

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

STARRED QUESTION NO:374

ANSWERED ON:15.12.2009

IMPORT OF SUGAR

Basheer Shri E. T. Muhammed;Premdas Shri

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

- (a) whether a wide gap in production and demand and delay in import of sugar has led to rise in its prices;
- (b) if so, the details thereof indicating the production, demand and import of sugar alongwith its monthly prices during the last one year;
- (c) the reasons for delay in import of sugar;
- (d) whether cases of speculation and hoarding of sugar have also been reported recently; and
- (e) if so, the details thereof during the last one year and the remedial measures taken in this regard?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c), (d) & (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO.374 DUE FOR ANSWER ON 15.12.2009 IN THE LOK SABHA.

(a)&(b): Shortfall in production and productivity of sugarcane owing to adverse weather conditions has resulted in low production of sugar in the last sugar season 2008-09 and is also likely to impact production of sugar during the current sugar season 2009-10. This has led to mismatch between demand and availability of sugar leading to escalation in sugar prices. The provisionally estimated opening stock, production, imports, total availability, exports, and demand of sugar during the last sugar season 2008-09 were as under:-

(Qty. in lac tons)
Particulars Sugar season 2008-09

Opening stock	100.0
Production	146.8
White sugar available from imported sugar	10.8
Total availability	257.6
Demand / releases	220 / 230.8
Exports	2.1
Closing stocks	24.7

A statement indicating the month-wise range of ex-mill prices and retail prices of sugar during the last one year is at Annexure-I.

(c): Government has incentivised duty-free import of raw and white/refined sugar by sugar mills, Central/State PSUs and private trade. As per trade sources, during 2008-09 sugar season about 22.9 lac tons of raw sugar and about 2.05 lac tons of white/refined sugar was imported. Of this, about 9.2 lac tons of raw sugar has been processed in 2008-09 season producing 8.72 lac tons of refined sugar. There has been no delay in imports.

(d)&(e): To check speculative tendencies in sugar trade, future trading in sugar has been suspended with effect from 27.05.2009. Further, the Government, in order to check hoarding of sugar by unscrupulous traders has imposed stock holding and turnover limits on dealers of sugar and khandsari sugar. Also, stocking limit has been imposed on large consumers of sugar using or consuming more than ten quintals of sugar per month. The order is in respect of domestically produced sugar.

Action taken by the State Governments/Union Territory Administrations against hoarders of sugar is given at Annexure-II.