

Title: Need to provide full rebate in excise duty on production of sugar and molasses to sugar factories particularly in cooperative sector -Laid.

SHRI SADASHIVRAO DADOBA MANDLIK (KOLAPUR) : Sugar industry in India is the largest agro processing Industry. Sugar mills pay about Rs. 16,000 crores annually to the small sugar cane growers. The Government has begun to pursue a policy of deregulation of sugar sector in a phased manner and progressively the proportion of levy sugar has been scaled down from 40% to 15%. But in the event of complete decontrol of sugar, I wish to know as to what steps the Government proposes to take in the matter of public distribution system because the people below the poverty line obtain their supply of sugar through fair price shops. Further the sugar cane price policy continues to be vested with the exercise of both the Central & State Governments. Sir, world over sugarcane prices are fixed related to sugar sales realization. This mis-matched of prices of sugarcane and sugar is the main problem of uneconomic working of sugar factories and so many factories continue to suffer year after year.

I, therefore, approach the Central Government through your honour to look into the matter sympathetically and find out immediate solution to save the sugar factories in cooperative sector particularly. These factories may be considered to be allowed cent per cent rebate in excise duty on production of sugar and molasses.