

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

UNSTARRED QUESTION NO:1570
ANSWERED ON:03.08.2010
SUGAR QUOTA
Karunakaran Shri P.

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

- (a) the Minimum Support Price fixed for sugarcane and the issue price of levy sugar to the States;
- (b) the quantum of sugar allocated to the States during each of the last three years, State-wise;
- (c) whether some States including Kerala have requested the Union Government for increase in quota of sugar; and
- (d) if so, the details thereof and the reaction of the Government thereto?

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): The Central Government has amended its sugarcane pricing policy to determine "Fair and Remunerative Price" (FRP) for sugarcane from 2009-10 sugar season instead of a Statutory Minimum price (SMP) previously fixed by the Government. As recommended by the Commission on Agricultural Costs and Prices (CACP), the Government has fixed a Fair and Remunerative Price (FRP) for sugarcane for 2009-10 sugar season at Rs.129.84 per quintal, linked to a basic recovery rate of 9.5% subject to a minimum of Rs.1.37 for every 0.1 percentage point increase in recovery above 9.5%.

FRP for 2010-11 sugar season has been determined at Rs.139.12 per quintal subject to a premium of Rs.1.46 for every 0.1 percentage point increase in recovery above that level.

Accordingly, the Central Government has notified the zonal ex-factory prices of levy sugar for 2009-10 sugar season by taking into account the 'Fair and Remunerative Price' of sugarcane for 2009-10 sugar season on provisional basis. The all India ex-factory price now comes to Rs.1757.50 per quintal as against the earlier price of Rs.1305.92 per quintal.

The Retail Issue Price of Levy Sugar distributed through the Public distribution System continues to be Rs.13.50 per kg.

(b): State-wise quantity of levy sugar allocated during 2006-07 to 2008-09 and 2009-10 (upto August 2010) is enclosed as Annexure.

(c)&(d): In the recent past, the Government has received requests from Government of Kerala and Assam for additional allocation of levy sugar for festivals. The Government of Uttarakhand requested additional allocation for Maha Kumbh Mela. The Government of Tamilnadu requested for increase in the allocation of levy sugar of the State corresponding to the enhancement of levy percentage from 10% to 20%. The Government of Bihar requested for enhancement of their levy sugar quota. Mizoram has requested for raising the current allocation from 666 MT to 800 MT per month. Andhra Pradesh requested for increase in allocation so as to ensure that cardholders get at least 1 kg per month; and Orissa requested for allocation of sugar to Above Poverty Line (APL) families also at subsidized rate.

The Central Government has not accepted the request of State Governments for additional allocations.