

Isma asks TN to rationalise cane price policy

The Indian Sugar Mills Association (Isma) has asked the Tamil Nadu government to rationalise the sugarcane pricing policy on the lines of Karnataka and Maharashtra and also sought removal of VAT on sugar in the state to enable mills competitive. Director general of Isma Abinash Verma said: "The sugar mills in the country as a whole and particularly in Tamil Nadu are facing a problem of high cost of production due to high prices of cane fixed by both the central and state governments. The Centre increased FRP by almost 55% over the past four years i.e. from 2011-12 sugar season. The high cost of sugar production versus a low realisation from sugar is rapidly deteriorating the financial health of the industry in India and Tamil Nadu in particular."