



Dated: 2.06.2020

No. 37

Dear Chief Minister Sahib,

I would like to draw your attention towards the non-payment of dues to about 70,000 sugarcane growing farmer families. These farmers sold their produce to private and cooperative sugar mills in Punjab. The unpaid dues for the 2018-19 season amounts to Rs. 96.36 Crores. The amount left to be paid for the 2019-20 season (year ending April 2020) is Rs. 585.12 Crores. The total dues left to be paid is Rs. 681.48 Crores. The breakdown of the dues are given below:

S.No	Sugar Mill Type	Season 2018-19	Season 2019-20	Total
1.	Cooperative Mills	Rs. 41.36 Crores	Rs. 257.12 Crores	Rs. 298.48 Crores
2.	Private Mills	Rs. 55.00 Crores	Rs. 328.00 Crores	Rs. 383.00 Crores
	Total	Rs. 96.36 Crores	Rs. 585.12 Crores	Rs. 681.48 Crores

As per the Sugarcane Control Order and Clause 3(3) of the Sugarcane Purchase and Regulation Act, the sugar mills must make payment within 14 days of purchase of sugarcane. Otherwise, the mills will have to make these payments along with interest for the delayed period.

It is a matter of grave concern that there are outstanding payments for years. The Government has taken no concrete steps to ensure that these payments are made to the farmers. These unpaid dues have caused financial distress to thousands of sugarcane farmers, leaving many with huge debts. The Government as you well know has been pushing the idea of crop diversification to the farmers of Punjab. I fully support this move but the Government must take steps to ensure that those who do diversify are paid on time and are financially protected.

It should also be noted that Arthias (Commission Agents) do not facilitate financial arrangements for sugarcane farmers. This is important as sugarcane farming has a high

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cost of production and the farmers must invest heavily every year to grow sugarcane. These same farmers are forced to bear a high interest rate to be able to harvest sugarcane. These farmers are not only forced to incur heavy costs/interests to grow their produce but also have financial responsibilities for their families and daily living expenses. Despite these issues, the farmers still chose to grow sugarcane, with the belief that they will be given fair payment for their produce. Yet many farmers have not been paid for almost two years now.

It is pertinent to mention here that A.B Sugars Limited, Dasuya and Amloh Sugar Mills have made all their payments for both the 2018-19 season and 2019-20 season. If these two sugar mills were able to pay for their goods, why are the rest unable to do so?

It is a major lapse of the Government where sugar mills could break the rules and regulations of the State and not face any punishment. I urge that the State Government makes all pending payments of Rs. 681.48 Crores to all the eligible farmers. The Government must make these payments at the earliest to protect the sugarcane farmers and the sugar industry in the State. Following this, I also urge that the State Government take all steps necessary to recover the amount from the concerned sugar mills at the earliest. The Government should act at the earliest otherwise there is a possibility of almost a 20% reduction of sugarcane cultivated in the State in the upcoming year. This would have disastrous consequences to the economy of Punjab, and the goal of crop diversification in the State. The amounts owed mill-wise are as follows:

S.No	Private Mills	2018-19	2019-20
1.	Indian Sucrose, Mukerian	N/A	Rs. 130.00 Crores
2.	Phagwara	N/A	Rs. 80.00 Crores
3.	Butter Sevan	N/A	Rs. 43.00 Crores
4.	Kiri Afgana	Rs. 55.00 Crores	Rs. 45.00 Crores
5.	Dhuri	N/A	Rs. 30.00 Crores
6.	Amloh Sugar Mills	N/A	N/A
7.	A.B Sugars Ltd.	N/A	N/A
	Total	Rs. 55.00 Crores	Rs. 328.00 Crores

Partap Singh Bajwa

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S.No	Cooperative Mills	2018-19	2019-20
1.	Nawanshahr	Rs. 3.81 Crores	Rs. 38.75 Crores
2.	Budhewal	N/A	Rs. 22.27 Crores
3.	Morinda	Rs. 6.26 Crores	Rs. 22.75 Crores
4.	Fazilka	N/A	Rs. 17.47 Crores
5.	Gurdaspur	Rs. 6.74 Crores	Rs. 38.63 Crores
6.	Ajnala	Rs. 10.01 Crores	Rs. 42.51 Crores
7.	Nakodar	Rs. 4.66 Crores	Rs. 30.97 Crores
8.	Bhogpur	Rs. 7.41 Crores	Rs. 22.43 Crores
9.	Batala	Rs. 2.41 Crores	Rs. 21.34 Crores
	Total	Rs. 41.36 Crore	Rs. 257.12 Crores

Warm regards,

Partap Singh Bajwa
PARTAP SINGH BAJWA

Capt. Amarinder Singh,
Hon'ble Chief Minister,
Government of Punjab,
Chandigarh.

Amrinder Singh
MLA.
Bhatinda

Amarinder Singh
MLA BHOA

ਮਾਨਯੋਗ ਚੀਫ਼ ਮਿਨਿਸਟਰ

ਸਰਕਾਰ ਪੰਜਾਬ ਚੰਡੀਗੜ੍ਹ