

Preface

Uttar Pradesh State Sugar Corporation Limited (UPSSCL) was established in the year 1971 as a wholly owned undertaking of Government of Uttar Pradesh (GoUP) under the Companies Act, 1956 to run private sugar mills acquired by the State Government under the Uttar Pradesh Sugar Undertaking Acquisition Act, 1971.

In June 2007, GoUP decided to privatise/ sell sugar mills of UPSSCL . The sale of 10 operating mills was executed during July 2010 to October 2010 and that of 11 closed mills in January 2011 to March 2011. The Comptroller and Auditor General of India decided to conduct an audit scrutiny of the Disinvestment Process in UPSSCL to present an independent and objective assessment of Disinvestment Process to the State Legislature and further to provide an aid to Administration for monitoring the Disinvestment Process of other Companies in future.

This Report contains the results of the audit covering the period from June 2007, when the initial decision for disinvestment was made, to March 2011 when the sale process of these mills was completed.

This Audit Report, covering the process of disinvestment up to March 2011, has been prepared for submission to the Governor under Article 151 of the Constitution of India.