

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

UNSTARRED QUESTION NO:233

ANSWERED ON:20.10.2008

SALE OF MANDATORY QUOTA OF SUGAR

Adsul Shri Anandrao Vithoba;Gudhe Shri Anantrao;Jadhao Shri Prakash B.

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

- (a) whether sugar mills in some States including Maharashtra have not sold their mandatory quota sugar in violation of Government orders in this regard;
- (b) if so, the details thereof alongwith the names of the mills withholding the mandatory quota;
- (c) whether show-cause notices were issued to such mills;
- (d) if so, the details thereof and reaction of the sugar mills thereto; and
- (e) the action initiated against the defaulters?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SH. KANTILAL BHURIA)

(a), (b), (c), (d) & (e): The Central Government allowed sugar factories to sell dismantled first buffer stock of 20 lac tons from 01.05.2008 to 30.09.2008 and 25% of dismantled second buffer stock of 30 lac tons from 01.08.2008 to 30.09.2008 in the domestic market without requirement of release orders from the Directorate of Sugar. This was in addition to normal non-levy sugar quota for the respective quarters. The Central Government vide Order dated 15.07.2008 directed the producers of sugar, inter alia, to submit returns by 10th day of following month in respect of the quantity sold out of dismantled first and second buffer stocks on monthly basis. As many sugar factories did not furnish the requisite information, a letter dated 13th August, 2008 in the shape of a show cause notice was issued to defaulting sugar mills including defaulting sugar mills of Maharashtra. There was a large scale compliance and a number of sugar factories submitted the returns. The Central Government has already decided to convert any unsold/undespached stocks out of total quantity of dismantled first buffer stock and 25% of the dismantled second buffer stock, which the sugar factories including sugar factories of Maharashtra were required to sell/dispatch by 30.09.2008, into levy sugar. Further, the Government has also decided that any unsold/ undespached normal non-levy sugar quota from the month of September, 2008 would also be converted into levy sugar. Besides, quarterly sale targets in respect of the balance 75% of the dismantled second buffer stock have also been laid down with similar condition that any quantity left unsold/undespached at the end of the quarter concerned, would be converted into levy sugar.