

**THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

(1) CWP No. 15013 of 2005 (O&M)
Date of decision: February 10, 2015.

Sh. Harbans Singh and others

...Petitioners

Versus

State of Punjab and others

...Respondents

(2) CWP No. 6828 of 2002 (O&M)

M/s J.R. Agro Technical Private Limited

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM:- HON'BLE MR. JUSTICE K. KANNAN

1. Whether Reporters of local papers may be allowed to see the judgment ?
2. To be referred to the Reporters or not ?
3. Whether the judgment should be reported in the Digest?

Present: Mr. GC Dhuriwala, Advocate,
for the petitioners.

Mr. Ranbir Singh Pathania, DAG, Punjab.

K. KANNAN, J. (Oral)

1. This order shall dispose of the above titled two cases, as the same arises out of the same set of facts and question of law.
2. The petitioners seek for payment of interest for delayed payment effected against delivery of levy rice. The petitioners have set out in the schedule through Annexures P/1 to P/3, the respective dates of delivery effected and the payments made on various dates giving the

calculation of number of days of delay and the amount payable by way of interest if the interest is calculated upto 31.5.2002. The petitioners' reliance would be on Clause 7 (3) of the Levy Control Order which reads as under:-

“Full payment shall be made within 24 hours of the delivery of rice after making such deductions in the total price of rice as are allowed in Schedule IV assessed on the basis of analysis as provided in Sub Clause (4).”

3. The issue of whether the State would be liable to pay interest was considered by a Division Bench of this Court in CWP No. 19209 of 2001 titled M/s Kunal Rice Mills Vs. State of Punjab and others decided on 1.10.2002 Making reference to Clause 7 (3) and the earlier decision of this Court in CWP No. 2299 of 2002 titled M/s Rama Krishan Trading Company Rice Mills, Suran Nussi, District Jalandhar and another Versus State of Punjab and others decided on 26.8.2002, the Division Bench held that the interest payable would be at 12% from the date when it became payable.

4. The counsel appearing on behalf of the respondents submits that there are also decisions of the Division Bench where the court denied interest for the delayed payments. I have not been shown any other judgments that takes a different view except some portions which have been extracted. On the other hand, the judgment cited by the petitioners gives reasoning for justification for levy of interest @ 12%. As a necessary consequence to the mandate contained under Clause 7 (3) of the Levy Control Order, I find the petitioners' case to be justified and award payment of interest @ 12% per annum calculated 24 hours after the respective dates when delivery was effected till the date of payment. The petitioners will give details of calculation of the amount due worked out till the date of this

order and furnish the same to the State for making payment. It shall be no answer for the State that the amounts must come from the FCI. It shall make the payment and get it reimbursed from the FCI.

5. Both the writ petitions are allowed on the above terms.

February 10, 2015
prem

(K.KANNAN)
JUDGE