

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA

UNSTARRED QUESTION NO. 2167
TO BE ANSWERED ON 31ST JULY, 2018

SUGAR PRODUCTION

2167. DR. P. VENUGOPAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government has taken various initiatives during the last five months to help loss-making sugar mills, if so, the details thereof;
- (b) whether the sugar production is estimated to touch a record 32 million tonnes in the 2017-18 marketing year against 20.3 million tonnes output in the previous year; and
- (c) whether the year's production is much higher than the annual domestic demand of 25 million tonnes and if so, the details thereof?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a): In order to improve the liquidity position of the sugar mills to enable them to clear the cane dues of the farmers, the Central Government has taken following initiatives during the last five months :

- (i) Notified the scheme for "Assistance to sugar mills" under which financial assistance @Rs.5.50/quintal of cane crushed will be provided to sugar mills to offset the cost of cane amounting to about Rs. 1540 Crore;
- (ii) Created buffer stock of 30 LMT for which Government will reimburse carrying cost of Rs. 1175 Crore towards maintenance of Buffer stock;
- (iii) Decided to provide soft loans of Rs. 4,440 through banks to the mills for setting up new distilleries and installation of incineration boilers to augment and enhance ethanol production capacity for which Government will bear interest subvention of Rs. 1332 Crore;
- (iv) Notified the sugar price (Control) Order, 2018 and there under fixed the minimum selling price of sugar at Rs.29/kg for sale at factory gate in domestic market, below which no sugar mill can sell sugar.

(b): Yes Madam. The Sugar production during current sugar season (Oct, 17-Sep,-18) is estimated to be about 322 Lakh MT as against 202.27 lakh MT during pervious sugar season.

(c): As indicated in reply to part (b) of the question above, the sugar production during current sugar season is estimated at about 322 Lakh MT as against estimated domestic demand of about 250 Lakh MT.
