

Private sugar mills reject Govt offer

Threaten to stop crushing this season

PIONEER NEWS SERVICE ■
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Rejecting the state Government's sop of Rs 6 per quintal subsidy, the private sugar mill owners threatened to stop crushing this season if their demand to link cane prices to sugar prices was not accepted.

The UP Sugar Mills Association (UPSMA), an organisation of 95 private sugar mills in the state, said in a statement issued here on Monday that the Government's decision was biased and unethical.

"Earlier, the Government had promised a subsidy of Rs 20 per quintal but now it has come down to only Rs 17 per quintal," the UPSMA spokesman said in the statement.

The private sugar mills in the state are yet to pay about Rs

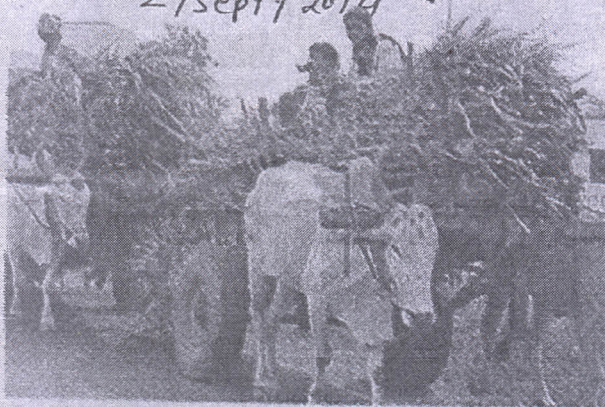
5,000 crore to cane farmers as outstanding dues of the previous crushing season.

In its fresh salvo, the association said that the UP Government had given Rs 600 crore as subsidy to 23 sugar mills in the Cooperative sector for purchasing 695 lakh tonnes cane but in the case of private mills, it had given just Rs 375 crore subsidy to 95 mills to purchase 6,271 lakh tonne of sugarcane.

The UPSMA spokesman

said that while the Cooperative mills were receiving Rs 69 per quintal subsidy, the private sugar mills were getting merely Rs 17 per quintal.

"Such unfair and unjustified decision of the Government has also annoyed the cane farmers attached to private sugar mills," the UPSMA spokesman said, and added, "We have made it clear that in such circumstances it would not be possible for us to start crushing this season."



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