Govt to allocate half-yearly quotas for sugar sales

fe Bureau

New Delhi, Dec 13: The government will soon offer more flexibility to mills and co-operatives in selling sugar in the openmarket, and will also look into recommendations by the Rangarajan panel for lifting state control over the tightly-regulated sector, food minister KV Thomas said.

"The food ministry will soon allocate half-yearly quotas for selling sugar in the open market instead of the current practice of fourmonthly quotas," Thomas said. The flexibility will enable the cash-strapped sugar industry to better utilise prevailing market conditions and maximise returns. Till last year, the government used to allocate monthly open

market sugar sales quota for each mill. It then started allocating quarterly quotas, before switching to four-month quotas earlier this year.

The minister also said the government would decide on raising import duty on sugar from the current 10% in the next 15-days, to prevent the dumping of cheaper refined sugarfrom overseas.

Addressing the 78th annual general meeting of the Indian Sugar Mills Association, Thomas said: "Some recommendations (of the Rangarajan panel) will be implemented. The department of food & public distribution has initiated action on the report and is in the process of completing consultations with state governments and other departments."