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

UNSTARRED QUESTION NO:3291 ANSWERED ON:28.07.2009 IMPORT OF SUGAR Devappa Anna Shri Shetti Raju Alias

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

- (a) whether sugar was imported during the last three years; and
- (b) if so, the details thereof and the reasons therefor indicating the quantum and the landing price of sugar imported during the said period?

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): There has been no import of sugar on Government account during the last three years. However, in order to augment sugar stocks for 2004-05 and enable the Government to meet the normative 3 months' consumption requirement of the country, the Advance Licence Scheme was liberalized for raw sugar import, in as much as the imported raw sugar under Advance Licence could be processed into white sugar, sold in the domestic market, and such importers were allowed to fulfill export obligation within 24 months period or such extended period as allowed by DGFT by exporting indigenously manufactured white sugar. This policy remained in vogue from 21.09.2004 to 15.04.2008.

The sugar production in the current sugar season 2008-09 is provisionally estimated in the range of 150-155 lakh tons as against estimated consumption of 225 lakh tons and the Central Government, with a view to augment domestic availability of sugar, has permitted import of raw sugar by sugar mills under Advance Authorization Scheme (AAS) at zero duty upto 30.09.2009, and under Open General License (OGL) upto 01.08.2009 and import of white/refined sugar by STC/MMTC/PEC and NAFED upto 1 million tons at zero customs duty under Open General License (OGL).

The import of sugar during financial years 2005-06 to 2007-08 was as under:

Financial year Quantity(in lakh MTs) CIF Value (Rs/Crores)

2005-06 5.59 651.80

2006-07 0.01 3.48

2007-08 0.005 2.29

Source: Directorate General of Commercial Intelligence & Statistics, (DGCI&S) Kolkata

As per latest report from the Department of Commerce, the total quantity of white/refined sugar contracted by STC, MMTC and PEC is 115563 M.Ts. As per trade circles, about 25 lac tons of raw sugar have been contracted by Indian sugar factories out of which 18.20 lac tons have already arrived or would be arriving shortly by end of July, 2009.