

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

UNSTARRED QUESTION NO:1759
ANSWERED ON:22.07.2014
CLOSURE OF SUGAR MILLS
Kumar Shri Kaushalendra;Kushawaha Shri Ravindra

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

- (a) whether the sugar mills in some States have either closed down or are on the verge of closure;
- (b) if so, the details thereof, sector and State-wise; and
- (c) the effective steps proposed to be taken by the Government for providing financial packages for revival/reopening of the said sugar mills?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): A statement indicating the details of closed sugar mills sector and State-wise during the current sugar season (October-September) 2013-14 (upto 30th June, 2014) is at Annexure. The sugar mills may get closed during a crushing season due to various reasons viz., non-availability of adequate sugarcane, poor recovery from sugarcane, uneconomic size, lack of modernization, up-gradation and diversification, high cost of working capital, lack of professional management, overstaffing, etc. As such, it is not possible to indicate the number of sugar mills on the verge of closure.

(c): It is the responsibility of the entrepreneur concerned to take effective steps for revival/reopening of the closed sugar mills as far as private sector is concerned and State Governments/UTs concerned in the case of the public and cooperative sugar mills. The Central Government, under the Sugar Development Fund (SDF), provides concessional loans for modernization/rehabilitation and sugarcane development as well as restructuring of SDF loans of the potentially viable closed/sick sugar mills/undertakings.