

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

UNSTARRED QUESTION NO:3308
ANSWERED ON:16.03.2000
RESTRICTION ON PROCUREMENT OF SUGAR
NIKHILANANDA SAR

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

- (a) whether restriction is imposed on West Bengal Government in procurement of sugar from Bihar and Uttar Pradesh for supply under Public Distribution System;
- (b) whether the Government advised the West Bengal Government to procure sugar from Maharashtra, which will make the supply costlier due to transportation charges; and
- (c) if so, the reasons therefor?

Answer

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

(SHRI V. SREENIVASA PRASAD)

(a), (b) & (c) : Levy sugar quota of each State/UT for distribution under Public Distribution System is fixed and generally the same is allocated from the factories located in that State/UT itself. However, the deficit, if any, is met by allocating sugar from the factories of surplus State(s). Accordingly, keeping in view the availability of the levy sugar, allocations in favour of the Government of West Bengal with effect from December 1999 have been made from the factories of West Bengal and Maharashtra.

Levy sugar is supplied to the consumers at a uniform retail price throughout the country since October 1972. The incidental expenditure incurred for delivering sugar at a uniform price is reimbursed in the form of margin payable to wholesalers and retailers of levy sugar which include elements like interest on capital, bank commission, transportation charges, administrative charges etc.