

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

UNSTARRED QUESTION NO:1311

ANSWERED ON:08.03.2002

SUGAR INDUSTRY IN CRISIS

ASHOK NAMDEORAO MOHOL;MADAN PRASAD JAISWAL;RAM SHAKAL

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

- (a) whether sugar industry is facing serious crisis due to increase in the rates of sugarcane and the decision of the Union Government decontrol it;
- (b) if so, whether the Union Government propose to provide especial assistance to help the sugar units to come out of this crisis;
- (c) if so, the details thereof;
- (d) whether the Union Government also propose to provide subsidy on export to sugar exporters; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SREENIVASA PRASAD)

- (a): No, Sir. The sugar industry does not face any crisis due to increase in the Statutory Minimum Price of sugarcane by Rs.2.55 per quintal in 2001-2002 sugar season and decision of the Government to decontrol sugar.
- (b)&(c): Do not arise.
- (d)&(e): There is no proposal under consideration of the Government to provide subsidy on exports of sugar. However, the Government has decided to amend Sugar Development Fund Act, 1982 for enabling it to defray expenditure from the Sugar Development Fund on internal transport and freight charges on export shipments of sugar to promote export of sugar.