery.