

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

UNSTARRED QUESTION NO: 1717

ANSWERED ON:08.12.2021

Sugar Exports

Bidyut Baran Mahato

- (a) whether the country's sugar exports has rose by 20 per cent amounting to 7.1 million tonnes in the current year, 2020-21 and if so, the details thereof;
- (b) the details of estimated sugar production against the domestic consumption during the year 2021-22;
- (c) whether the Government is trying many ways to dispose of/utilize the surplus sugar stock in the country and if so, the details thereof;
- (d) whether most of the co-operative sugar factories are running into losses in the country;
- (e) if so, the reasons for the same along with the corrective measures taken/being taken by the Government in this regard; and
- (f) the steps taken/being taken by the Government to boost the sugar exports?

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

**ANSWER**

A N S W E R

MINISTER OF STATE FOR MINISTRY OF RURAL DEVELOPMENT AND CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SADHVI NIRANJAN JYOTI)

(a): About 70 Lakh Metric Tonne (LMT) of Sugar has been exported in sugar season 2020-21 in comparison to 59.60 LMT of sugar export in sugar season 2019-20, which is an increase of 17.45%.

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(b): Against the estimated domestic consumption of 270 LMT in current sugar season 2021-22, the sugar production is estimated to be around 308 LMT after discounting diversion of 35 LMT of sugar to ethanol.

(c): With a view to liquidate surplus sugar stock available with sugar mills thereby improving liquidity of sugar mills enabling them to make timely payment of cane dues of farmers, Government is encouraging sugar mills to export surplus sugar and to divert surplus sugarcane/sugar to ethanol. In the previous sugar season 2020-21, about 70 LMT of sugar has been exported and approximately 22 LMT of sugar has been diverted to ethanol.

(d) & (e): Data regarding financial condition of any sugar factory (co-operative/private/public undertaking) is not maintained by DFPD.

However, with a view to improve the liquidity position of sugar mills including co-operative sugar mills of the country, the Government has been taking various interventions from time to time viz. provided assistance to sugar mills to offset the cost of cane, fixation of Minimum Selling Price of sugar, extended financial assistance to sugar mills for maintenance of buffer stocks, extended financial assistance to sugar mills to facilitate export of sugar, extended soft loans to sugar mills, etc.

Further, in order to improve liquidity of sugar mills and to make sugar sector self sustainable, Government is encouraging sugar mills to divert excess sugarcane/sugar to ethanol which is blended with petrol. In past four sugar seasons 2017-18, 2018-19, 2019-20 and 2020-21; about Rs. 35000 crore revenue has been generated by sugar mills/distilleries from sale of ethanol to Oil Marketing Companies (OMCs) which has helped in clearing cane price arrears of farmers.

(f): The Central Government, with a view to facilitate export of sugar thereby improving liquidity of sugar mills enabling them to clear cane price arrears of farmers has extended assistance to sugar mills in sugar seasons 2015-16, 2017-18, 2018-19, 2019-20 and 2020-21. An amount of approximately ₹12900 crore has been released to various sugar mills on account of assistance to facilitate export of sugar since sugar season 2015-16. As a result, about 16.5 LMT, 6.2 LMT, 38 LMT, 59.60 LMT and 70 LMT have been exported in sugar seasons 2015-16, 2017-18, 2018-19, 2019-20 and 2020-21 respectively. Due to global deficit of sugar, prices of sugar in the international market are now stable due to which export of sugar is presently viable even without

extending assistance; contracts of about 30 LMT for export of sugar have already been signed in current sugar season 2021-22.

Further, to facilitate export surplus sugar from country, custom duties on export of sugar has been reduced to zero by the Central Government.

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