

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

UNSTARRED QUESTION NO:138

ANSWERED ON:22.02.2011

EXPORT OF SUGAR

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

- (a) whether the Government has given approval for export of five lakh tonnes of sugar;
- (b) if so, the details thereof and the reasons therefor indicating the time limit fixed for such exports alongwith the export price, domestic price and international price of sugar;
- (c) whether the Government has assessed the stock and domestic availability, particularly in view of delayed crushing during 2010-11 season, while giving approval for exports;
- (d) if so, the details and the outcome thereof; and
- (e) the steps taken to maintain supply and stabilise the price of sugar in the domestic market?

Answer

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

(a) & (b) : The Department of Food and Public Distribution had decided to permit export of 5 lac tons of sugar under Open General Licence (OGL) so that advantage of favourable international prices could be taken. However, later, it was decided to hold it and place the proposal of export of 5 lac tons before Empowered Group of Ministers (EGOM). It was contemplated to complete this export by 31st March, 2011. In view of the latest decision of the Government to hold it, no time limit has now been fixed. The price of sugar on 14th December, 2010 (the date on which export of 5 lac tons was announced) in international market quoted for delivery for the month of March, 2011 was US\$ 769.40 per ton and the domestic ex-mill price of 'S-30' grade of sugar was in the range of Rs. 25700-28650 per ton.

(c) & (d): Due to prolonged rains in some parts of the country, the sugar mills located in those areas started their crushing operations late in 2010-11 sugar season. The stocks and domestic availability in 2010-11 sugar season is assessed as under:-

Particulars 2010-11 (in lac Tons) (Estimated)

Opening Stock	49
Production of sugar	245
Import of sugar	0
Availability	294
Releases for domestic consumption	220-225

e)In order to maintain supply and stabilize price of sugar in domestic market, the Central Government has extended the stock holding limit on bulk consumers of sugar by 180 days beyond 14.02.2011 and stock holding limit and turn over limit on sugar/ khandsari sugar dealers upto 31.03.2011.