

Q No. → Describe the growth & problems of Sugar Industry in India?

Ans.

The sugar industry is India's second largest, next only to textiles. The total capital invested in the industry is estimated to be more than Rs. 500 crores. The annual value of the industry's product is Rs. 120 crores. About 20 million cultivators engaged in growing sugarcane and nearly 2.5 lakh skilled and unskilled workers are employed in it. In 2000-2001 there were 506 sugar mills in the country and the total production of sugar 2000-01 was 177.0 lakh tonnes.

The growth of sugar industry has also led to the establishment of a host of subsidiary and by-products industries in the country such as the confectionery and fruit preserves industry. Sugar is also used in pharmaceuticals and chemicals. Besides ~~the~~ three main by products of the sugar industry i.e., bagasse, press mud and molasses, are used as raw materials by a number of industries, some of which have already been started and more others are in the process of being established.

The growth of sugar industry in India in terms of production has been encouraging. From scanty 30 working units in 1931-32, the total number of factories in the country today are over 386 with a total investment exceeding Rs. 500 crores. The industry's performance during three plans period ~~has~~ also been commendable. The production achieved at the end of the first plan was 18.9 lakh tonnes, higher than the required target of 18 lakh tonnes fixed earlier. By 1960-61, at the end of the second plan, it achieved a record production of 30.29 lakh tonnes, which exceeded the target set for it. The growth of sugar industry since 1950-51 is shown in the table —

Year	Production (lakh tonnes)	Year	Production (lakh tonnes)
1950-51	11.34	1993-94	98
1960-61	30.30	1994-95	146.00
1970-71	37.40	/	/
1980-81	57.48	2010-11	243.50
1990-91	120.47	2011-12	263.43
1991-92	132.77	2013-14	251.88
		2014-15	

(2)

* Problem of Sugar industry: — The following are the main problems of sugar industry: —

(a) Problem of sugarcane: → Sugarcane is the main problem. The yield and quality of Indian cane are among the lowest in the world. This is due to small land holdings, where farms are organised on a large scale, as is done by sugar factories in the Deccan, the yield is much higher, rising upto 50 tonnes per acre. But the yield per acre in Uttar Pradesh and Bihar is quite low. The overall average of India is only 13.5 tonnes per acre. Compared with 62 tonnes in Hawaii, and 56 tonnes in Java, the average of sugarcane per acre is very low.

(b) Wrong distribution of cane supply → The industry is not properly located. In certain places as in U.P. and Bihar the sugar factories are situated very near to each other. In certain other areas there are not enough factories but the production of sugarcane is large. Thus owing to unsatisfactory location of sugar factories some areas get more or even excess supply of sugarcane and some areas where number of sugarmills is quite large, get much less supply of sugarcane. In areas where there is shortage of supply of sugarcane the price of cane ranges very high and in those areas where there is excess of cane supply the price of cane remains low.

(c) Short crushing season → Another major problem of sugar industry is that crushing season is very short. It lasts about 100 to 110 days in a year. As a result of this, the sugar mills cannot work to their full capacity throughout the year. Consequently the cost of production is sugar rises.

(d) Problem of modernisation → Much of the machinery in use in our sugar mills is old of date and requires early replacement. But the cost of replacement is so high that many factories cannot afford it. Only a few sugar factories have been able to modernise their plants.

(e.) Unsatisfactory location of the industry: — The location of the sugar industry is not satisfactory both from the point of view of raw materials as well as market locations. Nearly three fourth of the sugar mills ~~are~~ are located in U.P. and Bihar. But in Maharashtra, Tamilnadu and Andhra Pradesh which are better suited to the production of sugar, the number of mills are less. Moreover the composition of sugar in U.P. and Bihar, where most of the sugar factories are located, is quite low (about 5 lbs. per capita) but production is sugar much higher.

(f.) Problem of high price of sugar → The price of sugar in India is the highest in the world. High price of sugar is a hindrance to export trade. High prices of sugar are due to many factors viz low yield, poor quality of sugarcane, fixation of minimum prices of sugarcane on the basis of weight, competition from gurmanufactures and arbitrary elements in prices such as sugarcane cess and excise. The cost of sugar can be reduced by increasing the yield per acre of sugarcane and by utilising by products.