

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

UNSTARRED QUESTION NO:206

ANSWERED ON:21.07.2015

Sugarcane Reserve Areas

Bhabhor Shri Jasvantsinh Sumanbhai;Khaire Shri Chandrakant Bhaurao

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

- (a) whether the sugarmills procure sugarcane exclusively from the areas reserved for them;
- (b) if so, the norms for delineation of the sugarcane areas;
- (c) whether the sugarcane farmers face losses due to such reservation of sugarcane areas, if so, the details thereof and the reaction of the Government thereto;
- (d) the benefits for the farmers under the said system; and
- (e) the remedial steps taken by the Government in this regard?

**Answer**

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI RAM VILAS PASWAN)

(a)&(b): Yes, Madam. Barring exceptional circumstances, sugar mills are required to procure sugarcane from their respective sugarcane reservation areas only. The cane areas are generally allotted to sugar mills by Cane Commissioners of concerned State Governments based on the cane crushing capacity of the mills, potential area under sugarcane, availability of sugarcane, facilities for transportation of cane etc.

(c): No complaint from any State regarding losses to farmers because of cane area reservation has been received.

(d): Cane area reservation system ensures that farmers have a guarantee for disposal of their crop to a particular sugar factory for assured price.

(e): Dr. C. Rangarajan Committee constituted to look into all the issues of deregulation of sugar sector has, interalia, recommended that the regulations regarding cane area reservation and bonding may be dispensed with by states over the long run. States have been requested to consider the recommendations for implementation as they deem fit.

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