

Media/LKO/074/2015

Govt steps soon to address cane arrears, wheat procurement

Business standard

28-04-2015

The government will soon decide on policy framework to help sugarcane growers reeling under various problems including huge arrears amounting to Rs 20,000 crore and address wheat procurement issues faced by farmers after the recent spell of unseasonal rains.

The concerns of cane growers and wheat farmers were discussed today at a meeting chaired by Prime Minister Narendra Modi.

"Prime Minister discussed issues in length. Some positive steps will soon be taken to address the problems of farmers," highly placed sources said.

In the meeting, the issue of raising import duty on sugar to 40 per cent from existing 25 per cent, creating buffer stock, restructuring of loan, promotion of ethanol output, export subsidy on white sugar were discussed in detail.

The meeting also deliberated on problems faced in procurement of wheat due to quality concerns in view of crop damage due to recent unseasonal rains and hailstorm.

Finance Minister Arun Jaitley, Home Minister Rajnath Singh, Food Minister Ram Vilas Paswan, Agriculture Minister Radha Mohan Singh, Transport Minister Nitin Gadkari, Commerce Minister Nirmala Sitharaman were among others present in the meeting.

In August last year, import duty on both raw and refined sugar was raised to 25 per cent from 15 per cent to bail out the cash-starved sugar industry.

Paswan had called two separate meetings earlier this month of farmers and chief ministers to resolve the cane arrears crisis.

Sugar industry is finding difficulty in paying cane price to farmers as mills have been incurring losses for the last few years due to low realisation and high cost of production.

Jan.
28/4/15