

Q4 → Give the solution of problem of sugar industry in India.

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The government set up the sugar development fund under the sugar development fund Act, 1982. The fund is utilised for advancing loans on soft terms for the rehabilitation and modernization of sugar industry and development of sugarcane in the sugar factory area. Grants are also made from the fund for undertaking researches project for development of sugar industry.

Solution of problem of sugar industry

2. Reducing cost of production:-

The government should try to bring down the cost of production of sugar mills. Steps should be taken to bring the cost of production of sugar at par with that of gur and khandsari units.

2. Reducing the burden of mounting losses:-

The past experiences shows that the sugar industries have mounting losses on them. The government should formulate strict policies to reduce the gap between the cost of production and realisation of the amount of sales.

3. To increase the minimum economic size:-

Efforts should be made to increase the minimum economic size from 2500 tonnes of cane crushed per day and it should be brought nearer to that of other countries.

4. Consistent Policy:-

The government should try to implement and follow the policies formulated for sugar mills consistently. This will help in increasing sales and reducing ever mounting losses.