

Decontrol of sugar

**GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
RAJYA SABHA
QUESTION NO 662
ANSWERED ON 04.03.2013**

Decontrol of sugar

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SHRI D. RAJA

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

(a) whether it is a fact that a proposal to decontrol sugar is under active consideration of Government; and

(b) if so, the details thereof?

ANSWER

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

(a)& (b): The Central Government had constituted a committee headed by Dr. C. Rangarajan, Chairman, Economic Advisory Council (EAC) to the Prime Minister, to comprehensively look into all the issues related to deregulation of the sugar sector. The committee submitted its report to the Government on 5th October, 2012. The Committee has, interalia, recommended removal of the levy sugar obligation and dispensing with the regulated release mechanism on non-levy sugar; Rationalisation of sugarcane pricing; Abolition of cane area reservation system and bonding; Doing away with the minimum distance norms as states discontinue cane area reservation; liberalisation of sugar trade; market determination of prices of by-products with no earmarked end use allocations; and taking out sugar from the purview of Jute Packaging Materials (Compulsory use in Packaging Commodities) Act, 1987. The recommendations of the Committee are under active consideration of the Government.
