

15 Maha mills get recovery notice over non-payment of cane dues

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Pune, March 30: Even as the current sugar season is approaching its last leg, as many as 24 mills in Maharashtra continue to owe FRP dues of ₹199 crore to farmers for the 2014-15 season. According to top officials of the sugar commissionerate, around 15 factories have been issued revenue and recovery order certificates (RRC) and these mills stand to see their sugar stocks being auctioned.

This is perhaps for the first time in the state that such a large number of mills have been penalised for their inability to pay up dues. The state's sugar season is expected to end by the second week of April and till date at least 119 factories have fin-

ished crushing operations.

Apart from the auction notices issued against these mills, mills owned by some politicians have been attached as well. These include Saikrupa Sugar Factory in Ahmedabad district owned by former NCP minister - turned- BJP leader Babanrao Pachpute for defaulting on dues. In December last year, the Punjab National Bank directed the factory and Allied Industries Limited to pay their dues that amount to a staggering ₹280 crore within 60 days.

Earlier, the Enforcement Directorate attached a sugar mill and over 290 acres of land

worth ₹55 crore in Nashik in connection with a money-laundering case against the former Maharashtra deputy CM Chhagan Bhujbal. According to senior officials at the commissionerate, for the ongoing season of 2015-16,



millers owed farmers FRP dues to the tune of ₹14,000 crore of which ₹10,628 crore has been paid leaving arrears to the tune of ₹3400 crore. As per the 80:20 formula, millers owe farmers around ₹824 crore. Officials pointed out that no serious action could be taken against millers for the ongoing season.

According to top officials

of the Maharashtra State Co-operative Sugar Factories Federation (MSCSFF), stringent action being taken against mills could prove to be detrimental in the long run. Already cane shortage has been predicted in the coming season and the fact that action has been taken against 14 odd mills could mean lesser crushing next season, Sanjeev Babar, MD, MSCSFF said.

The federation has estimated 60-65 lakh tonne of sugar production for the season of 2016-17. Although sugar prices have increased to ₹3,300 per quintal, this has happened towards the end of the season and in the meanwhile, millers have to pay up their soft loan and excise loan dues in addition to FRP payments, he pointed out.