Indian sugar industry - a strong industrial base for rural India

Abstract

Indian sugar industry, second largest agro-based processing industry after the cotton textiles industry in the country, has a lion's share in accelerating industrialization process and bringing socio-economic changes in under-developed rural areas. Sugar industry covers around 7.5% of total rural population and provides employment to 5 lakh rural people. About 4.5 crore farmers are engaged in sugarcane cultivation in India. Sugar mills (cooperative, private, and public) have been instrumental in initiating a number of entrepreneurial activities in rural India. Present paper is an attempt to review progress of sugar industry in India, understand its problems and challenges in context of ongoing liberalization process. Indian sugar industry can be a global leader provided it comes out of the vicious cycle of shortage and surplus of sugarcane, lower sugarcane yield, lower sugar recovery, ever increasing production costs and mounting losses. It needs quality management at all levels of activity to enhance productivity and production. Attention is required on cost minimization and undertaking by product processing activities.