Government reduces sugar stock holding limit for sugar dealers to 2,000 quintals from 15th September

New stock limit aimed to curb hoarding and speculative trading, protect consumer interest by ensuring adequate availability and price stability

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Government of India has reduced the stock holding limit for sugar dealers from **4,000 quintals to 2,000 quintals**, effective from **15th September, 2026 till 30th November, 2026**, to ensure adequate availability of sugar in the domestic market and to prevent hoarding and speculative trading of sugar. At present, a stock holding limit of **4,000 quintals** on sugar dealers across the country is effective from **1st August, 2026**. The Government has now taken further measures by reducing the stock holding limit to **2,000 quintals**.

Under the amended provisions, with effect from **15th September, 2026**, a sugar dealer shall:

- **Not hold any stock for a period exceeding 30 days** from the date of receipt of such stock.
- **Not keep sugar in stock, at any time and in any place throughout the country, in excess of 2,000 quintals.**
- However, considering the specific market requirements of the region, the **stock holding limit shall remain** at **4,000 quintals for Kolkata and its extended metropolitan areas**.
- The Kolkata area is sourcing sugar from Uttar Pradesh and Maharashtra and supplying to the eastern part of the country, including the North-Eastern region. Therefore, the existing limit of 4,000 quintals has been retained for Kolkata and its extended metropolitan areas.

The measure is aimed at **further curbing hoarding, discouraging speculative trading and preventing excessive accumulation of sugar stocks**. It will facilitate the orderly movement of sugar through the supply chain and ensure its continuous availability to consumers at reasonable prices.

Intensive monitoring and physical verification

The Government has undertaken **intensive monitoring and physical verification of sugar stocks across the country**, covering sugar mills, dealers and traders. The exercise has helped identify instances of **excess holding, non-disclosure and irregularities in the movement and sale of sugar stocks**.

As a result of these interventions and improved market availability, **ex-mill sugar prices have declined by around 20% in recent days**. Retail prices have also started showing a downward trend and are expected to follow the reduction in ex-mill prices.

Regular stock declaration and continued monitoring

The Government has been closely monitoring developments in the sugar market and has also put in place a mechanism for **regular declaration and updating of sugar stocks through the Department of Food & Public Distribution's online portal**. Physical verification of sugar stocks across the country, covering sugar mills, dealers and traders, shall continue in the coming weeks. The Government assures consumers that it is taking all necessary steps to maintain **adequate availability, orderly supplies and price stability of sugar in the domestic market**, while ensuring that genuine trade and distribution activities continue without disruption.

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