

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

UNSTARRED QUESTION NO:3340
ANSWERED ON:16.03.2000
SALE OF SUGAR THROUGH P.D.S.
RAOSAHEB PATIL DANVE

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

- (a) whether 40% per cent of the sugr produced by the Sugar Mills is earmarked for sale through Public Distribution System at the reserved price;
- (b) if so, whether another 20,000 tonnes can also be released at his discretion;
- (c) if so, the quantity that has been released under the discretionary power during the last two years and the current year and the cost involved therein, year-wise;
- (d) whether he decided to do away with this discretionary quota of sugar release; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI V. SREENIVASA PRASAD)

- (a) With effect from 1.1.2000, 30% of the sugar production of the sugar mills is procured as levy for sale through Public Distribution System at the ex-factory levy sugar price fixed by the Government. Before 1.1.2000, 40% of the sugar production was procured as levy for sale through Public Distribution System at the ex-factory levy sugar price fixed by the Government.
- (b) Out of the freesale portion of the sugar of the sugar factories 20,000 tonnes of sugar per month was ear-marked for release as an additional free sale quota to the sugar factories as per the prescribed guidelines. The price of free sale sugar varies from place to place and time and, therefore, it is not possible to indicate the value of the additional free sale quota during the last 2 years.
- (c) & (d): With effect from 01.01.2000, Government has done away with the release of additional free sale sugar over and above the pro-rata allotment of sugar to the sugar mills. However, the sugar mills having no working capital from the banks are being considered under prescribed guidelines for release of advance freesale quota within their respective overall yearly prorated entitlement of freesale sugar.