

Sugar mills seek nod for 8 MT exports under open general licence next season

SANDIP DAS

New Delhi, June 22

SUGAR MILLS HAVE urged the government to allow exports of 8 million tonne (MT) of the sweetener under the open general licence (OGL) in the next season which commences on October 1. This, according to the Indian Sugar Mills Association (Isma), will help the sugar mills enter into future exports contracts well in advance prior to commencement of the season.

Stating that it is time to review the current sugar export

policy for next year since the current global prices are firm, a recent communication by Aditya Jhunjhunwala, president, Isma to commerce minister Piyush Goyal said advance exports contracts would result in better cash flows and payment to farmers in the next season.

Sources said the government is still considering the issue of fixing sugar exports volume for the next season. Isma has also urged the government to allow sugar mills to export an additional 1 MT in the current season so that mills can fulfil their

export commitments. Last month, the government had imposed restrictions on sugar exports from June 1, a move aimed at ensuring domestic availability and curbing price rise. This restriction on exports comes after a record shipment of sugar this season (2021-22).

According to a food ministry statement last month, while the country's sugar production in 2021-22 season is estimated at 35.5 MT after discounting 3.5 MT used for ethanol production. Of 9 MT exports contracted, around 8.2 MT has been shipped.