

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

UNSTARRED QUESTION NO:398
ANSWERED ON:27.07.2010
SUGAR CESS
Majhi Shri Pradeep Kumar

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

- (a) whether the Government has been collecting cess from sugar factories under the Sugar Cess Act, 1982;
- (b) if so, the details of cess collected by the Government during each of the last three years and the current year;
- (c) the manner in which the Government utilised the amount collected from the sugar cess;
- (d) whether the funds allocated for development of sugar factories has not been fully utilised during the said period; and
- (e) if so, the details thereof and the reasons therefor?

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): Yes, Madam

(b),(c),(d) & (e): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PART (b) TO (e) OF LOK SABHA UNSTARRED QUESTION NO.398 DUE FOR ANSWER ON 27-07-2010

(b): Cess collected by Government during each of the last 3 years and the current financial year is as follows:-

Year Amount of cess collected
 (in Rs. crore)

2007-08 263.70

2008-09 577.53

2009-10 446.74

2010-11 33.43 (Upto 30-05-2010)

(c): The sugar cess collected and deposited in the Consolidated Fund of India, has been transferred to the Sugar Development Fund as under:

(in Rs. crore)
Year Amount transferred to Sugar Development Fund

2007-08 250.00

2008-09 250.00

2009-10 250.00

2010-11 250.00

Utilization of funds from the Sugar Development Fund has been as per Table below:-

(in Rs. crore)

Head of expenditure	2007-08	2008-09	2009-10	2010-11
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(upto 30-06-2010)

Administration of Sugar Development Fund	0.3893	9.97	9.77	6.33
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Loan for Rehabilitation/Modernisation of Sugar Mills	125.00	182.49	275.00	19.25
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Loan for Cane Development	5.06	6.51	160.00	26.70
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Loan for bagasse based cogeneration power project	150.00	256.96	350.00	113.31
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Loan for productionfor Anhydrous alcohol or Ethanol from Alcohol	8.36	60.00	90.00	31.36
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Subsidy for maintenance of Buffer Stock of Sugar	176.19	273.09	123.94	2.33
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Grants-in-aid for development of Sugar Industry	0.28	0.35	0.1161	0.00
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Reimbursement of Internal Transport & Freight to Sugar Factory on export shipment	80.32	285.00	285.00	10.88
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Inter Subvention to Cooperative Sugar Mills through NABARD	138.54	0.00	0.00	0.00
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Scheme for Extending Financial Assistance to Sugar Undertaking 2007	0.00	0.00	376.83	0.00
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(d) & (e): The funds allocated for development of sugar factories have been fully utilized during the said period, except for a shortfall in utilization of funds during 2007-08. During 2007-08, Rs.21.64 crore remained unspent under loans for production of anhydrous alcohol of ethanol because sugar factories who were sanctioned the loans could not complete the necessary documentation for release of funds.