

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

UNSTARRED QUESTION NO:3665
ANSWERED ON:05.08.2014
SUBSIDY FOR SUGAR
Choudhary Col. (Retd) Sona Ram

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

- (a) the rate of export subsidy approved by the Government for sugar and the conditions approved for recalculation of the rate every two months;
- (b) whether a lower subsidy rate was declared for the months of April-May, 2014 despite an appreciation in Rupee-Dollar exchange rate and if so, the details thereof and the reasons therefor;
- (c) whether the associations representing the sugar industry have made representation to the Government to revise the said subsidy rate as per the Gazette Notification; and
- (d) if so, the action taken by the Government thereon?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): The Government vide notification dated 28.02.2014 has announced incentive towards Marketing and Promotion Services for Raw Sugar Production at the rate of Rs 3300/- per metric tonne for February and March, 2014. Thereafter, the incentive is to be recalculated every two months after taking into account the average exchange rate of Rupee vis-a-vis USD as on the seven days preceding 1st April, 2014, 1st June, 2014 and 1st August, 2014 for April-May, June-July and August-September, 2014 respectively. The rate of incentive for the months of April-May, 2014 and June-July, 2014 was declared at Rs 2277/- and 3300/- per MT respectively.

The incentives have been recalculated based on the international raw sugar prices and exchange rate between Rupee-Dollar, as raw sugar prices strengthened substantially in global market.

(c) & (d): Yes Madam. As indicated in reply to parts (a) and (b) above, the incentive rate for subsequent bi-monthly period of June-July, 2014 was recalculated and notified.