

### Production of Sugar

4411. SHRI RAJVEER SINGH: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether the sugar mills in the country are capable of producing best quality sugar to meet the requirements fully; and

(b) if so, the reasons for continuous import of sugar?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI NATHU RAM MIRDHA):  
(a) Yes, Sir.

(b) The import of sugar, if any, is resorted to after taking into account the total production, overall availability, internal consumption and requirement for carry-over stocks.

[English]

### Losses in Sugar Mills

4412. DR. VENKATESH KABDE: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether a large number of sugar mills are running in loss in Maharashtra, if so, the details thereof; and

(b) the steps taken to revive the health of these mills?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI NATHU RAM MIRDHA):  
(a) and (b). The profitability or otherwise of sugar mills depends on a variety of factors such as size, age and condition of plant and machinery, cane availability, technical efficiency, managerial competence and certain other factors which are not directly regulated by the Sugar Policy announced by the Government of India from time to time. However,

if order to improve the economic viability of sugar factories, Government had taken the following steps:—

- (i) Revision in the ratio of levy: free sale to 45 : 55;
- (ii) Increase in Statutory Minimum Price (S.M.P.) to Rs. 22 per quintal linked to a basic recovery of 8.5% with proportionate premium for higher recoveries for 1989-90 season;
- (iii) Fixation of zone-wise ex-factory levy prices for 1989-90, based on the increased S.M.P. of Rs. 22 per quintal;
- (iv) Grant of incentives for early crushing and late crushing by way of higher free sale quota during the current 1989-90 season;
- (v) Grant of additional free sale quota in respect of sugar produced during 1989-90 season out of cane transported by the sugar mills from outside their reserved areas between the period 16.11.1989 to 30.4.1990.
- (vi) Grant of liberalised incentives to newly set up/expansion projects during the 6th and 7th Five Year Plan periods; and
- (vii) Financial assistance on soft term basis for development of sugarcane, as also for expansion/modernisation of sugar factories from the Sugar Development Fund.

[Translation]

### Setting up of Sugar Mills in Bihar

4413 SHRI DASAI CHOWDHARY:  
SHRI RAJMANGAL MISHRA:  
PROF. YADUNATH PANDEY:

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state: