

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

UNSTARRED QUESTION NO:220

ANSWERED ON:13.03.2012

PRODUCTION OF SUGAR

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

- (a) whether there has been an increase in the production of sugar during the current sugar season leading to a surplus availability in the country;
- (b) if so, the details thereof indicating the demand and production of sugar in the country alongwith the impact of increased availability on its prices in the domestic market, State-wise;
- (c) whether the Government proposes to allow export of sugar in view of increased production and surplus;
- (d) if so, the details thereof;
- (e) whether the export of sugar has been affected by the inflationary trend in food commodities; and
- (f) if so, the details thereof indicating the production, demand, price and export of sugar during the last three years?

Answer

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

(a) & (b): The production of sugar is provisionally estimated at about 246.65 lac tons during the current sugar season (October-September) 2011-12 as compared to 243.50 lac tons (Provisional) in the last sugar season 2010-11. The domestic demand is provisionally estimated at 220 lac tons during the current sugar season. The prices in the domestic market depend upon a number of factors viz., domestic supply and demand, international prices, market sentiments etc. As such, it is not possible to indicate the impact of one factor viz., increased availability of sugar on prices.

(c) & (d): Keeping in view higher sugar production during current sugar season 2011-12, the Government has already allowed export of 20 lac tons of sugar in two tranches of 10 lac tons each during month of November, 2011 and February, 2012 under Open General Licence (OGL). In addition, the Government has allowed export of 0.19 lac tons to Maldives to fulfill bi-lateral treaty agreement, 0.18 lac tons to United States & European Union and 1.16 lac tons to fulfill commitments under Export Promotion Capital Goods (EPCG) during 2011-12 sugar season.

(e) & (f): The Government has permitted export of sugar in 2010-11 and 2011-12 sugar seasons as sugar prices remained stable. A statement indicating production, demand and export of sugar is enclosed at Annexure. As regards sugar prices, the all India average retail price per kilogram remained at Rs.27.44, Rs.32.61 and Rs.32.40 during the year 2009, 2010 and 2011 respectively.