

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

RAJYA SABHA
UNSTARRED QUESTION NO.241
TO BE ANSWERED ON 3RD FEBRUARY, 2023

REVENUE SHARING FORMULA FOR LINKING OF SUGARCANE PRICES

241 SHRI DEEPENDER SINGH HOODA:

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

- (a) whether Government has implemented the Revenue Sharing Formula (RSF), as proposed by Commission for Agricultural Costs & Prices (CACP), for linking of sugarcane prices with the prevailing sugar prices;
- (b) if so, the details thereof and details of the States including Haryana which have adopted RSF;
- (c) whether Government has created the Sugar Stabilisation Fund (SSF) under Hybrid approach;
- (d) if so, the details of the corpus of SSF; and
- (e) if not, the reasons therefor?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a) & (b): The revenue sharing formula, as proposed by Commission for Agricultural Costs & Prices (CACP), is derived from the recommendations of Dr. Rangarajan Committee on de-regulation of sugar sector which inter-alia, recommended that it would be fair to share the revenue created in the sugarcane value chain between sugarcane farmers and sugar factories in the ratio of their relative cost. As per the decision of the CCEA on 04.04.2013, the recommendations of Dr. Rangarajan Committee relating to adoption of Cane Price Formula have been left to the State Governments, as considered appropriate by them. So far, it has been partially adopted by the Governments of Maharashtra, Karnataka and Tamil Nadu.

(c): No sir.

(d): Does not arise.

(e): Task Force on Sugarcane and Sugar Industry constituted under NITI Aayog and CACP have given various recommendations, including creation of Price Stabilisation Fund (PSF). Accordingly, a Committee has been constituted to examine the ways to evolve the mechanism for implementation of these recommendations.
