

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

UNSTARRED QUESTION NO:1484

ANSWERED ON:02.12.2014

PRICE OF SUGAR UNDER PDS

Antony Shri Anto ;Chandrappa Shri B.N.;Karandlaje Km. Shobha

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

- (a) whether the Government proposes to give flexibility to State Governments to fix the price of sugar under the Public Distribution System (PDS);
- (b) if so, the details thereof indicating the names of the States seeking flexibility in this regard;
- (c) whether the Government has received any suggestions regarding quantum of subsidy provided to the States for purchase of sugar under PDS;
- (d) if so, the details thereof and the reaction of the Government thereto; and
- (e) whether the Government has received any requests for increasing allocation of sugar to the States, if so, the details thereof and the response of the Government thereto indicating the total quantum of sugar required to meet the demand under PDS?

Answer

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

(a)& (b): The Retail Issue Price (RIP) of sugar for distribution under Public Distribution System (PDS) is uniform throughout the country and continues to be Rs. 13.50 per kg since 1.3.2002. However, State Governments of Gujarat, Odisha, Tripura and Punjab have requested that they may be allowed to increase the RIP.

(c)&(d): Under the new dispensation for distribution of sugar through PDS, the State Governments/UT Administrations have been asked to procure sugar from open market and the Central Government reimburses a fixed subsidy @ Rs. 18.50 per kg limited to the quantity based on their existing allocation. However, some State Governments/UT Administrations have requested to reimburse the entire additional expenditure on transportation, handling and dealers commission etc. towards distribution of sugar through PDS. Appropriate decisions are taken at the appropriate times by the Government.

(e): State Governments of Punjab and Telangana have requested for increasing allocation of sugar for extended coverage under PDS. The Government is not considering any proposal to increase the existing allocation of 27 lakh tonnes of sugar to States/ UTs for distribution under PDS.