

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

STARRED QUESTION NO:164  
ANSWERED ON:17.12.2013  
SUGARCANE RESERVE AREA  
Shankar Alias Kushal Tiwari Shri Bhisma

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

- (a) whether the sugar mills are required to procure sugarcane from their respective sugarcane reserve areas only;
- (b) if so, the details thereof including the norms for determining the said sugarcane reserve area and the reasons therefor along with the losses suffered by the farmers as a result of the said policy;
- (c) whether the Rangarajan Committee on sugar deregulation had recommended for dispensing with the regulations regarding cane area reservation; and
- (d) if so, the details thereof and the reaction of the Government thereto along with the action taken for its implementation?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a), (b), (c) & (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE STARRED QUESTION NO 164 DUE FOR ANSWER ON 17.12.2013 IN THE LOK SABHA

(a) & (b): The Sugarcane (Control) Order, 1966 confers powers on the Central Government to regulate distribution and movement of sugarcane. Sub-clause 1 of clause 6 provides that the Central Government may by Order notified in the Official gazette reserve any area where sugarcane is grown for a factory having regard to the crushing capacity of the factory, the availability of sugarcane in the reserved area and the need for production of sugar, with a view to enabling the factory to purchase the quantity of sugarcane required by it. The Central Government has delegated the power of cane area reservations to the State Governments concerned vide notification dated 16th July, 1966. The Cane Commissioners of major cane producing States have reported that the farmers in their states are not suffering losses as a result of the cane area reservation system. In the state of Maharashtra there is no cane area reservation system.

(C) & (d): The Dr. C. Rangarajan Committee has, inter-alia, recommended that the regulation regarding cane area reservation and bonding may be dispensed with by States over the long run. The Central Government has considered the recommendations of the Committee and advised the State Governments for its adoption and implementation, as considered appropriate by them.