

SPEED POST

No. 4-3/2006-CC
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Food & Public Distribution
(Directorate of Sugar)

Krishi Bhawan, New Delhi
Dated: 19th October, 2011

SHOW CAUSE NOTICE

Subject: - Study of Sugar Industry- regarding.

1. Whereas, the Essential Commodities Act, 1955 has been enacted in the interests of general public for the control of production, supply, distribution, trade and commerce in certain commodities; and
2. Whereas, sugar is an essential commodity under the Essential Commodities Act, 1955; and
3. Whereas, the Central Government is following a policy of partial control over sugar under which a part of sugar production is requisitioned as levy sugar for distribution in the Public Distribution System (PDS) at a uniform retail issue price; and
4. Whereas, the Central Government is required to determine the ex-factory levy sugar price having regard to the factors mentioned in the sub-section (3C) of the Section 3 of the Essential Commodities Act, 1955; and
5. Whereas, one of the factors (factor c) mentioned in sub-section (3C) of the Section 3 of the Essential Commodities Act, 1955 relates to manufacturing cost of sugar; and
6. Whereas, the Central Government has assigned the study of investigation in to cost structure of the sugar industry for 2010-11, 2011-12 and 2012-13 sugar seasons to the Tariff Commission, an expert body in the matter of cost and price under the administrative control of the Ministry of Commerce and Industry; and
7. Whereas, the Tariff Commission has issued a questionnaire for the above purpose vide its letter no. 3/12/2010-TC dated 4th October, 2010 and asked all sugar factories to furnish the reply to the same 15th November, 2010; and
8. Whereas, the Central Government, in exercise of the powers conferred by Section 3 of the Essential Commodities Act, 1955 has, inter alia, issued the Sugar (Control) Order, 1966.
9. Whereas, the Clause 10 of the Sugar (Control) Order, 1966 confers powers on the Central Government to call for information from any producers, importers of recognized dealers, as may be required by it; and

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