

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

UNSTARRED QUESTION NO:5227

ANSWERED ON:08.05.2012

PRICE DIFFERENCE OF SUGAR

Kumar Shri Kaushalendra;Swamygowda Shri N Cheluvarya Swamy

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

- (a) the percentage difference in the production cost, levy prices and the retail prices of sugar;
- (b) the measures taken to reduce the said gap;
- (c) whether the Government has permitted import of raw sugar and is making efforts to import sugar and make it available to the consumers at fair prices in view of its shortage;
- (d) if so, the likely impact thereof on the market prices of sugar; and
- (e) if not, the reasons therefor?

**Answer**

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

(a): The production cost varies from factory to factory and state to state and Central Government does not maintain data in this regard. However, the ex-factory levy sugar prices for the sugar season 2011-12 have been notified on provisional basis and are at Annexure-I. The retail price of levy sugar is Rs. 13.50 per Kg. The retail prices of non-levy sugar in four metropolitan cities from October, 2011 to April, 2012 are at Annexure-II.

(b): The supply of levy sugar at a lower price benefits targeted beneficiaries. The retail price of non-levy sugar in the market depends upon various factors namely, quantum of sugar produced, carried over stocks, domestic demand, international sugar prices and market sentiments etc. It is the endeavor of the Government to make adequate sugar available at reasonable price through the policy of regulated release mechanism.

(c) & (d): The Central Government does not import sugar on its own. It has since permitted duty-free import of raw and white/refined sugar since April, 2009 so as to augment domestic availability of sugar and moderate sugar prices. This facility is still in force up to 30.06.2012. There is no shortage of sugar and it is available in adequate quantity in the market. The retail prices are currently stable in the domestic market.

(e): Does not arise.