

Bill No. 335 of 2015

THE SUGAR CESS (AMENDMENT) BILL, 2015

A

BILL

further to amend the Sugar Cess Act, 1982.

BE it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Sugar Cess (Amendment) Act, 2015.

Short title
and
commencement.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In the Sugar Cess Act, 1982, in section 3, in sub-section (1), for the words “twenty-five rupees”, the words “two hundred rupees” shall be substituted.

Amendment
of section 3
of Act 3 of
1982.

STATEMENT OF OBJECTS AND REASONS

The Sugar Cess Act, 1982 enables the Central Government to levy and collect cess as a duty of excise for the purposes of the Sugar Development Fund. The cess is levied and collected in addition to the excise duty collected on sugar under the Central Excise Act, 1944. The rate of cess is notified in the Official Gazette and is subject to the ceiling specified in subsection (1) of section 3 of the Sugar Cess Act. Presently, the ceiling specified is rupees twenty-five per quintal of sugar and the cess is levied and collected at the rate of rupees twenty-four per quintal. The proceeds of sugar cess levied and collected under the Sugar Cess Act, is credited to the Consolidated Fund of India and thereafter through a budgetary process of re-appropriation, transferred to the Sugar Development Fund (SDF).

2. The committed expenditure on account of various interventions undertaken to facilitate liquidation of arrears of cane dues, such as interest subvention based soft loans, export incentives and production assistance, leads to the need for enhancement of the accruals into the Sugar Development Fund from cess. An enhancement in rate of cess has, therefore, been necessitated to meet the increasing liabilities and finance interventions to ensure timely payments of cane dues to farmers. Accordingly, the present ceiling of cess is proposed to be enhanced from rupees twenty-five to rupees two hundred per quintal of sugar.

3. The Bill seeks to achieve the above objects.

NEW DELHI;

RAM VILAS PASWAN

The 7th December, 2015.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 AND 274(1) OF THE CONSTITUTION OF INDIA

**[Copy of letter D.L. No. 1-37/2003-SDF/1531 dated 7th December, 2015 from
Shri Ram Vilas Paswan, Minister of Consumer Affairs, Food and Public Distribution to
the Secretary General, Lok Sabha]**

The President, having been informed of the subject matter of the proposed Sugar Cess (Amendment) Bill, 2015, recommends the introduction and consideration of the Bill in the House under articles 117(1) and (3) and 274(1) of the Constitution.

FINANCIAL MEMORANDUM

Clause 2 of the Bill seeks to amend section 3 of the Sugar Cess Act, 1982 for increasing the ceiling of cess from rupees twenty-five to rupees two hundred per quintal of sugar. As the Bill proposes to increase the ceiling at which cess is to be levied, it involves financial implications from the Consolidated Fund of India. This Bill does not involve any other expenditure whether of a recurring or non-recurring nature.

ANNEXURE

EXTRACT FROM THE SUGAR CESS ACT, 1982

(3 OF 1982)

* * * * *

Imposition of
cess.

3. (1) There shall be levied and collected as a cess, for the purposes of the Sugar Development Fund Act, 1982, a duty of excise on all sugar produced by any sugar factory in India, at such rate not exceeding fifteen rupees per quintal of sugar, as the Central Government may, by notification in the Official Gazette, specify from time to time:

4 of 1982.

Provided that until such rate is specified by the Central Government, the duty of excise shall be levied and collected at the rate of fourteen rupees per quintal of sugar.

* * * * *

LOK SABHA

A

BILL

further to amend the Sugar Cess Act, 1982.

(Shri Ram Vilas Paswan, Minister of Consumer Affairs, Food and Public Distribution)

GMGIPMRND—3494LS(S3)—09-12-2015.

LOK SABHA

CORRIGENDA

to

THE SUGAR CESS (AMENDMENT) BILL, 2015

[To be/As introduced in Lok Sabha]

1. Page 4, line 6,-
for “not exceeding fifteen rupees”
read “not exceeding twenty-five rupees”.

2. Page 4, omit lines 1 and 2 from the bottom.

NEW DELHI;

December 11, 2015
Agrahayana 20, 1937 (Saka)