

**UP govt issues ultimatum to state sugar mill owners**

**NEW DELHI:** The state government on Thursday warned sugar mill owners to start operations by first week of December, failing which stern legal action would be initiated against them. The government announced waiver of entry tax and purchase tax to end the impasse. **P11**

## Talks with mill owners fail, sugar crisis looms

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**LUCKNOW:** A sugar crisis is looming as the UP government is adamant on a level of sugarcane price that mill owners cannot pay farmers, setting the stage for confrontation.

The hardening of postures was evident on Thursday when Rahul Bhatnagar, principal secretary (sugar and cane development), said there was no room for discussion and if the mills did not start crushing by the first week of December, the government would be compelled to initiate legal action against the mill owners under the Essential Commodities Act. He ruled out considering the

demand for reducing cane prices from ₹280 per quintal (100 kg) to ₹225 per quintal.

"The last year's arrears to be payable by mill owners will be recovered with interest," Bhatnagar told media persons here, a day after the Allahabad high court directed the state government to start negotiations with the mills. Of the 123 private sugar mills in the state, only 21 have started operations for the current season (the sugar year is from October to September).

The government has set December 4 as the date when mills in western Uttar Pradesh must resume crushing while for the others in the state the date is December 7.

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