

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

UNSTARRED QUESTION NO:146
ANSWERED ON:22.02.2011
SUGAR EXPORT
Jawale Shri Haribhau Madhav

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

- (a) the policy followed by the Government for export of sugar during the ensuing sugar season;
- (b) the details regarding quantum of sugar proposed to be released for export during the current and ensuing sugar season;
- (c) the reasons for release of additional quota for export;
- (d) whether the said decision has benefited the private sugar manufacturers lifting sugar to fulfil export obligations due to sudden fall in wholesale sugar prices; and
- (e) if so, the details thereof?

Answer

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

- (a): It is too early to decide the policy for export of sugar during the ensuing 2011-12 sugar season. However, the policy for export of sugar depends upon the estimated production of sugar during the season, carry over stocks of sugar from previous season and requirement for domestic consumption. As per Foreign Trade Policy 2009, export of sugar is under Open General Licence (OGL) subject to control through release order to be issued by the Directorate of Sugar in the Department of Food and Public Distribution.
- (b): The Central Government has decided to allow the advance authorization (earlier advance licence) holders who imported raw sugar during the period 21.09.2004 to 15.04.2008 and 17.02.2009 to 30.09.2009 on "ton-to-ton" basis to discharge their pending export obligation. The terminal date to discharge export obligation for imports made during 21-09-2004 to 15-04-2008 is 31-03-2011. However, in respect of imports made during 17-02-2009 to 30-09-2009, the obligation can be fulfilled within 36 months from date of issue of advance authorization; as such, some of the obligation may spill over to ensuing sugar season also.
- (c): It was decided to release 5 lac tons of sugar for export under Open General Licence (OGL) in the current season so that advantage of favourable international prices could be taken. However, later, it was decided to hold it and place the proposal before Empowered Group of Ministers (EGOM).
- (d) & (e) The advance licence holders can procure sugar from any sugar mill including cooperative sugar mill. As such, it is not possible to indicate if the said export under Advance Authorization Scheme has benefited private sugar manufacturers only.