

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

UNSTARRED QUESTION NO:1046

ANSWERED ON:20.03.2012

PRICE OF SUGAR AND WHEAT

Dharmshi Shri Babar Gajanan;Yadav Shri Dharmendra

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

- (a) whether the Government of India has decided to ease import norms on raw sugar as well as off load more wheat in the open market to reverse inflationary trends;
- (b) if so, the details thereof and the steps taken by the Government thereon;
- (c) whether the said action of the Government has failed to control the price rise;
- (d) if so, the reasons therefor and the reaction of the Government thereto; and
- (e) the steps taken by the Government to control the price rise?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a)&(b) Currently imports of raw sugar is fully exempt from basic customs duty. This exemption is valid upto 31.03.2012. Major quantity of raw sugar was imported during the low production years of 2008-09 and 2009-10. As per Department of Revenue, 22.37 and 33.96 lac tons of raw sugar was imported during 2008-09 and 2009-10 sugar season, respectively.

In order to check inflation in the prices of wheat, 6.75 lac tons of wheat have been allocated to States/UTs for distribution to retail consumers for the period from October, 2011 to March, 2012 under Open Market Sale Scheme (OMSS). Similarly, 9 lac tons of wheat has been allocated for tender sale to bulk consumers through FCI and sale to small/Private Traders from FCI godowns under OMSS. 20,000 tons of wheat has been allocated to NCCF & 10,000 tons of wheat has been allocated to Kendriya Bhandar for distribution to retail consumers

(c)&(d) The prices of wheat and sugar are stable in the domestic market.

(e) The market prices of essential commodities including sugar and wheat depend upon a number of factors viz., production, stock, supply, demand, export, import, market sentiments etc. It is the endeavour of Government to control the domestic prices of sugar through the policy of regulated release mechanism and also that of wheat by appropriate market intervention.