

RISE IN SUGAR PRICES

GOVERNMENT OF INDIA

**MINISTRY OF CONSUMER AFFAIRS, FOOD
AND PUBLIC DISTRIBUTION**

LOK SABHA

UNSTARRED QUESTION NO 2927

ANSWERED ON 11.12.2012

RISE IN SUGAR PRICES

2927 Shri MUNDE GOPINATHRAO PANDURANG

P. C. MOHAN

JEETENDRA SINGH BUNDELA

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

(a) whether there is a big gap between the price of sugar in the open market and in Kendriya Bhandar;

(b) if so, the details thereof and the reasons therefor indicating the price of sugar in the open market and in Kendriya Bhandar during each of the last twelve months; and

(c) the reasons for the recent spurt in sugar prices along with the remedial steps taken including ban on export envisaged to check prices of sugar in the market?

ANSWER

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

(a) & (b):No Madam. There is no big gap in the retail prices of sugar in open market in Delhi and in Kendriya Bhandar. The gap has varied between Rs.1-2/Kg. during the last twelve months as indicated below:-

(Rs. in Kg.)

S.No.	Month	Month end Retail Prices of sugar in Delhi	
		Open market	Kendriya Bhandar

1.	Dec., 11	35	36
2.	Jan., 12	34	34
3.	Feb., 12	34	34
4.	March, 12	34	34
5.	April, 12	35	35
6.	May, 12	NR	36
7.	Jun., 12	34	36
8.	Jul., 12	37	39
9.	Aug., 12	40	41
10.	Sept., 12	41	41
11.	Oct., 12	41	42

NR-Not Reported.

Source: Price Monitoring Cell, Department of Consumer Affairs and Kendriya Bhandar.

(c):- Sugar Prices are currently stable in the domestic market. However, there was spurt in sugar prices which was mainly on account of the rise in global sugar prices and apprehension regarding failure of the monsoon especially in sugar producing States of Maharashtra and Karnataka. It is the endeavour of the Government to keep the prices under check by judicious release of monthly/quarterly non-levy sugar quota for sale in domestic market. The Government during the months of July, 12 to September, 2012 had taken following measures to control price of sugar in the domestic market:-

(i) The unsold non-levy quota of about 2 lac tonnes from April,12 to June,12 quarter was allowed for sale in the open market upto 14.08.2012 on 13.07.2012;

(ii) Sugar mills were directed to sell at least 70% of July,12 to September, 12 quota by 31.08.2012 vide order dated 24.07.2012;

(iii) Additional quota of 2.66 lac tonnes was released on 27.07.2012 to be sold off by 31.08.2012;

(iv) Another additional quota of 4 lac tonnes was released on 07.08.2012 to be sold by 31.08.2012; and

(v) Higher non levy quota of 40 lac tonnes for the months of Oct., 12 and Nov., 12 was released in the open market on 28.09.2012.

At present, there is no proposal under consideration of the Government to ban export of sugar.