

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
RAJYA SABHA
QUESTION NO 04.12.2009
ANSWERED ON
SUGAR STOCK IN THE COUNTRY .

1725

Shri Prakash Javadekar

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

- (a) whether it is a fact that only two months sugar stock is available in the country;
- (b) if so, the immediate action taken by Government in this regard;
- (c) the reasons for such shortage of sugar;
- (d) whether Government is planning to import sugar; and
- (e) if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION

(PROF. K.V. THOMAS)

(a)to(c): The opening stocks of sugar on the commencement of current 2009-10 sugar season were hardly enough to meet requirement of the first two months of this season. The Central Government has taken a slew of measures to augment domestic stock of sugar as detailed in enclosed Annexure. The low production of sugar in 2008-09 sugar season is mainly on account of reduction in area and lower production of sugarcane in the crop year 2007-08 (Sugar Season 2008-09) and higher diversion of cane to usages other than manufacturing of sugar.

(d)&(e): No, Sir. The Central Government, however, has facilitated duty-free import of raw and white/refined by sugar mills, Central/States agencies and merchant importers-exporters with a view augment domestic stocks of sugar.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (c) OF THE UNSTARRED QUESTION NO.1725
DUE FOR ANSWER ON 04.12.2009 IN THE RAJYA SABHA.

Measures taken by the Central Government to augment domestic stocks of sugar

? Allowed import of raw sugar under Advance Authorization Scheme by sugar mills at zero duty upto 30.09.2009. ? Allowed import of raw sugar at zero duty under O.G.L. upto 01.08.2009 by sugar mills, later extended upto 31.03.2010. This has been further extended upto 31.12.2010. ? Import of raw sugar was opened to private trade upto 31.03.2010 for being processed by domestic factories on job basis. This has been further extended upto 31.12.2010. ? Allowed duty free import of white/refined sugar by STC/MMTC/PEC and NAFED upto 1 million tonnes by 01.08.2009 which was extended upto 30.11.2009. Further, duty free import of white/refined sugar under OGL has also been opened to other Central/State Government agencies and to private trade in addition to existing designated agencies, upto 30.11.2009. This has been further extended upto 31.03.2010 and the cap on import of white/refined sugar has been removed. ? Levy obligation has been removed in respect of all imported raw sugar and white/refined sugar. The white/refined sugar has been also allowed to be sold at the discretion of the importing organizations, but sugar processed from imported raw sugar is subject to accelerated releases. ? States have been requested to waive VAT on imported white/refined sugar so as to make the imports competitive.