

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:2169  
ANSWERED ON:04.08.2000  
FIXATION OF PRICES ON LEVY SUGAR  
BHAWANA GAWALI (PATIL)

**Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:**

- (a) whether the Government does not add harvesting and transport cost while fixing prices of levy sugar;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government propose to add harvesting and transport cost while fixing prices of levy sugar during the 2000-01 and 2002-2003 as per the directions of the Ministry of Finance; and
- (d) if so, the details thereof and the steps taken by the Government in this regard so far?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION ( SHRI CHAUHAN )

(a) & (b) : No Sir, the levy sugar price is fixed inter alia, taking into account the cane cost. The cane cost is determined on the basis of the Statutory Minimum Price (SMP) of sugarcane fixed by the Government on the basis of recommendation of the Commission for Agricultural Costs and Prices (CACP). The CACP while recommending SMP takes into account the element of both harvesting and cane transportation cost. The CACP updates the harvesting and cane transportation cost every year while recommending the SMP. While fixing the levy sugar price Government also takes into account escalation on cane transportation cost based on the wholesale price indices of diesel, tyres & tubes and motor vehicle parts as recommended in the pricing formula by the expert body.

(c) There are no such directions of the Ministry of Finance.

(d) Do not arise.