

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

UNSTARRED QUESTION NO:5170

ANSWERED ON:27.04.2010

RAW SUGAR IMPORT

Gawali Patil Smt. Bhavana Pundlikrao ;Siricilla Shri Rajaiah

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

- (a) whether the Government has permitted import of raw sugar under the Advance Authority Scheme to meet the shortage in the country;
- (b) if so, the details thereof and the response received thereto;
- (c) whether sugar factories have been permitted to sell raw sugar in domestic market and to fulfil the responsibility of export on ton to ton basis;
- (d) if so, the details of such sugar mills of the country;
- (e) whether all sugar mills in the country including Maharashtra have been able to fulfil their commitment;
- (f) if so, the details thereof; and
- (g) the other steps taken to meet the shortage of sugar in the country?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a),(b),(c),(d),(e)&(f): Under Advance Authorisation Scheme (AAS), duty free import of inputs are allowed for manufacture of export product under actual user (AU) condition and the product so manufactured needs to be exported within a maximum time period of 36 months from the date of issuance of authorization. However, for advance authorization issued for raw sugar import for export of white sugar, relaxation was allowed to such advance authorization holders wherein the flexibility was given to use the imported inputs for production and domestic sale even prior to fulfillment of export obligation (ton-to-ton basis). This facility was permitted for import of raw sugar from 21.09.2004 to 15.04.2008 and also from 17.02.2009 to 30.09.2009. The Government has extended the export obligation period for advance authorization issued during the period 21.09.2004 to 15.04.2008 upto 31.03.2011 without payment of composition fee. They have also been given option to pay the custom duty as applicable on the date of import for the quantity of import proportionate to unfulfilled export obligation and get the case regularized accordingly. Since the export obligation period has been extended for such authorizations, details of these authorizations and import/export thereof would be available only when the authorization holder(s) submit their relevant documents or on the expiry of export obligation period whichever is earlier.

(g): In order to meet the shortage of sugar in the country, the Central Government has permitted duty-free import of raw and white/refined sugar upto 31-12-2010 without any quantitative cap.