

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

STARRED QUESTION NO:27  
ANSWERED ON:06.08.2013  
DECONTROL OF SUGAR SECTOR  
Choudhary Shri Harish;Singh Shri Dhananjay

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

- (a) whether the Government has notified the decision to partially de-control the sugar sector;
- (b) if so, the details thereof and the mechanism to be adopted for distribution of sugar at cheap rates to the poor sections along with the assistance and subsidy proposed to be provided to the States in this regard;
- (c) whether the Government proposes to adopt a differential system to provide higher subsidy to the States placed at a disadvantageous position due to logistical problems involving movement of sugar from distant sugar producing States; and
- (d) if so, the details thereof?

**Answer**

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

(a), (b), (c) & (d):A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE STARRED QUESTION NO. 27 DUE FOR ANSWER ON 06.08.2013 IN THE LOK SABHA

(a) & (b):Yes, Madam. Following the decision to partially decontrol the sugar sector, the Central Government has rescinded the notifications relating to levy obligation on sugar mills and regulated release mechanism on open market sale of sugar. However, to make sugar available in the Targeted Public Distribution System (TPDS) at the existing retail issue price (RIP) of Rs.13.50 per kg, the State Governments/UT administrations have been asked to procure it from the open market through a transparent system. The Central Government would reimburse the States/UT's @ Rs.18.50 per kg, limited to the quantity based on their existing allocations.

(c):No such decision has been taken by the Government in this regard.

(d):Does not arise.