

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

UNSTARRED QUESTION NO:2935
ANSWERED ON:27.08.2013
PRICE OF SUGAR .
Rajendran Shri C.

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

- (a) whether the sugar production in some States during the current year has been lower than the previous year which is likely to push up the prices;
- (b) if so, the details thereof indicating the production and demand of sugar during the current year, State-wise; and
- (c) the steps taken to increase production and check the prices of sugar during the ensuing year?

Answer

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

(a) & (b): As per reports received from the sugar mills on line, the sugar production during the current 2012-13 sugar season (October-September) upto July, 2013, has been lower in the States of Maharashtra, Karnataka, Tamil Nadu and Andhra Pradesh than the corresponding period of last sugar season 2011-12. However, the total sugar production in the country is provisionally estimated at about 248 lac tons which is sufficient to meet the provisionally estimated domestic demand of about 230 lac tons during the current season. The prices of sugar have been stable in the domestic market. A statement showing the State-wise details of sugar produced upto July, 2013 during the current sugar season 2012-13 and the corresponding figures of last sugar season 2011-12 is Annexed.

The Government does not maintain the data on State-wise demand of sugar.

(c): For increasing the sugarcane and sugar production in the country, the Government has taken the following steps:-

(i) The Fair and remunerative Price (FRP) of sugarcane payable to the sugarcane farmers for the ensuing sugar season 2013-14, has been fixed at Rs. 210/- per quintal linked to a basic recovery rate of 9.5 % subject to a premium of Rs. 2.21/- per quintal for every 0.1percentage point increase in recovery above that level which is higher by Rs.40/- per quintal as compared to current sugar season 2012-13 .

(ii) The Government of India is implementing a Centrally Sponsored Scheme on Sustainable Development of Sugarcane Based Cropping System Area (SUBACS) under Rashtriya Krishi Vikas Yojana (RKVY). The State Governments have been given flexibility to choose their priorities for formulation of the crop development projects including sugarcane. The programmes under the scheme are focused on planting material, transfer of technology, improving productivity, knowledge up-gradation and mechanization etc.

(iii) The concessional loans to sugar mills from Sugar Development Fund (SDF) are provided for sugarcane development including better irrigation facilities, improved seed variety, ratoon management etc.

With the sufficient carryover stocks and likely sugar production during 2013-14 sugar season, there would be adequate stocks of sugar to meet the domestic requirement. Further, the customs duty on import of sugar has been kept at a moderate level of 15%.