

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

UNSTARRED QUESTION NO:2877

ANSWERED ON:11.12.2012

LEVY QUOTA OF SUGAR

Jawale Shri Haribhau Madhav;Mandal Shri Mangani Lal

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

- (a) whether the levy sugar quota which is not lifted for more than three months is converted to non-levy sugar quota;
- (b) if so, the details thereof indicating the quantum of levy sugar converted to non-levy sugar during the last two years, State-wise;
- (c) whether the sugar industry and organisations have urged the Union Government for speedy implementation of the recommendations made by the Rangarajan Committee including removal of levy sugar obligation; and
- (d) if so, the details thereof and the reaction of the Union Government thereto along with expected growth in sugar sector as a result thereof?

**Answer**

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

- (a): As per the existing instructions dated 30.11.2010, the sugar mills are eligible to apply for conversion of their levy sugar, which remains unlifted after lapse of three months from the date of allotment, for sale in the open market, subject to the conditions contained therein. But the levy obligation of the concerned sugar mill is to remain unchanged. However, the period of carry forward of the levy obligation of such sugar mills has been prescribed to be maximum two sugar seasons, subsequent to the sugar season to which the levy obligation pertains.
- (b): The quantum of unallocated/ unlifted levy sugar converted into non-levy sugar by the Government during the last two years, State-wise, is indicated in the annexure attached.
- (c) & (d): Yes, Madam. Various organisations/representative bodies of sugar industry, namely, U.P. Sugar Mills Association, Indian Sugar Mills Association (ISMA) and National Federation of Cooperative Sugar Factories Ltd. (NFCSF), have requested the Government for speedy implementation of the recommendations made by Dr. Rangarajan Committee including removal of levy sugar obligation. The recommendations of the Committee are under consideration of the Government.