

- (b) if so, the details thereof and by when the new system will start functioning; and
- (c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) to (c) With a view to specifically target poor sections of society for distribution of subsidized foodgrains (rice, wheat & coarse grains) and sugar, Targeted Public Distribution System (TPDS) was launched in June, 1997.

Government is not actively considering to reintroduce Universal Public Distribution System as the focus on poor will get diluted.

Further, procurement of huge quantities of wheat and rice to meet the requirement of Universal Public Distribution System, would result in very less availability of foodgrains in the market, leading to rise in open market prices. If the same quantity of foodgrains is distributed equally among all, then the scale of issue will have to be reduced.

Further, in order to manage the level of food subsidy, the issue prices of rice and wheat may have to be increased substantially from the present Central Issue Prices (CIPs) which have not been revised during the last eight to ten years. This would also mean that BPL and AAY families would end up not only getting much reduced scale of issue but also have to pay higher CIPs.

Production and consumption of sugar

1383. SHRIMATI NAZNIN FARUQUE:

PROF. ANIL KUMAR SAHANI:

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

- (a) whether consumption of sugar has drastically increased from 199 to 230 lakh tones and the production has decreased from 282 to 160 lakh tones during 2006-07 to 2009-10 and if so, the details/reasons thereof;
- (b) the measures taken to boost the production of sugarcane to avoid dependency on imported sugar;
- (c) the details of facilities being given to farmers to persuade them to grow sugarcane;

(d) the measures taken by State Governments to recover cane price arrears from defaulting sugar mills as per the provisions of Sugarcane (Control) Order, 1966; and

(e) the quantum of outstanding cane price arrears as on 31.7.2010, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) The consumption of sugar in the country estimated to have increased from 191 lakh tonnes (earlier estimated at 199 lakh tonnes) to 220 lakh tonnes whereas the production of sugar is estimated to have decreased from 282 lakh tonnes to 185 lakh tonnes during 2006-07 to 2009-10 sugar seasons. The main reason for decline in sugar production is reduced acreage under sugarcane as also more diversion of sugarcane to gur and khandsari units reducing availability of sugarcane for producing sugar.

(b) and (c) The measures taken by the Central Government to boost the production of sugarcane and facilities given to farmers are given in Statement-I (*See below*).

(d) The Sugarcane (Control) Order, 1966, contains the necessary provisions for recovery of cane price arrears as arrears of land revenue from defaulting sugar mills and the powers in this regard are delegated and vested with the State Governments concerned who have the necessary field formations. The action taken by the concerned State Governments under these provisions of the Sugarcane (Control) Order, 1966, against such defaulting sugar mills is not maintained.

(e) The latest available information on cane-price arrears is as on 31.05.2010 and the State-wise position of cane price arrears during the current 2009-10 sugar season and earlier seasons is given in Statement-II.

Statement-I

The Central Government has taken the following steps to boost production of sugarcane in the country:

(a) The Central Government has fixed the Fair & Remunerative Price (FRP) of sugarcane payable by sugar mills for 2009-10 sugar season at Rs. 129.84 per quintal linked to a basic recovery rate of 9.5% subject to a premium of Rs. 1.37 per quintal for every 0.1 percentage point increase in recovery above that level. Hitherto, the Central Government was fixing the Statutory Minimum Price (SMP) of sugarcane. This FRP is substantially higher than the SMP of 2008-09 sugar season which

was Rs.81.18 per quintal, with an additional premium of Rs.0.90 for every 0.1% point increase in the recovery above 9%. Further, the 'Fair & Remunerative Price' (FRP) of sugarcane for ensuing sugar season 2010-11 has also been announced at Rs.139.12 per quintal linked to a basic recovery rate of 9.5% subject to a premium of Rs. 1.46 per quintal for every 0.1 percentage point increase in recovery above that level.

(b) The Sustainable Development of Sugarcane Based Cropping System (SUBACS) is one of the components of Centrally Sponsored Scheme (CSS), namely Revised Macro Management of Agriculture Scheme (RMMA). The main thrust of SUBACS is on the transfer of improved production technology to the farmers through field demonstrations, training of farmers, supply of farm implements, enhancing production of planting materials, efficient use of water, treatment of planting materials etc.

(c) The Central Government provides concessional loans at an interest rate of 4% per annum to sugar factories from Sugar Development Fund (SDF), *inter-alia*, for sugarcane development including better irrigation facilities, improved seed variety, ratoon management etc.

(d) A short term scheme was announced for cane development in the financial year 2009-10 under which loans of Rs.1.0 to 2.5 crore at 4% simple interest from the Sugar Development Fund (SDF) were made available to sugar factories depending upon their crushing capacity, for purchase of seeds, fertilizers and pesticides etc. to be passed on to the farmers at the same rate of interest.

Statement-II

Statewise position of cane price arrears during 2009-10 season as well as earlier sugar seasons as on 31/05/2010

(Rs. in Lakhs)

State	Cane Price Payable for 2009-10 Season	Arrears of Cane Price as On 31/05/2010 or the latest available date for season	
		2008-09	2007-08 & earlier
1	2	3	4
Punjab	3.44	0.00	0.00
Haryana	188.22	0.00	0.00
Rajasthan	228.31	0.00	0.00

1	2	3	4
UP	63,742.46	81.46	7,583.56
Uttarakhand	8,764.72	0.00	629.73
Madhya Pradesh	89.58	0.00	1,061.67
Chhattisgarh	0.00	0.00	0.00
Gujarat	3,277.72	0.00	1,197.61
Maharashtra	1,875.49	36.12	2,051.36
Bihar	246.64	19.42	3,552.36
Andhra Pradesh	6,886.14	0.00	3,349.32
Karnataka	18,910.00	2.00	2,624.00
Tamil Nadu	10,856.20	24.54	215.94
Kerala	0.00	0.00	384.74
Orissa	40.53	0.00	0.00
West Bengal	0.45	0.00	0.00
Puducherry	0.00	0.00	0.00
Goa	0.00	0.00	0.00
All India Total	115,109.90	163.54	22,650.29

Non-lifting of paddy and rice from cellars in Punjab

‡1384. SHRI AVINASH RAI KHANNA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government is aware that paddy and rice have still been kept in 'cellars' in Punjab till date; and

(b) whether Government of Punjab was not provided the special train despite their demand for it and the paddy and rice were not lifted either; and the efforts being made by Government to address this problem?

‡Original notice of the question was received in Hindi.