

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

UNSTARRED QUESTION NO:3966  
ANSWERED ON:09.08.2002  
R & D ACTIVITIES IN SUGARCANE  
KINJARAPU YERRANNAIDU;SUKENDER REDDY GUTHA

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

(a) whether the Government of Andhra Pradesh have requested the Union Government for the allocation of 50 per-cent of the accumulated sugar cess fund for Research and Development activities in sugarcane;

(b) if so, the details thereof; and

(c) the action taken by the Government in this regard?

**Answer**

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

(a)&(b): Yes Sir. The Chief Minister of Andhra Pradesh had written to the Prime Minister for allocating 50% of the accumulated sugar cess fund available with Central Government pertaining to the State of Andhra Pradesh as grant for establishment of a State Institute of R&D in sugarcane.

(c): The request was not acceded to by the Government. It was clarified that in terms of the Sugar Development Fund Act, 1982 the cess levied and collected under Sugar Cess Act reduced by the cost of collection is to be credited to the Sugar Development Fund after due appropriation made by Parliament and the fund is to be, inter-alia, utilised for making grants to established institutions connected with the sugar industry for carrying out research aimed at the promotion and development of any aspect of sugar industry including sugarcane.

There is no provision in the Sugar Development Fund Act for allocation of sugar cess to State Governments for setting up State Level Research Institutes. However, research projects aimed at development of sugar industry by research institutes including State level research institutes are eligible for consideration for receiving grants.