

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

UNSTARRED QUESTION NO:1973

ANSWERED ON:01.12.2009

EXPORT OF SUGAR

Joshi Shri Mahesh;Rajesh Shri M. B.

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

- (a) the stock of sugar in the country at present, State-wise;
- (b) whether there is a shortage of sugar at fair price shops under the Public Distribution System and in the open market;
- (c) if so, whether sugar is being exported on a large scale despite its shortage in the domestic market;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the remedial measures taken by the Government to meet this shortage?

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): Based on the opening stocks, production, import/export and releases of levy and non-levy sugar in sugar season 2008-09, the closing stocks at the end of the sugar season 2008-09 (i.e. as on 30.09.09) are estimated at about 25 lac tons. However, as per stock position reported by sugar factories duly certified by the Central Excise Authorities/ reports received from the Cane Commissioner/ reports received directly from Central Excise Authorities, the closing stock as on 30.09.09 are estimated at about 31.56 lac tons. State-wise stock position enclosed at Annexure-I. The main reasons for the higher stock position, as reported by the sugar mills/ above authorities, could be inclusion of levy sugar stocks released by the Central Government having validity for lifting beyond 30.09.09 and extension of monthly non-levy sugar quota of September, 09 by 10 days for sale and despatch.

(b): The Central Government is concerned with the allotment of levy sugar and it has made allocation of levy sugar as per the State-wise quota fixed for lifting by respective State Government/ UT and distribution of the same under the PDS. There is no shortage of sugar in the open market as the Central Government has released sufficient quantity of non-levy sugar.

(c): No, Sir.

(d): Does not arise.

(e) Due to less than estimated domestic production of sugar in sugar season 2008-09, the Central Government has taken a slew of measures to augment domestic stock of sugar as detailed in Annexure-II.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE UNSTARRED QUESTION NO.1973 DUE FOR ANSWER ON 01.12.2009 IN LOK SABHA.

State-wise estimated sugar stock position as on 30.09.09

(In lac tons)

S. No	State	Stock
1	2	3
1	Punjab	0.72
2	Haryana	0.47
3	Rajasthan	0.02
4	Uttar Pradesh	9.21
5	Madhya Pradesh	0.07
6	Gujarat	1.20
7	Maharashtra	11.03
8	Bihar	0.54
9	Odisha	0.06
10	Andhra Pradesh	1.06

11 Karnataka	2.71
12 Tamil nadu	3.97
13 Puducherry	0.06
14 Goa	0.01
15 Uttarakhand	0.43
Total	31.56

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (e) OF THE UNSTARRED QUESTION NO.1973 DUE FOR ANSWER ON 01.12.2009 IN LOK SABHA.

Measures taken by the Central Government to augment domestic stocks of sugar and to contain sugar prices

Allowed import of raw sugar under Advance Authorization Scheme by sugar mills at zero duty upto 30.09.2009.

Allowed import of raw sugar at zero duty under O.G.L. upto 01.08.2009 by sugar mills. This is presently in force upto 31.12.2010.

Import of raw sugar was opened to private trade upto 31.03.2010 for being processed by domestic factories on job basis. This is presently in force upto 31.12.2010.

Allowed duty free import of white/refined sugar by STC/MMTC/PEC and NAFED. Subsequently, duty free import of white/refined sugar under OGL has also been opened to other Central/State Government agencies and to private trade in addition to existing designated agencies. This is presently in force upto 31.3.2010.

Levy obligation has been removed in respect of all imported raw sugar and white/refined sugar. The white/refined sugar has been also allowed to be sold at the discretion of the importing organizations. Sugar processed from imported raw sugar is subject to accelerated releases.

The levy obligation on sugar factories has been enhanced from 10% to 20% of production w.e.f. 01.10.2009 for 2009-10 sugar season, to ensure availability of sugar for PDS.