

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:892  
ANSWERED ON:06.12.2004  
INCREASE IN PRODUCTION OF SUGAR  
Joshi Shri Pralhad Venkatesh

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

(a) whether due to general price-hike, the cost of production of sugar has been increasing continuously leading to the demand by sugar-mill owners for change in the existing sugar price policy; and

(b) if so, the reaction of the Government thereto?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION ( DR. AKHILESH PRASAD SINGH )

(a)&(b): As per present policy, 90% of the sugar produced by sugar factories is sold by them as free sale sugar in the open market, the prices of which are determined by the economic forces of supply and demand. The price of balance 10% to be sold as levy sugar is fixed by Government keeping inter alia in view the cost of production of sugar.