

# Govt has no intention to regulate sugar sector

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The Centre does not want to regulate the sugar sector and has fixed the minimum selling price for the sweetener, as also stock limits on mills, only in the interest of farmers, consumers as well as small units, a senior food ministry official said today.

The official also ruled out any increase in the minimum selling price of sugar and wondered as to why consumers will pay more in a glut market.

To bail out the cash-starved sugar industry, the government had last week decided to create a buffer

stock of three million tons and fixed minimum selling price of sugar besides imposing monthly stock limit on mills.

Sugar industry bodies like ISMA and NFCSF have demanded higher minimum selling price of sugar, saying that Rs 29/kg is inadequate

to cover the production cost which is at around Rs 34-36 per kg.

“The floor price cannot be the maximum price. Mills were selling at Rs 25/kg, now the minimum selling price has been fixed at Rs 29/kg. They are gaining Rs 4/kg. This is a decent price in the current scenario,” the official said.