

ORIGINAL IN HINDI

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

**LOK SABHA
STARRED QUESTION NO.103
TO BE ANSWERED ON 9th February, 2021**

SUGAR MILLS

†*103. SHRI HARISH DWIVEDI:

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

- (a) the number of operational and non-operational sugar mills in the country at present, State-wise and region-wise;**
- (b) the steps taken/proposed to be taken by the Government to restart operations of non-operational sugar mills, State-wise; and**
- (c) the steps taken by the Government to set up new sugar mills in the country, State-wise?**

**A N S W E R
MINISTER OF RAILWAYS, COMMERCE & INDUSTRY AND
CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI PIYUSH GOYAL)**

(a) to (c): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE
STARRED QUESTION NO. *103 DUE FOR ANSWER ON 09.02.2021 IN THE
LOK SABHA.**

(a): As per information received from the states, at present, 493 sugar mills are operational and 202 sugar mills are non-operational in the country. A statement showing state-wise number of operational and non-operational sugar mills in the country is given at Annexure-I.

(b): Non-operation of the sugar mills 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 financial crunch etc.. In case of private sector sugar mills, it is the responsibility of the entrepreneurs to take necessary steps to operationalise their closed sugar mills, and in case of co-operative/public sector sugar mills, the responsibility lies with the co-operative societies/respective state governments. As per the information received from various State Governments, the steps taken by them to operationalise the non-operational sugar mills is given at Annexure-II.

(c): The Central Government does not set up new sugar mills in any state of the country. The sugar industry has been de-licensed with effect from 11th September, 1998. After delicensing, the entrepreneurs are free to set up new sugar mills in any part of the country subject to fulfilling the conditions laid down in the Sugarcane (Control) Order, 1966.

Annexure-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE STARRED QUESTION NO.103 FOR ANSWER ON 09.02.2021 IN THE LOK SABHA.

S.No	STATE	No. of Operational sugar mills	No. of non- operational sugar mills
(1)	(2)	(3)	(4)
1	Punjab	16	8
2	Haryana	14	0
3	Rajasthan	1	2
4	Uttar Pradesh	120	37
5	Uttrakhand	7	3
6	Madhya Pradesh	20	0
7	Chhattisgarh	4	0
8	Gujarat	15	6
9	Maharashtra	182	42
10	Bihar	10	18
11	Assam	-	3
12	Orissa	1	7
13	West Bengal	-	3
14	Andhra Pradesh	8	21
15	Telangana	6	5
16	Karnataka	65	22
17	Tamil Nadu	24	18
18	Puducherry	-	2
19	Kerala	-	2
20	Goa	-	1
21	Nagaland	-	1
22	Dadra & Nagar Haveli	-	1
	Total	493	202

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF THE STARRED QUESTION NO.103 FOR ANSWER ON 09.02.2021 IN THE LOK SABHA.

State	Steps taken
<u>Uttarakhand</u>	State Government is considering to operate one sugar mill of cooperative sector namely Sitarganj for the next sugar season. Government of Uttarakhand has decided to give sugar mill in the long term lease and necessary exercise is in progress.
<u>Maharashtra</u>	The State Government has passed the Resolution on 04.09.2020 and framed criteria to rejuvenate non-operational sugar mills and its allied units on hire, partnership or collaboration basis.
<u>Bihar</u>	The Government of Bihar has taken a policy decision to revive the sick sugar mills of the Bihar State Sugar Corporation Ltd. by transferring them to private/public sector entrepreneurs on long term lease through bid process management. Out of the 15 closed sugar mills, 8 closed units have been transferred to Bihar Industrial Development Authority for establishing priority sector industries. Out of remaining 7 closed mills , 2 sugar mills namely Lauriya (West Champaran) and Sugauli (East Champaran) have been reconstructed and revived by HPCL Biofuel Ltd. and they have become operational. Bidding process of other 5 sugar mills namely Bihta, Motipur, Raiyam, Samastipur and Sakri have also been completed.
<u>Andhra Pradesh</u>	In respect of the Cooperative sugar mills, Group of Ministers is formed to study and suggest measures for the improvement of the mills in Andhra Pradesh. The Group of Ministers is visiting the cooperative sugar mills to study the ground level constraints of the mills to suggest alternate remedies.
<u>Karnataka</u>	In the interest of sugarcane farmers and employees of sugar factories, Government of Karnataka has taken a decision to lease out the sick cooperative sugar factories to private entrepreneurs on long-term lease. Eight cooperative sugar factories have been leased out to private entrepreneur so far. One sugar factory of public sector and two of cooperative sector have also been proposed for lease; and lease process is under progress.
<u>Gujarat</u>	In the current financial year 2020-21 the State Government of Gujarat has sanctioned liquidity support loan for Rs. 25 Crore to Vadodara District Cooperative Sugarcane Growers Union Ltd., to pay sugarcane arrears to the farmers to survive this non operational sugar mill.
