HIGH COURT OF JUDICATURE AT ALLAHABAD
LUCKNOW

PUBLIC INTEREST LITIGATION (PIL) No. - 7066 of 2006

V.M. Singh Convenor Of Kisan Mazdoor Sangathan .....Petitioner(s)

Versus

State Of U.P. Thru Secy. Sugarcane Dev. And Anr. .....Respondent(s)

Counsel for Petitioner(s)	:	In Person, Amit Kumar Singh Bhadauri
Counsel for Respondent(s)	:	C.Sc.., Abhinav Trivedi, Anupras Singh

Court No. - 1

HON'BLE RAJAN ROY, J.
HON'BLE MANJIVE SHUKLA, J.

1. Heard.

2. This Public Interest Litigation was filed way back in the year 2006 seeking the following reliefs:-

> *"(a) direct the Respondents to ensure that all the sugar mills of the State pay interest as provided in law for delay in payment of cane dues to the canegrowers from the crushing year 1996-97 onwards to date;*
>
> *(b) pass any other order(s) that this Hon'ble Court may deem fit in the facts and circumstances of this case."*

3. Several orders have been passed from time to time, one such order was passed on 01.05.2024, which reads as under:-

> *"1. This is a bunch of petitions relating to alleged non-payment of cane dues, delayed payment of cane dues and claiming interest on such delayed payment. Discrimination in payment is also an issue raised.*
>
> *2. Public Interest Litigation (PIL) No. 7066 of 2006 pertains to the cane dues for the period 1996-97 till date.*
>
> *3. Writ C No. 674 of 2006 pertains to the cane dues for the period*

2004-05 and the rate at which the cane price is to be paid. In this petition, U.P. Sugar Mill Association has moved an application for impleadment which is pending. Mr. J.N. Mathur, learned Senior Advocate appears for the Association. Mr. V.M. Singh appearing in person has no objection to the said application being allowed, therefore, we allow the said application. Short counter affidavit has already been filed by the said applicant to which the petitioner may file his response if he so chooses.

4. The other writ petition is Public Interest Litigation No. 7067 of 2006 which pertains to the cane dues for the year 2005-06 in which notices have not been issued to the Sugar Mills or the Association which are party, as yet. We will consider issuance of notice in this regard on the next date.

5. The other writ petition is Public Interest Litigation No. 6429 of 2012 which pertains to cane dues for the year 2011-12. In this case no sugar mill has been impleaded as opposite party and Mr. V.M. Singh appearing in person says that as it is for the Cane Commissioner to ensure payment and recovery of sugar cane dues and it is a statutory duty, therefore, the Mills are not necessary party herein. We will consider this aspect on the next date.

6. Leaving it open for the Sugar Mills Association to seek impleadment in the pending writ petitions, if they so choose, as was suggested by Mr. Mathur their counsel, we are of the opinion that as of now we should have the latest data as regards payment of cane dues by the Sugar Mills throughout the State of Uttar Pradesh year-wise right from 1996-97 till date. The said data will also include the late payment of cane dues, if it is so, and the interest which has been ordered to be paid and has actually been paid, if any at all has been paid. In this context our judgment dated 23.12.2021 rendered in a bunch of writ petitions leading writ petition being Writ Petition No. 11355 (MB) of 2021 wherein we had clarified that the rate at which the interest is payable is not 11% but 15% will also be taken into consideration and the data

> *shall be submitted accordingly as far as it may be applicable to the subject matter in issue. The SLP against the said judgment dated 23.12.2021 (supra) has been dismissed. However, we are informed that this issue is pending consideration before the Supreme Court in a petition filed by Mr. V.M. Singh. Nevertheless, we would like to have the data in this regard at least to know the fate of the parties to the said writ petitions which were decided by our judgment against which SLP has been dismissed.*
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> *7. It is also open for the U.P. Sugar Mills Association to file an affidavit bringing on record relevant data in this regard and also orders which may have been passed in this context by any Court, especially so far as the interest on delayed payment is concerned.*
>
> *8. List this mater on 27.05.2024 amongst first 10 cases of the day."*

4. On being asked, the State Counsel referred to an affidavit dated 10.07.2024, said to have been filed in compliance of the aforesaid order. The said affidavit is not on our record but has been served upon petitioner appearing in person, Shri V.M. Singh, who placed it before us. We have gone through the said affidavit and apparently, the said affidavit does not answer the queries put by the Court in the order dated 01.05.2024. Prima facie, the affidavit is nothing but an attempt to avoid straight forward and pinpointed answer to the queries made in our order dated 01.05.2024.

5. Shri V.M. Singh, petitioner appearing in person has invited our attention to Paragraph No. 16 of the said affidavit, according to which "the Cane Commissioner in compliance of judgment and order dated 09.03.2017 has passed orders of waiver of interest on 05.03.2019 and consequently, filed an affidavit of compliance", however, Shri V.M. Singh says that there is no such order of 05.03.2019. The said order has not been annexed with the said affidavit, at least, he does not mention it as having been annexed, which will be produced by the State Counsel on the next date. The question herein is of delayed payment of cane dues to cane growers and non payment of interest on the delayed payment,

which is statutorily prescribed, an issue which was considered by a Co-ordinate Bench of this Court of which one of us (Rajan Roy, J.) was a member, in the judgment and order dated 23.12.2021 passed in a bunch of petitions, leading petition being Writ Petition No. 11355 (M/B) of 2021 (**Shailendra Kumar and others versus State of U.P. and others**). The period within which the Sugar Mill has to pay the the cane dues is 14 days, as per the said dictum, S.L.P. against which has been dismissed. Not only the period is 14 days but any delayed payment i.e. payment of cane dues to cane growers after the said 14 days, will attract an interest of 15%, as has been declared in the said Division Bench Judgment, which has attained finality, as far as, the State Government is concerned.

6. In this petition, the petitioner appearing in person, has sought payment of interest on the delayed payment of cane dues right from 1996 till date.

7. Shri J.N. Mathur, learned counsel appearing for the Sugar Mill Associations says that the words "on-wards to date" appearing in the relief clause confines the period to 1996/1997-October, 2006 which is the month in which the petition was filed. However, in our order dated 01.05.2024, we have sought data pertaining from 1996 on wards without any time limit. The reason is very clear. This is a Public Interest Litigation and the interest of the cane growers is at stake. In several cases which we have come across, as was the case in **Shailendra Kumar** (supra), delayed payments were being made but we were not shown any order of the Cane Commissioner issuing a certificate to the Collector for recovery of the delayed cane dues adding interest at the prescribed rate. In this case also, this is the very issue. In any case, if there is any doubt about the scope of the writ petition, though we have no such doubt, we expand the scope of this writ petition so far as the time period is concerned, which shall not be limited to the date of filing because valuable interest of cane growers is involved.

8. In spite of our order dated 01.05.2024, the State has not produced the data, as was required by us.

9. In our order dated 21.05.2024, we have noticed the submission of Shri V.M. Singh, petitioner appearing in person, that it is for the Cane Commissioner to discharge his statutory obligation to ensure payment of dues within time and recovery of the sugar cane dues where they are not paid in time, we also find it to be so. A Sugar Mill Association which has 62 Sugar Mills as its Members, is already before us. We are primarily concerned with the discharge of statutory obligations by the Cane Commissioner in this regard. We do not say much, except, if interest on the delayed payment has not been paid to the cane growers, for a long period, whether it be from 1996 till date or any other period, then it would be an amount running into hundreds of crores i.e. if it is so.

10. At this stage, Shri J.N. Mathur, learned counsel appearing for the Sugar MIll Associations says that it could be thousands of crores. If it is so, then, we will certainly have to consider as to who is responsible for non payment of such interest on delayed payment of cane dues. Of course, what Shri Mathur says that if this is ordered, then the sugar mills will close can also be argued but then the alternative question would be what about the interest of the poor cane growers who also contribute to the ecomony of this country, why the law should be heavily laden or interpreted and implemented in a manner which favours only the sugar mills and not the cane growers.

11. Let the Cane Commissioner appear before this Court and satisfy us as to compliance of our order dated 21.05.2024 and the issues involved herein, personally, because we find that this matter has been going on for quite sometime but without any progress.

12. We do not say, at this stage, that the State is not co-operating because we expect that it will do so now, by placing complete data before us for facilitating and adjudication of the issues involved. It is not in dispute that the statutory obligation to pay the sugarcane dues within 14 days is there and in default, interest @ of 15% per annum is payable. The only question is, has this statutory provision been complied by the Cane Commissioner and the

authorities and whether such interest on delayed payment has been paid to the cane growers or not.

13. We will consider the issue of interest on delayed payment of cane dues by bifurcating the time period into three phase. The first phase from 1996-2006, the second phase from 2007-2013 and the third phase from 2014-2025/26.

14. The Cane Commissioner shall also demonstrate that after the judgment and order dated 02.12.2021 in the case of **Shailendra Kumar** (supra), whenever any such interest has been imposed by the Cane Commissioner in the certificate issued by him referable to Section 17 (3) of the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953, whether it has been done @ 12% per or 15% per annum.

15. All pleas are open for consideration.

16. This case shall now be come up on 03.08.2026. If possible, we will take up the matter on day-to-day basis, as the petition has remained pending for quite sometime.

(Manjive Shukla,J.) (Rajan Roy,J.)

July 16, 2026
Satish