

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

UNSTARRED QUESTION NO:2197
ANSWERED ON:14.08.2006
NEW SUGAR MILLS
Vasava Shri Mansukhbhai D.;Yadav Shri Giridhari

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

- (a) whether the Government has announced several incentives for setting up new sugar mills in the country;
- (b) if so, the details thereof;
- (c) whether the installed production capacity of the sugar mills in the country is not being fully utilised; and
- (d) the steps proposed for optimum utilisation of the installed capacity?

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): The Central Government has not announced any incentive scheme for setting up of new sugar mills in the country, after delicensing of sugar industry in August, 1998.

(c) & (d): The utilization of installed sugar production capacity depends upon the availability of sugarcane. In 2002-03 sugar season, the capacity utilization was over hundred percent, whereas capacity utilization in 2003-04 and 2004-05 sugar seasons was below hundred percent, when production of sugarcane was severely affected due to drought and woolly-aphid infestation of sugarcane crop in Maharashtra and adjoining areas.