

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

UNSTARRED QUESTION NO:1446
ANSWERED ON:21.08.2012
IMPORT OF RAW SUGAR
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the total quantum of raw sugar imported during the last three years and the current year along with the mills where the same was processed;
- (b) whether problems were faced in processing of the said sugar in some States including Maharashtra;
- (c) if so, the details thereof and the corrective steps taken thereon;
- (d) whether the delay in release of imported sugar has led to a rise in the sugar prices;
- (e) if so, the details thereof and the reasons therefor; and
- (f) the steps taken to improve the availability and control the prices of sugar?

Answer

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

(a): The total quantum of raw sugar imported during the last three years and the current year is given at Annexure-I. The mills where the same was processed is given at Annexure-II.

(b)&(c): The Uttar Pradesh based Sugar mills had faced problem in movement and processing of the raw sugar in the State as Government of Uttar Pradesh had put restrictions on transportation of sugar in the state during 2009-10 sugar season. No problem in processing of raw sugar was reported by other states including Maharashtra.

In order to resolve the difficulties of Uttar Pradesh Sugar mills in getting imported raw sugar processed in the State, the Department of Revenue vide its circular dated 12.01.2010 had prescribed a procedure for processing raw sugar on job work basis by other mills/refineries till 30.06.2010. Further, the Department of Revenue vide circular dated 10.02.2010 had permitted such importing sugar mills/refineries to make a onetime sale till 31.12.2010 of imported raw sugar stocks to other sugar mills/refineries for raw sugar imported till 30.06.2010. Meanwhile, the restrictions imposed by Uttar Pradesh Government were lifted on 19.02.2010.

(d) & (e): The price of sugar depends upon a number of factors like cost of raw material mainly sugarcane, conversion cost, domestic demand and supply situation, market sentiments, trend of international prices and production, etc. As such, it is not possible to indicate the impact of one factor alone on the rise in sugar prices during the period of impasse in Uttar Pradesh.

(f): The Central Government, during the period of 2008-09 and 2009-10, had taken a slew of measures to augment the availability of sugar and control its prices in the domestic market as indicated in Annexure-III.

Similarly, the Central Government has taken following measures to improve the availability and control the prices of sugar during the current sugar season:

- (i) The unsold non-levy quota of about 2 lac tonnes from April to June quarter was allowed on 13.07.2012 for sale in the open market upto 14.08.2012;
- (ii) Sugar mills have been directed to sell at least 70% of July-September quota by August, 2012 vide order dated 24.07.2012;
- (iii) Additional quota of 2.66 lac tonnes has been released on 27th July, 2012 to be sold off by 31st August, 2012; and
- (iv) Another additional quota of 4 lac tonnes has been released on 7th August, 2012 to be sold off by 31st August, 2012.
- (v) In total, 213.12 lac tonnes of levy and non-levy sugar has been released for domestic consumption during 2011-12 sugar season.