

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

UNSTARRED QUESTION NO:1714
ANSWERED ON:12.12.2003
HANDLING MARKETING OF SUGAR
BRAHMANAND MANDAL

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

- (a) whether the Government has approved sops for sugar exporters and decided to bail out the States where there is no system of State advised prices for canes;
- (b) if so, the details thereof;
- (c) whether the Government has also decided to reimburse the handling and marketing charges for export of sugar @ Rs. 500 per tonne;
- (d) if so, the details thereof; and
- (e) the effect thereof on retail sugar price?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SREENIVASA PRASAD)

(a),(b),(c),(d)&(e): The Central Government has decided to permit, inter-alia, the State Governments (where there is no system of State advised price for sugarcane) to raise additional market borrowings to help the sugar factories to clear the arrears on account of cane price payments for the 2002-03 sugar season. With a view to further promoting the exports of sugar, the Central Government has decided to reimburse to sugar factories, handling and marketing charges at the rate of Rs.500 per tonne on the quantity of sugar exported by them on or after 3rd of October, 2003. Necessary provisions enabling payment of such reimbursement to sugar factories that have exported sugar, have been incorporated in the Sugar Development Fund Rules 1983 by a Notification in the Official Gazette on 19th November, 2003. Reimbursement of handling and marketing charges have no direct bearing on the retail prices of sugar in the domestic market.