

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

UNSTARRED QUESTION NO:6809  
ANSWERED ON:09.05.2003  
SAFEGUARD OF INTEREST OF SUGARCANE GROWERS AND SUGAR MILLS  
RAJO SINGH

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

(a) whether Indian Sugar Mills Association an organisation of sugar mill owners has submitted any representation to the Government to safeguard the interests of sugarcane growers and sugar-mill owners; and

(b) if so, the details thereof and the reaction of the Government thereto?

**Answer**

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

(a)&(b): Indian Sugar Mills Association (ISMA) has been representing the Government from time to time to safeguard the interest of sugar industry. Some of the demands made by ISMA recently and action taken thereon by the Central Government is as under:-

(i) Creation of Buffer Stock:- On the basis of demand of ISMA and National Federation of Cooperative Sugar Factories Ltd., Government has created a buffer stock of 20 lakh tonnes of sugar for a period of one year from 18.1.2.2002.

(ii) Effective enforcement of release mechanism:- Government has decided to amend the Essential Commodities Act, 1955 and to implement `regulated release` mechanism effectively.

(iii) Reimbursement of internal transport and freight charges and neutralization of ocean freight disadvantage:- In order to promote exports of sugar, the sugar factories have been allowed to claim reimbursement of expenditure incurred on internal transport and freight charges on export shipments of sugar. It has also been decided that neutralization of ocean freight disadvantage at the rate of Rs.350 per tonne would be reimbursed.