

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

STARRED QUESTION NO:435

ANSWERED ON:23.12.2014

SUGAR PRICE

Dhruvanarayana Shri Rangaswamy;Venugopal Shri K. C.

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

- (a) whether the consumption and price of sugar has increased in the recent years;
- (b) if so, the details thereof indicating the production, demand and price of sugar during each of the last three years and the current year;
- (c) whether the Government has formulated any scheme to increase production and control of the price of sugar and if so, the details thereof; and
- (d) whether the Government proposes to supply more sugar through the Public Distribution System and if so, the details thereof?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAMVILAS PASWAN)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE STARRED QUESTION NUMBER 435 DUE FOR ANSWER ON 23.12.2014 IN THE LOK SABHA.

(a) & (b): Due to rise in economic activities as well as population and the consequent increase in demand by bulk consumers and households, consumption of sugar has increased over the years. The retail prices of sugar display regional and temporal variations. The all India Average Retail price, calculated by averaging the regional retail prices compiled by the Price Monitoring Cell of the Department of Consumer Affairs along with the details of production, demand/consumption during last three sugar seasons and current sugar season are as under:-

Sugar Season	Sugar Production (October-September) (In Lac Tons)	Demand/ Consumption (In Lac Tons)	All India Average Retail Price of Sugar (Rs. Per Kg.)
2011-12	263.43	227.25	34.33
2012-13	251.83	230.00	37.43
2013-14	245.54 (P)	243.00 (P)	35.56
2014-15	250.46	248.00	35.53

(Estimates) (Estimates) (Upto 15th
December,
2014)

(P)- Provisional

(c): Due to surplus production of sugar, domestically as well as globally, there has been an increase in sugar inventories at the mills resulting in subdued sugar prices. To stabilize sugar prices and improve the liquidity in the sugar industry, the Government has formulated the following schemes:

(i) SEFASU: Scheme for extending financial assistance to sugar undertakings wherein the Government has provided interest free loans of Rs. 6600 crore in the sugar season 2013-14 through banks to facilitate the sugar mills for liquidating arrears of sugarcane dues.

(ii) EBP: The ethanol blending program wherein the price of ethanol has been fixed to facilitate for achieving 5 % blending with petrol.

(iii) Incentive for Promotion and Marketing Services of Raw Sugar Production: The Government has provided incentive for production and export of raw sugar during sugar season 2013-14 to facilitate payment of cane price arrears.

The expenditure for SEFASU and Promotion and marketing services of raw sugar production will be borne on the Sugar Development Fund (SDF). The SDF is also used to provide assistance to sugar mills for undertaking cane development, capacity

expansion/modernization, cogeneration and ethanol production capacities.

(d): No, Madam.