

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

UNSTARRED QUESTION NO:3977
ANSWERED ON:22.08.2003
EXPORT SUBSIDY IN SUGAR
MANSINH PATEL,SHIVAJI MANE

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

- (a) whether some States have requested the Union Government to grant adequate level of export subsidy to make exports of sugar possible from various States;
- (b) if so, the details thereof;
- (c) whether a report has been called for from the Directorate of Sugar Industry in this regard; and
- (d) if so, the details thereof and the time likely for response thereto?

Answer

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

(a),(b),(c)&(d): Policy on assistance for promotion of export of sugar is framed keeping in view suggestions received, interalia, from State Governments and Apex Organisations of sugar industry. The Government has taken the following steps to promote export of sugar:-

- (i) Quantitative restrictions on export of sugar have been lifted;
- (ii) Factories exporting sugar have been allowed exemption from levy on the quantity of sugar exported;
- (iii) Adjustment in free sale stocks of sugar factories exporting sugar is being made at the end of 18 months from the date of export;
- (iv) Duty Entitlement Pass Book (DEPB) benefit @ 4% on the f.o.b. value of exports has been allowed on exports of sugar;
- (v) With effect from 21st June, 2002, the sugar factories have been allowed to claim reimbursement of expenditure incurred on internal transport and freight charges on export shipments of sugar;
- (vi) With effect from 14th February, 2003, the sugar factories have been allowed neutralization of ocean freight disadvantage on export shipments of sugar @ Rs.350 per tonne.