

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

UNSTARRED QUESTION NO:225

ANSWERED ON:24.02.2015

RETAIL PRICE OF SUGAR UNDER PDS

Gavit Dr. Heena Vijaykumar;Kodikunnil Shri Suresh;Mahadik Shri Dhananjay Bhimrao;Patil Shri Vijaysinh Mohite;Satav Shri Rajeev Shankarrao

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

- (a) whether the Government has decided to give flexibility to States to fix the retail price of Public Distribution Scheme (PDS) sugar that has been kept unchanged since 2002;
- (b) if so, the details thereof and the reasons therefor along with the response of the States thereto indicating the quantum of subsidy proposed to be provided to the States;
- (c) whether the Government has received requests/proposals from the States to increase the per capita sugar allocation;
- (d) if so, the details thereof and the reaction of the Government thereto; and
- (e) the steps being taken to ensure adequate supply of sugar to the poor under PDS?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): In wake of different requests by participating States/UT Administrations for modification of the current system for distribution of sugar through Public Distribution System (PDS), the present system has been reviewed and it has been inter-alia decided that the current level of subsidy at Rs. 18.50 per kg being given by Central Government will be continued for the existing level of allocations. State Governments/UT Administrations may either absorb the additional cost on account of handling, transportation and dealer's commission or add it to existing Retail Issue Price of Rs. 13.50 per kg under PDS in their respective territories.

(c): No, Madam.

(d): Does not arise.

(e): In order to ensure adequate supply of sugar under PDS, Central Government has advised States/UT Administrations to take necessary steps for procurement of sugar from open market and its transportation to the designated stations. State Governments have also been advised that they may use godowns of FCI/CWC, if available, and as per the mutual terms and conditions agreed to between them. Besides, with a view to ease out the financial burden of State Governments/UT administrations, Central Government is granting up to 90% of their estimated quarterly subsidy claim as advance subsidy, on demand, to facilitate procurement of sugar.