

Commission for Agricultural Costs And Prices  
Ministry of Agriculture  
Government of India  
New Delhi

**Questionnaire for the Price Policy for Sugarcane for the 2014-2015 Sugar Season**

1. **Variety-wise details:** A number of varieties of Sugarcane are grown in your State. Please indicate variety-wise/season-wise cane grown in your State in 2012-13:

Variety / Season of sugarcane	% Share of Area (approx.)	% Share of Production (approx.)	Total Production (lakh MT)	Yield (Quinta l/Ha)	Recovery Rate of sugar from Sugarcane (%) (approx.)	Duration of crop (Gestation period of Crop) (In months)	No. of standard irrigations applied	Total Water Requirement (Lakh Liters) (approx.)

Note: If figures for 2012-13 not available, please furnish latest information for which figures are available.

2. **Cost of creation of Irrigation potential:** As irrigation is an important input for cane cultivation, please indicate **approximate** cost of creation of irrigation potential:

Source of irrigation	Irrigation potential created (ha)	Cost of creation of Irrigation potential (Rs. per ha)
Canal Irrigation		
Lift Irrigation		
Tube wells/boring wells		
Others (Please specify)		

3. **Water usage:** Out of total water used for irrigation for cultivation of sugarcane, please indicate **approximate** percentage of water utilized by the following components:

Out of Total water used	Percentage
(i) Water normally absorbed for sugarcane (%) (approx.)	
(ii) Water going for ground water recharging (%) (approx.)	
(iii) Water evaporated (%) (approx.)	

**4. Capacity Utilization by the Sugar Mills:**

- i. Give an account of the installed capacity and its percentage utilisation by sugar mills in your state in different sectors (State, Cooperative and Private).
- ii. Indicate the steps taken, if any, for capacity expansion or/and modernization of machinery of mills during the last three years.

**5. Wholesale Prices:**

- i. Indicate Wholesale Prices of sugar in important markets of the state during last two seasons and current season.

Rs./Quintal

Item	Year-end Wholesale Prices (Market average) (approximate)			
	2010-11	2011-12	2012-13	2013-14
1	2	3	4	5
Sugar				
Molasses				
Press mud				
Bagasse				

- (ii) Indicate the reasons for any abnormal increase/decrease in prices in any year/years.
- (iii) How these compare with the prices in the preceding three seasons. Please give reasons for fluctuations observed in the movement of prices.

**6. By-products:**

Name of by-product	%age of by products out of every Tonne of sugar produced			Price (Approx) in 2012-13 (Rs./Tonne)
	2010-11	2011-12	2012-13	
Molasses				
Bagasse				
Press-mud				

7. **Pricing of Molasses:** Give an account of the policy regime governing the pricing and distribution of molasses produced in your state. If there is supply of molasses to potable alcohol industry, Indicate the quantity and price at which sugar mills are required to sale molasses to potable alcohol industry compared to prevailing prices in open market prices.

8. Provide the information on the level of price realization/imputed value from the

sale of these by-products separately as well as combined (imputed value includes unsold value or notional for transfer value of such by-products for further value addition in the sugar factory like, alcohol and ethanol production from molasses, use of press-mud for making bio-fertiliser and/or distillery effluent treatment, generation of power from bagasse or any other product produced through value addition to the by-products but would not include the bagasse used for running the boiler of the main sugar factory for the production of sugar alone) for the latest available three years.

9. **Diversification:** Indicate the progress made towards diversification of sugar industry through value additions to by-products:
- i. the number of sugar factories (sector-wise/total) producing alcohol & ethanol, their production and per litre realization; the difficulties faced by sugar factories in production and sale of ethanol;
  - ii. the number of sugar factories (sector-wise) which have installed/are in the process of installing the **cogeneration** facilities and their realization from per unit sale of electricity; their difficulties and the steps taken/proposed to be taken to remove such difficulties;

*Note: In case information in respect of i), and ii) is not readily available, the exercise may please be initiated to collect the same urgently and furnish requisite information as early as possible.*

10. **Ethanol Blending:**

Has the ethanol blending programme been implemented in your state? If not, reasons thereof? If yes, how far it has been successful and give shortcomings with reasons.

Give your suggestions for ethanol blending as well as the proper methodology for fixing ethanol price.

Whether the price of ethanol be fixed as per (ii) above or left free to market.

11. **Levy on sugar:** Has State Government levied any tax on entry of sugar from other states? If so, when this tax was levied and what are the tax rates?
12. **Details of State Advised Prices:** Please furnish State Advised Prices (SAP), if any, and final prices paid for sugarcane by sugar factories in your state during the last two seasons and estimates for 2013-14.

Rs./quintal

Season	Average SMP/FRP	Average SAP	Average Price paid by sugar factories
<b>Details of arrears:</b> Please furnish cane price arrears as on 31 <sup>st</sup> May for the last five seasons and for the current season.			

13. Please furnish cane arrears as on 31<sup>st</sup> March, 2013 for the last five seasons and for the current season.

Season	Amount payable	Amount paid	Percentage	Date on which arrears were fully cleared	Reasons for arrears
1	2	3	4	5	6

- i. What measures have been taken to liquidate cane price arrears?
- ii. What are your suggestions to ensure timely payment of cane price to farmers?
- iii. It has now been decided by the government that realizations from by-products such as molasses, bagasse and press-mud also should be taken into account for determination of cane price. What are your views in the matter? How these realizations should be taken into account for determination of cane price?

14. **Sickness:** Please indicate the number of sick sugar factories, if any, reasons for their sickness and steps taken to revive these factories.

15. **Cane Area Reservation:**

- i. What are your views on cane area reservation-abolition/continuation/modification? Also state the time period of cane area reservation.
- ii. In your opinion what should be the minimum distance between an existing sugar factory and another new sugar factory to be set up, and reasons thereof?

16. **Views to link MSP with 9.5% recovery rate:** Please indicate your suggestions on the level of Fair and Remunerative Price (FRP) of sugarcane for **2014-15** season linked to 9.5 percent recovery rate.

17. **Methodology adopted for cost estimates:** Does the State Government generate estimates of cost of cultivation/ production? If so, provide the details of the

methodology used and the estimates generated for sugarcane crop for the last three years including the definitions and concepts adopted.

**18. Minimum Wages:** the following information may please be furnished:

- i. Give details of statutory minimum wages for agricultural labour (Rs/man-day) along with the effective dates:

Years	Existing or pre- revised		Revised (in case revised during the year)	
	Statutory Minimum Wages (Rs/man-day)	Date of Effectiveness	Statutory Minimum Wages (Rs/man-day)	Date of Effectiveness
2011-12				
2012-13				
2013-14 (Likely)				

- ii. Give details of operation-wise actual wage rates for agricultural labour in different parts of the state (Rs/man-day) for sugarcane.

Year	Wage Rate (Rs./per day)					
	Ploughing	Sowing	Weeding	Harvesting	Retting	Others
2011-12						
2012-13						
2013-14						

19. What is the running cost of farm machinery such as (a) tractor/harvesters and pump sets used for irrigation and (b) other purposes alongwith the relative share of important inputs like diesel, lubricants, repairs/ maintenance charges etc. required for their operations:

Year	Running cost (per ha)				
	Irrigation		Other purposes		
	Tractor	Pump set	tractor	Harvester	Others*
<b>2009-10</b>					
<b>2010-11</b>					
<b>2011-12</b>					

\* Please specify

20. **Prices & consumption of insecticides/pesticides/weedicides:** The retail prices (Rs. per kg.) and consumption (per hectare) of five important insecticides/pesticides/weedicides may please be furnished in the following table:

Name of Important insecticides/pesticides/weedicides	2010-11		2011-12		2012-13		2013-14	
	Retail Prices*	Usage #	Retail Prices *	Usage #	Retail Prices *	Usage #	Retail Prices *	Usage #
1								
2 & so on								

\*(Rs. per Kg.), # per hectare

21. **Hiring cost of Machine & Animal Labour:** Indicate the rates for hiring bullocks (per pair day) and machineries such as tractors etc.

Year	Hiring cost					
	Bullock pair		Machinery (specify )			
	(per ha)	Per day	(per ha)	Per day	(per ha)	Per day
2011-12						
2012-13						
2013-14						

22. **Cost of Fertilizer & its availability:** Please furnish following details:

i. Provide the retail prices of phosphate, potash fertilizers and their consumption:

Name of the fertilizer	2010-11		2011-12		2012-13		2013-14*	
	Retail prices (Rs.)	Usage per ha	Retail prices (Rs.)	Usage per ha	Retail prices (Rs.)	Usage per ha	Retail prices (Rs.)	Usage per ha
1								
2								
3								

\* likely

ii. Was the fertilizer off-take during sugarcane 2010-2011 season up to expectations? If otherwise, factors responsible for this shortfall.

23. **Details of subsidies:** Does the state government provide subsidies on agricultural inputs in addition to those provided under Centrally Sponsored Schemes? If so, give details.

24. **Rates of renting of land:** Is renting out of land prevalent in your state? If so,

Please provide information in the following table for current rent rates for different categories of cultivable land?

Category of cultivable land	Rent rate (Rs. per hectare)					
	2011-12		2012-13		2013-14	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum

25. **Cost of other components:** Please furnish information in respect of marketing charges paid, expenses towards payment of premium and Transport cost in the following table:

Particulars	Unit	Rs.
Marketing charges paid by the farmers	(per quintal)	
Expenses on premium	(per hectare)	
Average Transport Cost mill gate/purchase centre	(per quintal)	

26. **Insurance related information:**

- i. Is the crop insurance compulsory for loanee farmers? Are the non-loanee farmers also covered under the scheme?
- ii. Whether the scheme of crop insurance is extended to farmers who are not owner-cultivators but lease in land for cultivation purposes?
- iii. Do the farmers face problems in insuring their crops against both crop and income loss arising out of natural calamities/pest attacks etc.? Please provide details.
- iv. Is the insurance coverage farmer specific, and if not what is the procedure followed in covering the production loss of the farmers under the prevalent insurance scheme?
- v. Whether insurance scheme covers all category of farmers or specific category, provide details?
- vi. The level of spread of crop insurance among farmers in the state.
- vii. State the issues, if any, in the implementation of crop insurance scheme.
- viii. Whether insurance cover is limited/should be limited only to bonded cane (if insurance premium is being paid/to be paid by sugar factory) or un-bonded cane also.

27. **Transport related information:**

- i. What are the modes of transportation of sugarcane to mill gate/purchase centre. Give relative proportion of cane transported through these modes and cost of transportation per quintal by different modes.

- ii. Whether the mills transport cane on their own up to the mill gate or the cane grower delivers cane to the mills? If both the practices are followed, indicate the respective proportion of cane delivered by sugarcane growers at the mill gate and the purchase centre.
- iii. Where the cane is delivered at purchase centre, the average distance, cost of transportation per quintal and the quantity of sugarcane transported from field to the purchase centres and from purchase centres to the mill gate may be indicated.
- iv. What is the average transport cost per quintal taking into account the mill gate/purchase centre delivery by different modes?
- v. What is the amount deducted by sugar mills on account of transportation of sugarcane when delivery is received by the mills at the purchase centre?
- vi. What is the approximate cost per quintal for harvesting sugarcane? Whether harvesting of cane from field in your state is done by the farmers themselves or by the sugar mills. If the sugar mills are doing the harvesting, then whether the mill bears this cost or the sugarcane farmer bears this cost. If the sugarcane farmers bear the cost, then what amount (in Rs. per quintal) was deducted from their cane price in 2008-09, 2009-10 and 2010-11 sugar seasons?
- vii. Please furnish under exportable hypothesis per quintal cost of transportation from the sugar mill gate to the port of embarkation, inclusive of handling charges and other charges, if any, in respect of sugar for years 2009-10, 2010-11 and 2011-12.
- viii. What different rebates were allowed to sugar factories in 2009-10 and 2010-11 sugar seasons under Clause 3 A of the Sugarcane (Control) Order, 1966? Give details of the amount deducted (rebate-wise) from the SMP/FRP in 2009-10 and 2010-11 sugar seasons.
- ix. Are there sugarcane supply constraints in your state in relation to its demand? If so, please indicate on an average, the estimated gap in terms of quantity for the years 2010-11, 2011-12 and 2012-13.
- x. Any other information relevant in this context of recommending Fair and Remunerative Price for 2012-13 sugar season.

**28. Contract Farming details:**

- (a) Please indicate your views on contract farming in the context of:
  - i. its impact on increasing the production and productivity of sugarcane; and
  - ii. in ensuring committed supply of cane to mills and prompt payment of prices to the farmers.
- (b) Whether contract farming in sugarcane is prevalent in your State? If yes, in how much area during the last two years.

**29. Demand and supply situation:** The Demand and supply may please be indicated



for the following years:

Year	Total Demand of Sugar (MT)	Total Supply in MT	Remarks
2011-12			
2012-13			
2013-14			

**30. Promotional Measures:** Please furnish information on following points:

- i. What steps have been taken to encourage production of raw and refined sugar ?
- ii. Whether sugar produced fulfil the requirement of importers in the World Standard. If not, reasons thereof and steps taken to produce sugar upto world standardization.
- iii. Indicate your views on promoting and sustaining export of sugar. What are the barriers coming in the way of export of sugar? What measures should be taken to overcome these barriers?

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