

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA
UNSTARRED QUESTION NO. 3959
TO BE ANSWERED ON 20TH MARCH, 2018

CLOSING DOWN OF SUGAR MILLS

3959. SHRI SIRAJUDDIN AJMAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether several sugar mills in Assam have been closed down due to negligence of the State Government and if so, the details thereof;
- (b) the factors responsible for closing down of the sugar mills at Baruabamungaon, Golaghat, Chargola, Ratabari, Kampur and Nagaon in recent years; and
- (c) whether the Government has any proposal to overcome these factors and revive the sugar mills and if so, the details thereof?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a)&(b): As per the information received from the State Government of Assam, sugar mills were closed mainly due to accumulation of huge financial losses. Closure of sugar mill is normally attributable to non-availability of adequate sugarcane, uneconomic size of plant, lack of modernization, high cost of working capital, poor recovery from sugarcane, lack of professional management, overstaffing and lack of adequate irrigation in the catchment area of sugar mill etc.

(c): As regards revival of potentially viable sick undertaking, it is the responsibility of the entrepreneur concerned to take steps to re-open/revive the closed/sick sugar mills as far as private sector is concerned and State Government/UTs concerned in the case of the public and cooperative sugar mills. Government of Assam informed that there was no possibility of revival of the two cooperative sugar mills at Kampur, Nagaon and Baruabamungaon, Golaghat.
