



Availability of sugar in domestic market and stable price of sugar is Centre's top priority

Centre to ensure availability during festival period of October-November

Posted On: 25 MAY 2022 5:13PM by PIB Delhi

Centre's first priority is to ensure sufficient availability of sugar for consumption at reasonable rate, thereafter maximum sugar to be diverted to ethanol said Shri Sudhanshu Pandey, Secretary Department of Food and Public Distribution while interacting with media persons here today.

Talking about prioritizing domestic consumption, he said that during the festival period of October & November, the demand of sugar increases and therefore, the Centre is committed to ensure availability of sugar for the lean period.

Government of India is committed to stabilise prices of sugar in the domestic market and in last 12 months, prices of sugar are under control. Wholesale prices of sugar in India are range bound between ₹ 3150 - ₹ 3500 per quintal while retail prices are also within control in the range of ₹36-44 in different parts of the country.

Global situation reflects a shortage of sugar, especially due to lower production in Brazil. This may trigger the demand globally and so as to safeguard domestic availability and interests, DGFT issued an order to maintain domestic availability & price stability of sugar in the country during sugar season 2021-22 (October-September), Central govt to regulate sugar exports w.e.f June 1, 2022, till further orders. Govt will allow sugar exports up to 100 LMT.

This Year India has produced 355 LMT of Sugar after discounting diversion of about 35 LMT of sugar to production of ethanol, highest in the world. India is the second largest exporter of Sugar. Total export should be about 100 LMT in current sugar season 2021-22. Current exports of 90 LMT has been contracted of which 82 has already been lifted, remaining 10 LMT can be exported. Average monthly consumption in India is around 23 LMT, sufficient domestic stock available, around 62 LMT. Average retail price of sugar in India is around ₹ 37-44/kg.

Sugar exports to be all time high, despite a cap on exports. Export has gone from 0.47 LMT to 100 LMT in last five years which is more than 200 times. From 1st of June all mills will apply to DFPD for exports. For monitoring of exports, sugar mills will submit online information about dispatches for export. The data will provide basis for determining quantity for issuance of Export Release Orders. No approvals required for exports upto 31 May 2022. DoFPD will release Export Release Orders (EROs) on receiving applications from sugar mills and exporters. Procedure for application of ERO by Sugar Mills and Exporters have been issued on 24.05.2022 by Directorate of

Sugar, DoFPD. Sugar mills will apply for ERO for dispatch of sugar from mills for export. Exporters will apply for export of sugar out of country. Both need to apply online through National Single Window System (NSWS).

Production of sugar in the country is expected to be 17% higher than previous sugar season. Further, the country has been the top consumer of sugar in the World with about 278 LMT of sugar consumption in the current Sugar Season. Consumption of sugar in India is consistently increasing at nominal growth of 2-4% per annum. Per capita sugar consumption in India is about 20 Kg which is less than global average.

In order to judiciously utilize the surplus sugar available in the country since 2017-18, Government of India has taken multiple and timely measures which have resulted in reasonable stock of sugar in the country and not exorbitant stocks of sugar which could have resulted in blockage of funds of sugar mills and non-payment of cane arrears to farmers. Various schemes of Government to provide financial assistance in form of subsidy to maintain buffer stocks as well as for transportation of sugar for export purposes in last 4 years have ensured timely payment to farmers and financial strength to sugar mills. As an outcome of these measures, more than 99.6% of cane arrears of last sugar season have already been paid and more than 84% of cane dues of current sugar season have also been cleared. Number of operational sugar mills has also increased to 522 sugar mills in current season.

AM/NS

(Release ID: 1828247) Visitor Counter : 425