

Cane arrears swell to ₹140 bn

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Sugar mills owed nearly ₹140 billion to sugarcane farmers at the end of January in the ongoing marketing season, the government said on Tuesday.

Sugar marketing year runs from October to September.

In a written reply to the Lok Sabha, Minister of State for Food and Public Distribution C R Chaudhary informed that cane price arrear stood at ₹139.31 billion as on January 31 in the current 2017-18 marketing season. Uttar Pradesh millers owed highest at ₹55.55 billion, followed by mills in Karnataka at 27.14 billion and Maharashtra at ₹26.36 billion.

The arrears for 2016-17 stood at ₹9.03 billion and earlier years at ₹16.86 billion.

"Payment of sugarcane dues to farmers in an ongoing process. The Sugarcane (Control) Order 1966 stipulates payment of cane price within 14 days of supply, failing which interest at the rate of 15 per cent per annum on amount due for the delayed period beyond 14 days is payable," the minister said.

The power to enforce this provision is vested with the state governments, he added.

11-4

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