

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

UNSTARRED QUESTION NO:1140
ANSWERED ON:02.03.2000
SICK SUGAR FACTORIES
SHIVAJI MANE

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

- (a) whether a large number of sugar factories are sick in the country; (
- (b) if so, the details thereof, State-wise; and (
- (c) the steps taken by the Government to revive sick factories and to rehabilitate the workers who were employed there?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI V. SREEI PRASAD)

(a) The Sugar mills in the country are grouped in three sectors namely, Public, Private and Cooperative. The sick sugar mills belonging to Private and Public sector are covered under the provisions of the Sick Industrial Companies (Special Provision) Act, 1985. According to BIFR, 42 sick sugar mills in Public and Private sectors have been registered with them as on 30.11.1999. Out of 42 sugar mills 4 mills were registered twice at different point of time. In view of that actually 38 sugar mills are registered with BIFR.

(b) The state-wise details of 38 sick sugar mills in Public and Private sectors are as follows:-

State No. of cases registered

Andhra Pradesh	3	
Bihar		3
Karnataka		5
Madhya Pradesh	3	
Maharashtra	3	
Punjab		1
Rajasthan		1
Tamil Nadu	3	
Uttar Pradesh	14	
West Bengal	1	
Kerala		1

Total : 38

(c) As per the Sick Industrial Companies (Special Provision) Act, 1985 (SICA), where an industrial company has become sick, the Board of Directors of company shall within 60 days from the date of finalisation of audited accounts of the company for the financial year as at the end of which the company has become sick make a reference to BIFR for determination of measures which shall be adopted with respect to the company. As regards to rehabilitation of the workers who are employed in sick mills registered with BIFR, rehabilitation packages prepared by BIFR take care of the interest of the workers.

The Cooperative sugar factories are not covered under SICA. The functioning of cooperative sugar mills comes under the respective state government. The State Governments should prepare suitable rehabilitation schemes for these sick units keeping the interest of the workers.