

# Demand for Grants 2024-25 Analysis

## Food and Public Distribution

The Ministry of Consumer Affairs, Food and Public Distribution has two Departments: (i) Food and Public Distribution, and (ii) Consumer Affairs. Allocation to the Ministry accounts for 4.6% of the budgeted expenditure of the central government in 2024-25.<sup>1</sup>

The **Department of Consumer Affairs** is responsible for spreading awareness among consumers about their rights, protecting their interests, implementing standards, and preventing black marketing.<sup>2</sup> In 2024-25, the Department has been allocated Rs 10,304 crore as compared to Rs 309 crore at the revised estimate stage in 2023-24.<sup>3</sup> The increase is due to an allocation of Rs 10,000 crore under the price stabilisation fund. This will be used to maintain a buffer stock of pulses, onions, and potatoes so that they can be made available in the market when required.

The **Department of Food and Public Distribution** is responsible for ensuring food security through procurement, storage, and distribution of food grains, and for regulating the sugar sector.<sup>4</sup> In 2024-25, the Department has been allocated Rs 2,13,020 crore, a decrease of 4% over the revised estimate of 2023-24.<sup>5</sup>

**Table 1: Allocation to the Ministry (in Rs crore)**

Department	2022-23 Actuals	2023-24 Revised	2024-25 Budgeted	% change 2024-25 BE over 2023-24 RE
Food & Public Distribution	2,83,745	2,21,925	2,13,020	-4%
Consumer Affairs	209	309	10,304	3232%
<b>Total</b>	<b>2,83,954</b>	<b>2,22,234</b>	<b>2,23,323</b>	<b>0.5%</b>

Sources: Expenditure Budget, Union Budget 2024-25; PRS.

This note examines the allocation to the Department of Food and Public Distribution. It also discusses the broad issues in the sector and key observations and recommendations made in this regard.

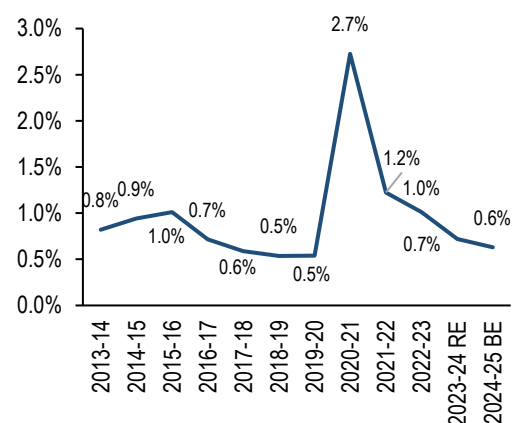
### Overview of Finances

Food subsidy is the largest expenditure by the Department of Food and Public Distribution. 96% of the Department's allocation in 2024-25 is towards food subsidy (see Table 5 in the Annexure for more details). The subsidy is provided to the Food Corporation of India (FCI) and states for procuring food grains from farmers at government notified prices and selling them at lower subsidised prices (known as Central Issue Prices), under the National Food Security Act (NFSA), 2013. The Act

mandates coverage of up to 75% of the population in rural areas and 50% in urban areas.<sup>6,7</sup> Beneficiary households under the Act are divided into Antyodaya Anna Yojana (AAY, i.e., the poorest of poor families) and priority households. AAY households are eligible to receive 35 kg of foodgrains per month and priority households are eligible to receive 5 kg of foodgrains per person per month at subsidised prices.

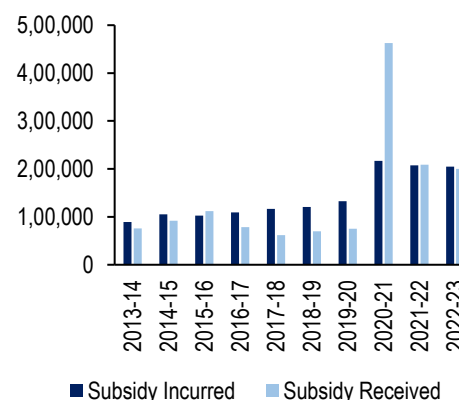
The subsidy also covers the storage cost incurred by FCI in maintaining buffer stocks in order to ensure food security in the country. Figure 1 shows the expenditure on food subsidy during 2013-14 to 2024-25 as a percentage of GDP. The spending on food subsidy as a percentage of GDP decreased between 2013-14 (0.8%) and 2019-20 (0.5%). This was due to releasing less subsidy than what was incurred by the FCI.

**Figure 1: Expenditure on food subsidy (as % of GDP)**



Note: RE is revised estimate; BE is budget estimate. Sources: Union Budget Documents; MoSPI; PRS.

**Figure 2: Subsidy incurred by FCI vs released by government (Rs crore)**



Sources: FCI; PRS.

The amount of unpaid subsidy to the FCI had steadily increased until 2019-20. While the central government released less than claimed subsidy, it provided loans to the FCI through the National Small Savings Fund (NSSF). In 2020-21, the central government made provisions to repay the loans taken from NSSF and clear the past dues of the FCI. As a result, the expenditure on food subsidy increased sharply in 2020-21 to 2.7% of GDP.

Between 2020-21 and 2022-23, food subsidy also included expenditure on account of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY). Under the scheme, 5 kg additional foodgrains were allocated per person per month free of cost to eligible beneficiaries at an expense of Rs 3.9 lakh crore.<sup>8</sup> In December 2022, the Union Cabinet decided to provide foodgrains under NFSA free of cost to the eligible beneficiaries for a one-year period from January 1, 2023.<sup>9</sup> This was later extended for five years starting from January 1, 2024.<sup>10</sup>

### Components of food subsidy

Expenditure on food subsidy can be classified under the following three heads (break-up in Table 2):

- **Subsidy to FCI:** FCI receives subsidy for procuring food grains from farmers at government notified prices and selling them at lower subsidised prices. It also receives subsidy for the storage cost incurred in maintaining buffer stocks.
- **Subsidy to states:** Under the decentralised procurement scheme, states may choose to undertake the operations of procurement, storage, and distribution on behalf of FCI. In such cases, states are provided with subsidy.
- **Sugar subsidy:** Under this, one kg of sugar per family per month is provided at subsidised rates to families covered under AAY.<sup>11</sup>

From 2024-25 onwards, the various components of food subsidy have been subsumed under PMGKAY for free distribution of foodgrains. The breakup for different components is not available.

**Lower allocation for food subsidy in 2024-25:** In 2024-25, the central government has budgeted to spend Rs 2,05,250 crore on food subsidy, a decrease of 3% over the revised estimate of Rs 2,12,332 crore in 2023-24. Note that the food subsidy bill is expected to decrease despite the extension of the free distribution of foodgrains and a year-on-year increase in the economic cost of procurement and distribution of foodgrains. As per provisional actuals, food subsidy in 2023-24 was 7% higher as compared to the budget estimate. In addition, Rs 7,075 crore has been allocated as assistance to states for intra-state movement of foodgrains and margins of fair price shop dealers.

**Table 2: Break-up of food subsidy (Rs crore)**

Subsidy	2022-23 Actuals	2023-24 Revised	2024-25 Budgeted	% change in 2024-25 BE over 2023-24 RE
Subsidy to FCI	2,00,219	1,39,662	-	-
Subsidy to states (decentralised procurement)	72,282	72,250	-	-
Sugar subsidy PMGKAY	301	420	-	-
	-	-	2,05,250	-
<b>Total</b>	<b>2,72,802</b>	<b>2,12,332</b>	<b>2,05,250</b>	<b>-3%</b>

Sources: Expenditure Budget, Union Budget 2024-25; PRS.

### Issues in the Sector

#### Coverage under NFSA

The NFSA provides that subsidised foodgrains be provided to up to 75% of the rural population and up to 50% of the urban population (as per the census).<sup>6</sup> On an average, it covers 67% of the total population of the country based on the figures of the last census. As per the 2011 census, the number of eligible beneficiaries covered under NFSA is around 80 crore. Who should receive food subsidy has been a key question. On one hand there have been suggestions to identify beneficiaries as per the latest population figures to increase coverage.<sup>12</sup> On the other hand, it has also been suggested to reduce the coverage under NFSA while increasing the entitlements for priority households.<sup>13</sup>

The next decadal census was to be conducted in 2021. However, due to the COVID-19 pandemic, it has been postponed until further orders.<sup>14</sup> In the backdrop of this delay and the increase in population during the intervening period, the number of people getting food subsidy under NFSA may be less than 67% of the population. According to the population estimates prepared by the National Commission on Population, India's population as on March 1, 2024 is expected to be 140 crore as compared to 121 crore in 2011.<sup>15</sup> Going by this estimate, the number of people who are eligible to be covered under NFSA would be around 93 crore which is about 15% more than the current number of beneficiaries receiving subsidised foodgrains.

In July 2022, the Supreme Court observed that the central government should come with a formula or policy such that the benefits under NFSA are not restricted as per the 2011 census.<sup>12</sup> The Court noted that the 'Right to Food' is a fundamental right under Article 21 of the Constitution. It recommended that the central government may use projections of population increase during 2011-2021 to ensure more needy people are covered under NFSA.<sup>12</sup> Note that certain states, such as Karnataka and West Bengal, run an expanded version of the PDS. According to the central government, more than six

crore state ration cards exist which cover another 25 crore people over and above the NFSA mandate.<sup>16</sup>

The High Level Committee on Restructuring of Food Corporation of India (2015) had noted that the coverage of NFSA is high, but the allocation to priority households is low.<sup>13</sup> In 2022-23, the per capita consumption of cereals in rural areas was 9.6 kg and in urban areas was 8.1 kg.<sup>17</sup> Compared to this, under NFSA, priority households are entitled to receive 5 kg of foodgrains (primarily rice and wheat) per person per month.<sup>18</sup> Between 2020 and 2022, some of the consumption gap was being met through the additional allocation of foodgrains under PMGKAY, which was discontinued in December 2022.

The High Level Committee had recommended that the central government should rethink the coverage of population under NFSA.<sup>13</sup> It noted that allocating 5 kg foodgrains per person to priority households made below poverty line households worse off compared to the earlier framework of targeted PDS under which they were entitled to 7 kg of foodgrains per person.<sup>13</sup> It had recommended reducing the overall coverage for NFSA to around 40% of the population. This would cover all families below the poverty line and some families above that. At the same time, it recommended increasing the allocation of foodgrains to below poverty line households to 7 kg per person.

### ***Free provision of foodgrains under PMGKAY is against long-standing recommendation of revision of CIP***

Under NFSA, food grains are allocated to the beneficiaries at the Central Issue Price (CIP). These prices have not changed since July, 2002.<sup>19</sup> The Standing Committee on Food, Consumer Affairs and Public Distribution (2017) noted that the food subsidy bill has increased due to increase in MSP of wheat and rice with respect to the CIP, increased off take of food grains under targeted PDS, and implementation of NFSA in all states/UTs.<sup>20</sup> The Economic Survey 2020-21 noted that the central government's food subsidy bill is becoming unmanageably large.<sup>21</sup>

**Table 3: Central Issue Price (in Rs per kg)**

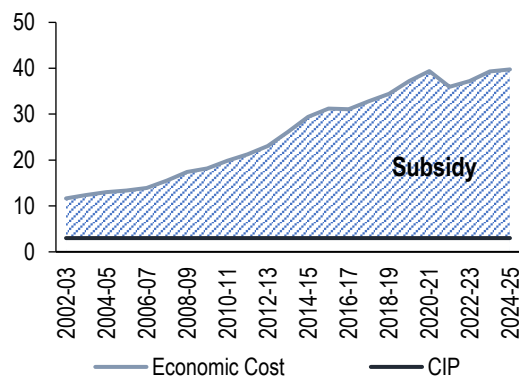
Food grain	NFSA (until Dec 2022)	PMGKAY (since Jan 2023)
Rice	3.00	0
Wheat	2.00	0

Sources: FCI; PRS.

Food subsidy has three elements: (i) consumer subsidy, (ii) cost of maintaining buffer stock, and (iii) subsidy on coarse grains, regularisation of FCI's operational losses and other non-plan allocation to states.<sup>22</sup> Consumer subsidy is the difference between the economic cost and CIP. Economic cost includes cost of procurement, acquisition, and distribution. In 2002-03, from

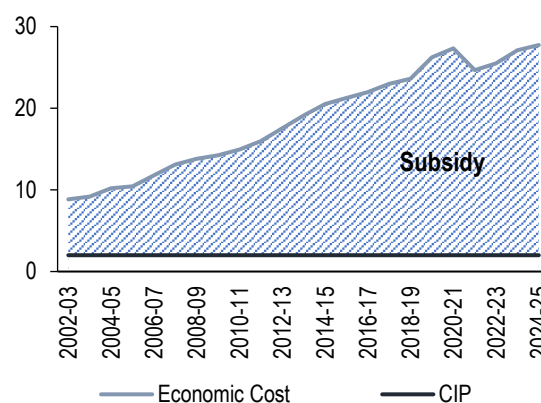
when the CIP has been effective, the economic cost of rice was Rs 11.7 per kg and for wheat it was Rs 8.8 per kg.<sup>22</sup> In 2024-25, the economic cost of rice is estimated to be Rs 39.8 per kg while that for wheat is estimated at Rs 27.7 per kg.<sup>22</sup> The NFSA provides that the CIP may be periodically revised by the central government in a manner such that it does not exceed the minimum support price for rice, wheat, and coarse grains.<sup>6</sup>

**Figure 3: Subsidy on a kg of rice (in Rs/kg)**



Note: Figures for 2023-24 are revised estimates and 2024-25 are budget estimates.  
Sources: FCI; PRS.

**Figure 4: Subsidy on a kg of wheat (in Rs/kg)**



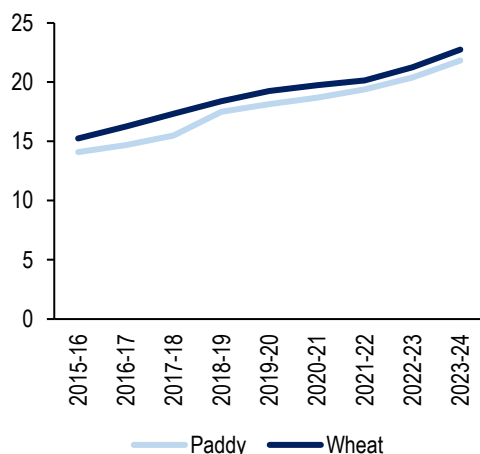
Note: Figures for 2023-24 are revised estimates and 2024-25 are budget estimates.  
Sources: FCI; PRS.

From January 2023 onwards, the central government has been providing free foodgrains to all eligible beneficiaries under the NFSA.<sup>9</sup> This distribution of foodgrains was renamed to PMGKAY (after the scheme which ran from April 2020 to December 2022) and subsumed food subsidy to FCI and subsidy to states for decentralised procurement.<sup>23</sup> In November 2023, the Union Cabinet decided to provide free foodgrains under PMGKAY for a five-year period from January 1, 2024.<sup>10</sup> The free distribution of foodgrains under NFSA is against the recommendations given in the past with respect to the revision of the CIP.

The Economic Survey 2020-21 noted that while it is difficult to reduce the economic cost of food management, there is a need to consider revising CIP to reduce food subsidy bill.<sup>21</sup> The 15<sup>th</sup> Finance Commission observed that the increase in economic

cost of food grains will need to be partially offset by increasing CIP of subsidised foodgrains.<sup>24</sup> One recommendation has been to provide foodgrains at the prevailing subsidised rates only to the AAY households.<sup>13</sup>

**Figure 5: Increase in MSP of paddy and wheat (in Rs/kg)**



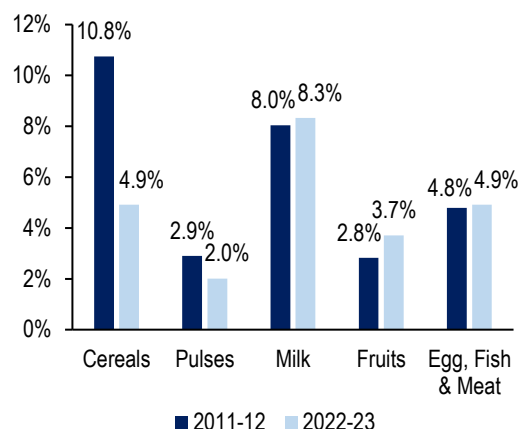
Sources: Commission for Agricultural Costs and Prices; PRS.

### ***Distribution of commodities under NFSA may not cater to nutritional requirements of the beneficiaries***

The PDS was introduced to alleviate food scarcity through the distribution of foodgrains at affordable prices.<sup>25</sup> It has ensured food security over the years, but it does not address evolving nutritional requirements. According to the National Family Health Survey – 5, 50% of the women and 48% of the men surveyed between the ages of 15-49 reported consuming pulses or beans daily.<sup>26</sup> Around 49% of the respondents reported consuming milk or curd daily.<sup>26</sup> One of the reforms prescribed under NFSA includes diversifying the commodities distributed under PDS over a period of time.<sup>6</sup> However, foodgrains distributed under PDS primarily include only cereals (rice, wheat, and coarse grains). This has not changed since the Act was implemented in 2013 despite certain structural changes in consumption patterns of people.

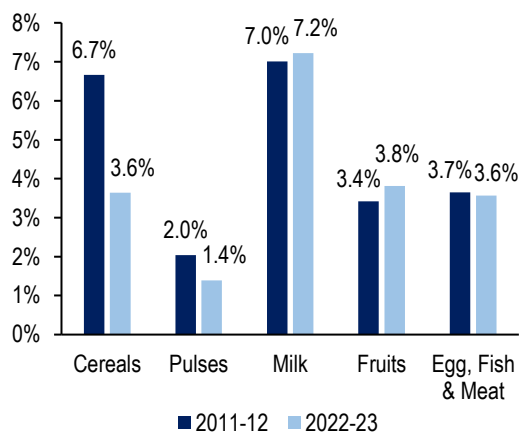
Between 1999-2000 and 2022-23, the per capita consumption of cereals has decreased from 12.7 kg to 9.6 kg in rural areas and from 10.4 kg to 8.1 kg in urban areas.<sup>17</sup> Between 2011-12 and 2022-23, there has been a decrease in the share of monthly per capita expenditure (MPCE) spent on food items in both rural and urban areas. The share of cereals in total MPCE for rural areas decreased from 10.8% in 2011-12 to 4.9% in 2022-23 while that for urban areas decreased from 6.7% to 3.6% in the same period. On the other hand, the share of food items like milk and milk products, fruits, and egg, fish and meat have increased or remained largely unchanged in total MPCE between 2011-12 and 2022-23.

**Figure 6: Share of select food items in total MPCE for rural India (in %)**



Note: Cereals include cereal substitutes, pulses include gram, milk includes milk products, and fruits include fresh and dry fruits. Values for 2022-23 taken without imputation. Sources: Fact Sheet, Household Consumption Expenditure Survey: 2022-23; PRS.

**Figure 7: Share of select food items in total MPCE for urban India (in %)**



Note: Cereals include cereal substitutes, pulses include gram, milk includes milk products, and fruits include fresh and dry fruits. Values for 2022-23 taken without imputation. Sources: Fact Sheet, Household Consumption Expenditure Survey: 2022-23; PRS.

In addition to the decrease in per capita consumption, between 1993-94 and 2011-12, the amount of protein intake by consuming cereals decreased in both rural areas and urban areas.<sup>27</sup> There was an increase in the share of proteins consumed through items such as pulses, milk, and egg, fish and meat.<sup>27</sup> Moreover, while cereals or foodgrains contain only 10% protein, their share as a percentage of total protein intake in rural and urban areas was more than 50% in 2011-12.<sup>27</sup> Other food items such as pulses and meat contain more than 20% protein but accounted for only 15% of the total protein intake in India.<sup>27</sup> The 15<sup>th</sup> Finance Commission had noted that the decrease in the share of cereals in food consumption indicates a reduced preference for wheat and rice and an increase in preference for other protein-rich food items.<sup>27</sup>

**Pulses under PMGKAY:** Pulses can be a better source of protein as compared to cereals and can

help improve nutrition intake for NFSA beneficiaries. Under the first phase of the PMGKAY between April to June 2020, the central government distributed one kg of pulses per household per month free of cost for NFSA beneficiaries.<sup>28</sup> Between July to November 2020, one kg of chana was provided free of cost per family per month to beneficiaries covered under the NFSA. However, the allocation of pulses was not continued after that under PMGKAY.

Between 2013-14 and 2022-23, the domestic production of pulses has increased at an annual rate of 3.4% as compared to the increase of 2.5% in the total production of foodgrains.<sup>29</sup> However, the domestic production of pulses was characterised by significant variability in this period. For instance, in 2016-17, production of pulses increased by 42% over 2015-16, but in 2018-19, it decreased by 13% over 2017-18. Moreover, India continues to be import dependent for meeting its domestic needs for consumption of pulses. India's import dependency for pulses in 2020-21 was 9% which is estimated to decrease to 3.6% by 2030-31.<sup>30</sup> This is in contrast to wheat and rice where the domestic production is more than sufficient to meet the domestic consumption demand. As long as India continues to be import dependent for meeting its consumption needs for pulses, it may be challenging to include them as one of the commodities given under NFSA.

Pulses are also more difficult to store than cereals making it tougher to create buffer stocks.<sup>31</sup> They suffer greater damage from insects and microorganisms. This leads to quantitative losses and also reduces the nutritive value due to vitamin loss and deterioration of protein quality.<sup>31</sup>

### ***Delivery of food subsidy***

**Leakages in PDS:** Leakages refer to food grains not reaching the intended beneficiaries. Note that recent data on leakages is not publicly available. The latest available data is for 2011. A number of steps, including usage of Aadhaar, have been implemented since then, but we do not have any data to indicate the trends in leakages. According to the 2011 data, leakages in PDS were estimated to be 47%.<sup>13,32</sup> Leakages may be of three types: (i) pilferage or damage during transportation of food grains, (ii) diversion to non-beneficiaries at fair price shops through issue of ghost cards, and (iii) exclusion of people who are entitled to food grains but are not on the beneficiary list.<sup>33,34</sup>

Exclusion errors occur when entitled beneficiaries do not get food grains. It refers to the percentage of poor households that are entitled to but do not have PDS cards. Exclusion errors had declined from 55% in 2004-05 to 41% in 2011-12.<sup>35</sup> Inclusion errors occur when those who are ineligible get undue benefits. Inclusion errors had increased from 29% in 2004-05 to 37% in 2011-12.<sup>35</sup>

Considering the significant leakages under the PDS, the High-Level Committee (2015) had recommended the incorporation of Aadhaar and biometric authentication.<sup>13</sup> In February 2017, the Ministry made it mandatory for beneficiaries under the National Food Security Act, 2013 to use Aadhaar as proof of identification for receiving food grains.<sup>36</sup> However, non-linking of Aadhaar with ration cards is not a ground for cancellation of ration cards.<sup>37</sup> The deadline for applying for Aadhaar enrolment in order to avail subsidised food grains or cash transfer of food subsidy has been extended several times and currently stands at September 30, 2024.<sup>38</sup> According to the central government, due to measures such as digitisation of ration cards, deduplication, and identification of fake/ineligible ration cards, states/UTs have cancelled about 4.28 crore bogus cards between 2014 to 2021.<sup>37</sup> As on July 18, 2024, 99% of the ration cards have been seeded with Aadhaar.<sup>39</sup>

At times, beneficiaries may face issues with Aadhaar authentication while availing PDS benefits. According to the data submitted by UIDAI to the Supreme Court, the Aadhaar authentication failure rate (across all purposes) was 8.5% for iris scans and 6% for fingerprints.<sup>40</sup> In its judgement (2018), the Court held that services cannot be denied to beneficiaries due to Aadhaar authentication failure.<sup>40</sup>

Automation of fair price shops (FPS) by installing electronic point of sale devices (ePoS) has been another reform which has been suggested to address leakages in PDS. This helps in transparent distribution of food grains after unique identification of beneficiaries.<sup>41</sup> In addition to this, ePoS devices also upload the electronic records of sale transactions to centralised servers in states/UTs.<sup>41</sup>

However, certain ground surveys have indicated that Aadhaar based authentication and automation of FPSs have led to problems of exclusion. For instance, a study in rural Jharkhand (2017) found that certain households were unable to pass the biometric authentication test and were hence unable to timely access their food entitlements.<sup>42</sup> Certain households with elderly couples reported issues with fingerprint recognition. The survey also found that quantity fraud (providing less than entitled foodgrains to beneficiaries) persisted even after the implementation of PoS devices.<sup>42</sup>

**Direct Benefit Transfer (DBT):** The NFSA provides that one of the reforms in targeted PDS is the introduction of schemes such as cash transfer and food coupons.<sup>6</sup> The High-Level Committee on FCI (2015) had observed that a majority of the rural population covered under NFSA are farmers or people working on farms.<sup>13</sup> This implies that the government often procures, stores, and distributes grains to the same persons that they are buying grains from at MSP.<sup>13</sup> The Committee recommended that it would be better to provide cash subsidy to such farmers and farm workers. This was

seen to reduce the subsidy expenses of the central government while at the same time improve the effective subsidy support received by the beneficiaries.<sup>13</sup> The Committee estimated that this would save around Rs 30,000-35,000 crore for the central government. It recommended giving cash transfers indexed to inflation.<sup>13</sup>

In September 2015, the central government started pilot projects for providing food subsidy through cash transfers. This is being implemented in Chandigarh, Puducherry and urban areas of Dadra and Nagar Haveli.<sup>43</sup> According to the central government these pilot projects aim to: (i) reduce the need for physical movement of foodgrains, (ii) provide greater autonomy to beneficiaries to choose their consumption basket, and (iii) reduce leakages and improve targeting.<sup>43</sup> However, even after nine years of starting the pilot projects, the uptake of DBT across states has been limited. The government of Puducherry had sought an exemption from the DBT scheme under NFSA.<sup>44</sup> However, its request was turned down by the Centre.<sup>44</sup> A DBT pilot project started in the Nagri block of Jharkhand was discontinued in 2018, 10 months after it was launched.<sup>45</sup> According to news reports, a social audit of the scheme had revealed that some beneficiaries took more than four days in accessing the ration after receiving the money.<sup>45</sup> Moreover, some beneficiaries also had to borrow money in order to be able to buy rations.<sup>45</sup>

**One Nation One Ration Card (ONORC):** In order to facilitate nationwide portability of NFSA entitlements, the central government has implemented the ONORC. Under the scheme, NFSA beneficiaries have the choice to procure their entitled foodgrain from any FPS across the country with their existing ration card.<sup>46</sup> It is being implemented in all states/UTs. From August 2019 onwards, almost 100 crore portability transactions have been carried out under ONORC. However, only 0.7% of these accounted for inter-state transactions while the remaining were intra-state transactions.<sup>47</sup>

### *Procurement of foodgrains*

There are two broad procurement systems: (i) centralised and (ii) decentralised.<sup>48</sup> Under the centralised procurement system, foodgrains are procured either directly by the FCI or by state government agencies (at MSP). Foodgrains procured by state agencies are handed over to FCI for storage, distribution, or transportation. Under decentralised procurement, state government/agencies procure, store, and distribute rice/wheat/coarse grains within the state. The excess stocks of rice and wheat are handed over to FCI in the central pool. The expenditure incurred by the states and its agencies are reimbursed by the central government. At present, 17 states/UTs undertake decentralised procurement of rice while nine states undertake the decentralised procurement

of wheat.<sup>48</sup>

**Table 4: Procurement of paddy and wheat for central pool (in lakh metric tonnes)**

Marketing Season	Paddy	Wheat
2015-16	510	281
2016-17	568	230
2017-18	568	308
2018-19	660	358
2019-20	771	341
2020-21	896	390
2021-22	857	433
2022-23	846	188
2023-24	814	261

Note: 2023-24 data is as on July 29, 2024. Procurement data is as per the respective marketing season of rabi and kharif crops. Sources: FCI; PRS.

In the rabi marketing season of 2022-23, the wheat procurement for the central pool was 57% less as compared to the procurement in 2021-22 (see Table 4). This was driven by lower domestic production of wheat and sale of wheat by farmers in the open market to benefit from higher prices in the aftermath of geo-political tensions.<sup>49</sup> In the rabi marketing season of 2023-24, the procurement of wheat stood at 261 lakh metric tonnes which was 24% lower as compared to the procurement estimate.<sup>50</sup>

**Decentralised procurement:** The Standing Committee on Food, Consumer Affairs, and Public Distribution (2022) had noted that even after 24 years of starting decentralised procurement, the scheme has not been implemented by all states/UTs.<sup>51</sup> The Department had informed the Committee that since decentralised procurement involves the state governments to make arrangement for funds, storage, and manpower, they hesitate to adopt it.<sup>51</sup> Decentralised procurement of foodgrains is considered to be more effective as it does not require FCI to take over the stock of foodgrains and then release it to states.<sup>51</sup> The Standing Committee recommended that all states/UTs should adopt the decentralised procurement of foodgrains. This would ensure the effective implementation of NFSA and make available foodgrains suited to local tastes for distribution under PDS.<sup>51</sup> The Committee had recommended the central government to help states in adopting decentralised procurement.

### *Sugarcane*

The Department is also responsible for formulation of policies and regulations for the sugar sector. This includes fixing the Fair and Remunerative Price (FRP) of sugarcane which is payable to farmers by sugar mills, regulating production and international trade of sugar, and fixing minimum selling price of sugar. As on July 17, 2023, Rs 10,041 crore were pending in dues to sugarcane farmers for the sugar seasons (October-September) from 2018-19 to 2022-23.<sup>52</sup> Domestic production of sugar in excess of demand leads to an accumulation of sugar stock. In a normal sugar season, the production of sugar is

around 320-360 lakh metric tonnes against domestic consumption of about 260-280 lakh metric tonnes.<sup>47</sup> This surplus production affects the liquidity of sugar mills, thereby leading to accumulation of arrears to sugarcane farmers.

One of the ways to tackle excess sugar production is the export of excess sugar.<sup>53</sup> However, often it is difficult for the Indian sugar industry to compete in the international market.<sup>53</sup> Most of the overseas market is already captured by other surplus sugar producing countries. The cost of producing sugar in India is also higher as compared to other exporters.<sup>53</sup> A Task Force on Sugarcane and Sugar Industry (2020) had noted that while the cost of producing sugar in India was Rs 36 per kg, globally this cost was much lower at Rs 18.5 per kg.<sup>53</sup> Sugarcane is also a water intensive crop. On average, one kg of sugar requires around 1,500-2,000 kg of water.<sup>53</sup> The task force had noted that pressure on water due to sugarcane cultivation has become a concern in states such as Maharashtra.<sup>53</sup>

**Ethanol Blending Programme:** Excess sugarcane can be used in the central government's ethanol blending programme. Currently ethanol is produced from sugarcane juice, molasses, damaged foodgrains, rice from FCI, and maize.<sup>47</sup> Under the National Biofuel Policy, 2018, the central government aims to achieve 20% ethanol blending in petrol by 2025. As of ethanol supply year (December to November) 2021-22, India had achieved 10% blending of ethanol in petrol.<sup>47</sup> In sugar season 2021-22, about 36 lakh tonne of excess sugar was diverted for the production of ethanol.<sup>47</sup> To meet the 20% blending target, about 60 lakh tonnes of sugar will be diverted by 2025. This is expected to address high sugar inventories, improve liquidity of sugar mills, and enable timely payment of dues to farmers.<sup>47</sup> However, any increase in sugarcane production to meet ethanol blending targets may put further stress on the water table in states producing the crop. Note that Brazil, which also blends ethanol in fuel, has increased the use of corn in its production.<sup>54</sup>

**Sugarcane prices:** Certain state governments fix their own State Advised Price (SAP) at levels higher than the FRP announced by the central government. This causes further strain on the financial health of the sugar mills. The Task Force on Sugarcane and Sugar Industry (2020) recommended that sugarcane prices must be linked to sugar prices.<sup>53</sup> Increases in FRP should be kept moderate and states announcing SAP should also bear the additional costs associated with it.<sup>53</sup> The Task Force recommended a staggered payment mechanism for sugarcane. However, it should be ensured that the entire dues to the farmers are cleared within two months.<sup>53</sup> The central government also fixes the minimum selling price for sugar. This was increased from Rs 29 per kg to Rs 31 per kg with effect from February 14, 2019.<sup>55</sup> The task force had recommended increasing the minimum selling price of sugar to Rs 33 per kg with

it being reviewed six months after notification.<sup>53</sup> It observed that raising the selling price would help sugar mills to cover their production and maintenance costs.

## Annexure

**Table 5: Allocation to major heads of expenditure under the Department in 2024-25 (Rs crore)**

Head	2022-23 Actuals	2023-24 Budgeted	2023-24 Revised	2024-25 Budgeted	% change in 2024- 25 BE over 2023-24 RE
Food subsidy	2,72,802	1,97,350	2,12,332	2,05,250	-3%
Subsidy to Food Corporation of India (FCI)	2,00,219	1,37,207	1,39,662	-	-
Subsidy to states (decentralised procurement)	72,282	59,793	72,250	-	-
Sugar subsidy payable under PDS	301	350	420	0	-
PMGKAY	-	-	-	2,05,250	-
Assistance to state agencies for intra-state movement of food grains and for margin of fair price shops' dealers	8,572	7,425	8,532	7,075	-17%
Investment in equity capital of FCI	1,900	0	0	0	-
Scheme for providing assistance to Sugar Mills for expenses on marketing costs and costs of transport on export of sugar	15	0	0	0	-
Scheme for Assistance to Sugar Mills for 2019-20 season	8	0	0	0	-
Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity	175	400	400	450	13%
<b>Department</b>	<b>2,83,745</b>	<b>2,05,514</b>	<b>2,21,925</b>	<b>2,13,020</b>	<b>-4%</b>

Sources: Demand No. 15, Department of Food and Public Distribution, Expenditure Budget, Union Budget 2024-25; PRS.

**Table 6: Procurement, offtake, and stocks of food grains (in lakh tonnes)**

Year	Procurement			Offtake			% Offtake	Stocks		
	Rice	Wheat	Total	Rice	Wheat	Total		Rice	Wheat	Total
2004-05	246.7	168.0	414.7	232.0	182.7	414.7	100%	133.4	40.7	179.7
2005-06	275.8	147.9	423.7	250.8	171.7	422.5	100%	136.8	20.1	166.2
2006-07	251.1	92.3	343.4	250.6	117.1	367.7	107%	131.7	47.0	179.3
2007-08	287.4	111.3	398.7	252.3	122.1	374.4	94%	138.4	58.0	197.5
2008-09	341.0	226.9	567.9	246.2	148.8	395.0	70%	216.0	134.3	355.8
2009-10	320.3	253.8	574.1	273.7	223.5	497.2	87%	267.1	161.3	433.1
2010-11	342.0	225.1	567.1	299.3	230.7	530.0	93%	288.2	153.6	443.1
2011-12	350.6	283.3	633.9	321.2	242.6	563.8	89%	333.5	199.5	534.0
2012-13	340.4	382.2	722.6	326.4	332.1	658.5	91%	354.7	242.1	597.6
2013-14	318.5	250.7	569.2	292.1	306.2	598.4	105%	305.0	178.3	494.7
2014-15	320.4	281.3	601.7	307.3	252.2	559.4	93%	237.9	172.2	413.1
2015-16	342.2	280.9	623.1	318.2	318.4	636.6	102%	287.8	145.4	435.7
2016-17	381.1	229.3	610.4	327.9	291.0	618.9	101%	297.5	80.6	379.7
2017-18	381.7	308.2	690.0	350.1	252.8	602.8	87%	300.2	132.3	433.6
2018-19	444.0	358.0	802.0	344.0	314.9	658.9	82%	397.6	169.9	568.1
2019-20	520.0	341.3	861.3	349.7	272.2	621.9	72%	490.7	247.0	738.9
2020-21	603.0	389.9	992.9	568.6	368.4	937.0	94%	498.3	273.0	779.3
2021-22	576.0	433.4	1009.4	552.1	505.9	1058.0	105%	550.4	189.9	745.2
2022-23	570.6	187.9	758.5	639.9	291.6	931.5	123%	433.8	83.5	521.6

Note: Total stocks include coarse cereals.

Sources: Handbook of Statistics on Indian Economy, Reserve Bank of India; PRS.



**Table 7: Outstanding dues of sugarcane farmers as on July 17, 2023 (Rs crore)**

State	2018-19	2019-20	2020-21	2021-22	2022-23	Total Arrears
Andhra Pradesh	22	36	0	0	29	87
Bihar	50	39	4	0	14	107
Chhattisgarh	0	0	0	0	23	23
Gujarat	0	0	0	0	1,651	1,651
Haryana	0	0	0	0	266	266
Karnataka	4	0	0	0	127	131
Madhya Pradesh	0	0	0	0	9	9
Maharashtra	20	0	59	32	631	742
Punjab	0	2	6	34	213	255
Tamil Nadu	73	0	0	0	144	217
Telangana	0	0	0	0	14	14
Uttar Pradesh	0	0	4	46	6,315	6,365
Uttarakhand	108	0	0	3	63	174
<b>Total</b>	<b>277</b>	<b>77</b>	<b>73</b>	<b>115</b>	<b>9,499</b>	<b>10,041</b>

Sources: Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution; PRS.

<sup>1</sup> Ministry-wise Summary of Budget Provisions, Union Budget 2024-25, <https://www.indiabudget.gov.in/doc/eb/sumsbe.pdf>.

<sup>2</sup> About DCA, Department of Consumer Affairs, <https://consumeraffairs.nic.in/about-us/about-dca>.

<sup>3</sup> Department of Consumer Affairs, Expenditure Budget, Union Budget 2024-25, <https://www.indiabudget.gov.in/doc/eb/sbe14.pdf>.

<sup>4</sup> Introduction, Department of Food and Public Distribution, as accessed on July 27, 2024, <https://dfpd.gov.in/Home/ContentManagement?Url=fun-hi.htm&ManuId=2&language=1>.

<sup>5</sup> Department of Food and Public Distribution, Expenditure Budget, Union Budget 2024-25, <https://www.indiabudget.gov.in/doc/eb/sbe15.pdf>.

<sup>6</sup> The National Food Security Act, 2013, <https://www.indiacode.nic.in/bitstream/123456789/2113/1/201320.pdf>.

<sup>7</sup> Unstarred Question No. 1192, Ministry of Consumer Affairs, Food and Public Distribution, Lok Sabha, February 9, 2021, <http://164.100.24.220/loksabhaquestions/annex/175/AU1192.pdf>.

<sup>8</sup> Unstarred Question No. 1994, Ministry of Consumer Affairs, Food & Public Distribution, Rajya Sabha, December 23, 2022, <https://pqars.nic.in/annex/258/AU1994.pdf>.

<sup>9</sup> “Free foodgrains to 81.35 crore beneficiaries under National Food Security Act: Cabinet Decision”, Press Information Bureau, Ministry of Consumer Affairs, Food & Public Distribution, December 23, 2022, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1886215>.

<sup>10</sup> “Free Foodgrains for 81.35 crore beneficiaries for five years: Cabinet Decision”, Press Information Bureau, Ministry of Consumer Affairs, Food & Public Distribution, November 29, 2023, <https://pib.gov.in/PressReleasePage.aspx?PRID=1980689#:~:text=The%20Cabinet%20led%20by%20Prime,from%201%20st%20January%2C%202024>.

<sup>11</sup> “Cabinet approves Scheme of Sugar Subsidy for AAY Families under PDS”, Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution, February 1, 2024, <https://pib.gov.in/PressReleasePage.aspx?PRID=2001052>.

<sup>12</sup> Miscellaneous Application No. 94 of 2022, Supreme Court of India, July 21, 2022, [https://main.sci.gov.in/supremecourt/2022/2157/2157\\_2022\\_11\\_16\\_36554\\_Judgement\\_21-Jul-2022.pdf](https://main.sci.gov.in/supremecourt/2022/2157/2157_2022_11_16_36554_Judgement_21-Jul-2022.pdf).

<sup>13</sup> Report of the High Level Committee on Reorienting the Role and Restructuring of Food Corporation of India, January 2015.

<sup>14</sup> Unstarred Question No. 2287, Lok Sabha, Ministry of Home Affairs, December 20, 2022, <https://sansad.in/getFile/loksabhaquestions/annex/1710/AU2287.pdf?source=pqals>.

<sup>15</sup> Population Projections for India and States 2011-2036, National Commission on Population, Ministry of Health and Family Welfare, July 2020, [https://main.mohfw.gov.in/sites/default/files/Population%20Projection%20Report%202011-2036%20-%20upload\\_compressed\\_0.pdf](https://main.mohfw.gov.in/sites/default/files/Population%20Projection%20Report%202011-2036%20-%20upload_compressed_0.pdf).

<sup>16</sup> “Department of Food & Public Distribution refutes a news report published in ‘The Wire’ regarding distribution of food grains & pulses”, Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution, June 4, 2020, <https://pib.gov.in/PressReleasePage.aspx?PRID=1629465>.

<sup>17</sup> Survey on Household Consumption Expenditure: 2022-23, National Sample Survey Office, Ministry of Statistics and Programme Implementation, June 2024, [https://www.mospi.gov.in/sites/default/files/publication\\_reports/Report\\_591\\_HCES\\_2022-23New.pdf](https://www.mospi.gov.in/sites/default/files/publication_reports/Report_591_HCES_2022-23New.pdf).

<sup>18</sup> “Coverage and Entitlement under NFSA, National Food Security Portal, Department of Food and Public Distribution, as accessed on July 16, 2024, [https://nfsa.gov.in/portal/Coverage\\_Entitlements\\_NFSA\\_AA](https://nfsa.gov.in/portal/Coverage_Entitlements_NFSA_AA).

<sup>19</sup> Central Issue Prices of Rice, Wheat and Coarse grains, as accessed on July 16, 2024, [https://fci.gov.in/admin/storage/ckeditor/CIP\\_for\\_Website\\_05\\_1704969453.pdf](https://fci.gov.in/admin/storage/ckeditor/CIP_for_Website_05_1704969453.pdf).

<sup>20</sup> Report no. 15, Standing Committee on Food, Consumer Affairs and Public Distribution: ‘Demands for Grants (2017-18), Department of Food and Public Distribution’, Lok Sabha, March 2017, [https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/16\\_Food\\_Consumer\\_Affairs\\_And\\_Public\\_Distribution\\_15.pdf?source=loksabhadocs](https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/16_Food_Consumer_Affairs_And_Public_Distribution_15.pdf?source=loksabhadocs).

<sup>21</sup> Chapter 7, Agriculture & Food Management, Volume-2, Economic Survey 2020-21, January 2021, [https://www.indiabudget.gov.in/budget2021-22/economicsurvey/doc/echapter\\_vol2.pdf](https://www.indiabudget.gov.in/budget2021-22/economicsurvey/doc/echapter_vol2.pdf).

<sup>22</sup> Budget and Cost, Finance, Food Corporation of India, as accessed on July 16, 2024, <https://fci.gov.in/headquarter/view/BUDGET-AND-COST-584>.

- <sup>23</sup> “Centre names new integrated food security scheme launched from 1 January 2023 as “Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY)”, Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution, January 11, 2023, <https://pib.gov.in/PressReleasePage.aspx?PRID=1890272>.
- <sup>24</sup> Chapter 4, Volume-I Main Report, 15<sup>th</sup> Finance Commission, October 2020, [https://fincomindia.nic.in/writereaddata/html\\_en\\_files/fincom15/Reports/XVFC%20VOL%20I%20Main%20Report.pdf](https://fincomindia.nic.in/writereaddata/html_en_files/fincom15/Reports/XVFC%20VOL%20I%20Main%20Report.pdf).
- <sup>25</sup> Public Distribution System, National Food Security Portal, Department of Food and Public Distribution, as accessed on July 16, 2024, [https://nfsa.gov.in/portal/PDS\\_page](https://nfsa.gov.in/portal/PDS_page).
- <sup>26</sup> National Family Health Survey (NFHS-5), 2019-20, India Report, Ministry of Health and Family Welfare, March 2022, <https://dhsprogram.com/pubs/pdf/FR375/FR375.pdf>.
- <sup>27</sup> Chapter 8: Department of Food and Public Distribution, Volume-III The Union, 15<sup>th</sup> Finance Commission, October 2020, <https://fincomindia.nic.in/asset/doc/commission-reports/XVFC-Vol-III-Union.pdf>.
- <sup>28</sup> “75987138.23 MT tentative total allocation under PMGKAY (Phase –I to Phase-V)”, Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution, February 2, 2022, <https://pib.gov.in/PressReleasePage.aspx?PRID=1794809>.
- <sup>29</sup> Third Advance Estimates of Production of Foodgrains for 2023-24, Ministry of Agriculture and Farmers Welfare, June 4, 2024, <https://desagri.gov.in/wp-content/uploads/2024/06/English.pdf>.
- <sup>30</sup> “India Inching Towards ‘Atmanirbharta’ in Pulses”, Press Information Bureau, Ministry of Information and Broadcasting, June 15, 2022, <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2022/jun/doc202261565201.pdf>.
- <sup>31</sup> Post-Harvest Management of Pulses, Indian Institute of Pulses Research, October 2007, <https://iipr.icar.gov.in/wp-content/themes/ICAR-wp/images/pdf/postbulletins2may13.pdf>.
- <sup>32</sup> Third Report: ‘Demands for Grants (2015-16)’, Standing Committee on Food, Consumer Affairs and Public Distribution, Lok Sabha, April 2015, [https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/16\\_Food\\_Consumer\\_Affairs\\_And\\_Public\\_Distribution\\_3.pdf?source=loksabhadocs](https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/16_Food_Consumer_Affairs_And_Public_Distribution_3.pdf?source=loksabhadocs).
- <sup>33</sup> The Case for Direct Cash Transfers to the Poor, Economic and Political Weekly, April 2008, <https://cas.sas.upenn.edu/sites/default/files/iit/Kapur%20et%20al.pdf>.
- <sup>34</sup> Performance Evaluation of Targeted Public Distribution System, Planning Commission of India, March 2005, <https://dmeo.gov.in/sites/default/files/2019-10/Performance%20Evaluation%20of%20Targeted%20Public%20Distribution%20System%20%28TPDS%29.pdf>.
- <sup>35</sup> Role of the Public Distribution System in Shaping Household Food and Nutritional Security in India, National Council of Applied Economic Research, December 2016.
- <sup>36</sup> S.O. 371(E), Notification, Ministry of Consumer Affairs, Food and Public Distribution, February 8, 2017, <https://egazette.nic.in/WriteReadData/2017/174131.pdf>.
- <sup>37</sup> Unstarred Question No. 1522, Rajya Sabha, Ministry of Consumer Affairs, Food and Public Distribution, December 10, 2021, <https://pqars.nic.in/annex/255/AU1522.pdf>.
- <sup>38</sup> S.O. 2236(E), Notification, Ministry of Consumer Affairs, Food, and Public Distribution, June 11, 2024, <https://egazette.gov.in/WriteReadData/2024/254655.pdf>.
- <sup>39</sup> National Food Security Portal, as accessed on July 18, 2024, <https://nfsa.gov.in/public/nfsadashboard/publicredashboard.aspx>.
- <sup>40</sup> Justice K. S. Puttaswamy (Retd.) and Another vs Union of India and Others, W. P. (C.) No. 494 of 2012, [https://main.sci.gov.in/supremecourt/2012/35071/35071\\_2012\\_Judgement\\_26-Sep-2018.pdf](https://main.sci.gov.in/supremecourt/2012/35071/35071_2012_Judgement_26-Sep-2018.pdf).
- <sup>41</sup> 12<sup>th</sup> Report, Strengthening of Public Distribution System – Augmenting Use of Technological Means and Implementation of ‘One Nation, One Ration Card’ Scheme, Standing Committee on Food, Consumer Affairs and Public Distribution, Lok Sabha, March 2021, [https://loksabhadocs.nic.in/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/17\\_Food\\_Consumer\\_Affairs\\_And\\_Public\\_Distribution\\_12.pdf](https://loksabhadocs.nic.in/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/17_Food_Consumer_Affairs_And_Public_Distribution_12.pdf).
- <sup>42</sup> “Aadhaar and Food Security in Jharkhand: Pain Without Gain?”, Jean Dreze, Nazar Khalid, Reetika Khara, Anmol Somanchi, Economic and Political Weekly, December 16, 2017.
- <sup>43</sup> “Cash transfer of food subsidy directly into the bank account of PDS being implemented on a pilot basis in three UTs-Chandigarh and Puduchery since September, 2015 and urban areas of Dadra and Nagar Haveli since March, 2016”, Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution, March 30, 2022, [https://pib.gov.in/PressReleasePage.aspx?PRID=1811483#:~:text=The%20Direct%20Benefit%20Transfer%20\(DBT,\(vi\)%20promote%20financial%20inclusion](https://pib.gov.in/PressReleasePage.aspx?PRID=1811483#:~:text=The%20Direct%20Benefit%20Transfer%20(DBT,(vi)%20promote%20financial%20inclusion).
- <sup>44</sup> Unstarred Question No. 1533, Rajya Sabha, Ministry of Consumer Affairs, Food and Public Distribution, December 10, 2021, <https://pqars.nic.in/annex/255/AU1533.pdf>.
- <sup>45</sup> “Pilot Project for Direct Benefit Transfer withdrawn 10 months after launch”, The Indian Express, as accessed on January 28, 2023, <https://indianexpress.com/article/india/jharkhand-pilot-project-for-direct-benefit-transfer-withdrawn-10-months-after-launch-5299959/>.
- <sup>46</sup> Unstarred Question No. 212, Lok Sabha, Ministry of Consumer Affairs, Food and Public Distribution, December 7, 2022, <https://pqals.nic.in/annex/1710/AU212.pdf>.
- <sup>47</sup> Report no. 24, Standing Committee on Consumer Affairs, Food and Public Distribution: ‘Demands for Grants (2023-24), Department of Food and Public Distribution’, Lok Sabha, March 21, 2023, [https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/17\\_Consumer\\_Affairs\\_Food\\_and\\_Public\\_Distribution\\_24.pdf?source=loksabhadocs](https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/17_Consumer_Affairs_Food_and_Public_Distribution_24.pdf?source=loksabhadocs).
- <sup>48</sup> Policy and System, Procurement, Food Corporation of India, as accessed on July 19, 2024, <https://fci.gov.in/headquarter/view/Policy-and-System-684>.
- <sup>49</sup> “Sufficient food grain stocks under Central Pool: Centre”, Press Information Bureau, December 15, 2022, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1883624>.
- <sup>50</sup> Action Plan for Rabi Marketing Season 2023-24, Food Corporation of India, March 29, 2023, [https://fci.gov.in/admin/storage/ckeditor/Action\\_plan\\_RMS\\_2023-24\\_1705061814.pdf](https://fci.gov.in/admin/storage/ckeditor/Action_plan_RMS_2023-24_1705061814.pdf).
- <sup>51</sup> Report no. 18, Standing Committee on Consumer Affairs, Food and Public Distribution: ‘Demands for Grants (2022-23), Department of Food and Public Distribution’, Lok Sabha, March 22, 2022, [https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/17\\_Food\\_Consumer\\_Affairs\\_And\\_Public\\_Distribution\\_18.pdf?source=loksabhadocs](https://sansad.in/getFile/Isscommittee/Consumer%20Affairs,%20Food%20and%20Public%20Distribution/17_Food_Consumer_Affairs_And_Public_Distribution_18.pdf?source=loksabhadocs).

<sup>52</sup> “More than 91.6 % cane dues cleared in ongoing sugar season; 99.9% dues cleared in previous season”, Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution, July 21, 2023, <https://pib.gov.in/PressReleasePage.aspx?PRID=1941390>.

<sup>53</sup> Report of the Task Force on Sugarcane and Sugar Industry, NITI Aayog, March 2020, [https://www.niti.gov.in/sites/default/files/2021-08/10\\_Report\\_of\\_the\\_Task\\_Force\\_on\\_Sugarcane\\_%20and\\_Sugar\\_Industry\\_0.pdf](https://www.niti.gov.in/sites/default/files/2021-08/10_Report_of_the_Task_Force_on_Sugarcane_%20and_Sugar_Industry_0.pdf).

<sup>54</sup> Corn Ethanol Production Booms in Brazil, United States Department of Agriculture, October 8, 2020, [https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Corn%20Ethanol%20Production%20Booms%20in%20Brazil%20Brasilia\\_Brazil\\_10-04-2020](https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Corn%20Ethanol%20Production%20Booms%20in%20Brazil%20Brasilia_Brazil_10-04-2020).

<sup>55</sup> Sugar Pricing Policy, Department of Food & Public Distribution, as accessed on July 19, 2024, [https://dfpd.gov.in/Home/ContentManagement?Url=sugar\\_policy.html&ManuId=3&language=1](https://dfpd.gov.in/Home/ContentManagement?Url=sugar_policy.html&ManuId=3&language=1).

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research (“PRS”). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.