

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

UNSTARRED QUESTION NO:1428

ANSWERED ON:21.08.2012

LEVY SUGAR

Bhagora Shri Tarachand

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

- (a) whether the matter of revision of levy sugar margins of Rajasthan is still pending even though the State Government has submitted the requisite year-wise comprehensive proposals;
- (b) if so, whether the delay in taking the decision has led to acute financial crisis for the co-operative institutions of Rajasthan handling levy sugar;
- (c) if so, the details thereof and the remedial steps taken in this regard;
- (d) whether the Food Corporation of India (FCI) has withheld the Levy Sugar Price Equilisation Fund claims related to transport charges and commission on the grounds that the Department of Food has not revised levy sugar margin for 2010-11; and
- (e) if so, the details thereof and the remedial steps taken/proposed to be taken in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a), (b) & (c) The Government of Rajasthan has submitted the proposals for revision of the levy sugar margins for the years 1999-2000 to 2010-11. In respect of the margin proposals for the years 1999-2000 to 2006-07, certain supportive documents from the State Government have not been received. As regards, proposals for revision of the levy sugar margins for the years 2007-08 to 2010-11, the Central Government, as an interim measures, on adhoc basis, has allowed 85% of the transportation charges claimed by the State Government, the major component of the wholesaler's margins for the years 2007-08 to 2009-10 and the same have already been released by FCI on 06.07.2011 for these years.

(d) & (e): The Government of Rajasthan vide letter dated 19th June, 2012 had intimated that the FCI, Jaipur has withheld the entire transportation charges & commission amount of approx. Rs. 27.00 crores, against the reimbursement proposals of the years 2010-11 & 2011-12. The Central Government vide letters dated 3rd August, 2012 and 14th August, 2012 has advised FCI to continue to make payment of transportation charges against the reimbursement proposals for the years 2010-11 & 2011-12 to the Government of Rajasthan on the basis of the last fixed rate, till the margins for these years are finalized.