

## 7.0 PART 6: ESTIMATED BENEFITS TO PRODUCERS WITH IMPLEMENTATION OF THE PACKAGE OF MEASURES

7.1 The JTC has worked out the benefits accruing to producers with the implementation of the measures of the proposed package. This is presented in Table 11 below, which could serve as a "tableau de bord" to policy makers.

Table 11: Financial Benefits Accruing to Producers for Crop 2018

	Benefit (Rs / t Sugar Accrued)			
	Small Planters <60t	Planters >60t	Corporate Planters	Miller
Sugar accruing per category of producers	16%	32%	30%	22%
Viability Price	17,000	17,000	17,000	17,000
<b>Current Revenue Streams</b>				
Ex-MSS price	10,000	10,000	10,000	10,000
Molasses	600	600	600	-
Bottlers Fee	400	400	400	-
Bagasse Transfer Price	150	150	55	-
<b>Total Revenue to Producers</b>	<b>11,150</b>	<b>11,150</b>	<b>11,055</b>	<b>10,000</b>
<b>Shortfall: Viability price - Revenue Streams</b>	<b>(5,850)</b>	<b>(5,850)</b>	<b>(5,945)</b>	<b>(7,000)</b>
<b>MEASURES PROPOSED</b>				
<b>Structural Reforms:</b>				
<b>1. Energy Measures:</b>				
- Sugar Cane Sustainability Fund	1,100	300	300	-
- Balance to MID Coal levy	447	447	447	-
- MID Petroleum levy	530	530	530	-
- CEB Contribution	865	700	700	-
<b>2. Labour Measures</b>	(see below)	(see below)	(see below)	(see below)
<b>3. Other Measures</b>				
- Waiving of cess	430	430	430	430
- Increase in import tariff on sugar	275	275	275	275
- Review of Cargo Handling	150	150	150	150
- Environment Protection Fee	365	365	365	1,300
- Diesel support (Excise duty)	250	250	250	250
- Diesel support (VAT)	170	170	170	170
- Taking over of BSSD by MSS	100	100	100	100
- Increase Distillers ' / Bottlers	200	200	200	-
	4,882	3,917	3,917	2,675
<b>Surplus /(shortfall) before Labour measures</b>	<b>(968)</b>	<b>(1,933)</b>	<b>(2,028)</b>	<b>(4,325)</b>
<b>Effect of Labour Measures: Reduction in the viability price from Rs 17,000 to Rs 15,000/t sugar *</b>	-	2,000	2,000	2,000

\* Applicable to large and corporate planters