

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

UNSTARRED QUESTION NO:4388

ANSWERED ON:04.08.2009

SUGAR PRODUCTION CAPACITY

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

- (a) the targets fixed and achieved for production of sugar during each of the last three years and the current year, State-wise and year-wise;
- (b) whether the sugar production capacity in the country was fully utilized during the said period;
- (c) if so, the details thereof indicating the total production capacity and its utilisation during the said period, Statewise;
- (d) if not, the reasons therefor; and
- (e) the steps taken/proposed to be taken to bridge the gap between production and demand 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): The Govt. does not fix the targets for sugar production. However the production of sugar during each of the last three sugar years (October –September) and the current sugar year, State-wise and sugar year-wise is at Annexure-I.

(b),(c),(d)&(e): The utilization of sugar production capacity depends on the availability of sugarcane. The production of sugarcane and sugar is cyclic in nature. Every two–three consecutive years of high sugarcane production in the country are followed by two–three years of low production. Sugar production capacity in the country was marginally under-utilized during 2005-06 and was over utilized during 2006-07 and 2007-08, as sugarcane production/availability in the country was higher than the requirement. However, during the current sugar season 2008-09, the sugar production capacity was highly under-utilized due to lesser production/availability of sugarcane in the country. The State-wise total sugar production capacity and its utilization during above period is at Annexure II-A to II-D.

The production of sugar during current sugar season 2008-09 is estimated to be in the range of 150-155 lac tons and along with a carry over stock of 100 lac tons from the previous sugar season, the consumption requirement of about 225 lac tons of sugar in the country will be met. However, to augment the availability and to meet the requirement of sugar during starting months of next sugar season 2009-10, the Government has permitted duty free import of raw sugar by sugar mills under Open General License (OGL) up to 01.08.2009 and under Advance Authorization Scheme up to 30.09.2009. Designated agencies viz. STC, MMTC, PEC and NAFED have been permitted duty free import of up to 1 million ton of white / refined sugar under OGL up to 01.08.2009.