

CWP No.17449 of 2015

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

**CWP No.17449 of 2015
Date of decision:19.10.2015**

M/s Paras Rice Mill

...Petitioner

Versus

State of Punjab and others

...Respondents

CORAM: Hon'ble Mr. Justice Rakesh Kumar Jain

Present: Mr. Aman Bansal, Advocate,
for the petitioner.

Mr. Yatinder Sharma, Addl. A.G., Punjab.

Mr. K.K.Gupta, Advocate,
for respondent No.4.

Rakesh Kumar Jain, J. (Oral)

It is not disputed that as per Clause 11(A) of the Custom Milling Policy dated 13.08.2015 for the Kharif Marketing Season 2015-16, the allotment of rice mills is to be made by the Director, Food, Civil Supplies & Consumer Affairs, Punjab through the District Level Committee. The petitioner is the lessee of M/s BID Rice Mill w.e.f. 01.05.2015 to 30.04.2020 and has applied for allotment of rice for the year 2015-16 as per the aforesaid policy.

Counsel for the petitioner has submitted that the allotment can be refused only when there is a sham transaction, recovery is pending either

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against the lessor or the lessee or there is any relationship of the lessor or the lessee with any other defaulters. In order to point out that there is no recovery against the lessor of the petitioner i.e M/s BID Rice Mill, he has referred to the letter dated 03.08.2015 addressed by the District Manager, PUNGRAIN, Barnala to the Area Manager, FCI, Sangrur, wherein it has been recommended that due to deposit of the outstanding amount by the M/s BID Rice Mill, after removing the ban imposed by the FCI, the business dealing may be started with it. He has further referred to the letter dated 17.08.2015 written by the District Controller, Food Civil Supplies & Consumer Affairs, Barnala to the Director, Food Civil Supplies & Consumer Affairs, Punjab in respect of allotment of rice to the petitioner for the year 2015-16, informing that M/s BID Rice Mill had obtained No Objection Certificate from all the purchase agencies and the copies thereof were also appended with the letter for further proceedings.

In the reply filed by the FCI, it is averred that M/s BID Rice Mill, lessor of the petitioner, had supplied BRL/BPFA rice stocks categorized as animal feed/unfit for human consumption, causing loss to the FCI to the extent of ₹19,08,668/- along with penal interest demanded thereupon, and a criminal case is also pending in the CBI Court, Patiala against the said firm. It is, thus, apprehended by the FCI that in order to escape the criminal and civil consequences and to procure further business, the name of the mill might have been changed with that of M/s Paras Rice Mill and in order to rule out any hanky-panky, the Board of Directors of the FCI, in its 350th meeting, has already constituted a High Level Committee to

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verify and decide on merits of each of the case of lease or ownership transfer by such defaulters.

It is submitted by learned counsel for the FCI that the petitioner may represent to the said High Level Committee in this regard, who would examine the case of the petitioner on merits, after verification of the relationship between the petitioner and that of M/s BID Rice Mill, from whom the petitioner has taken the mill on lease w.e.f. 01.05.2015 i.e. just on the eve of allocation of the mills to the State agencies by the District Level Committee, and then decide as to whether the petitioner is eligible or not for rice allotment.

Counsel for the petitioner has raised no objection in this regard, rather he is ready and willing to make a representation to the High Level Committee, constituted by the Board of Directors of the FCI in its 350th meeting.

Thus, the present writ petition is disposed of with a direction that in case the petitioner moves a representation to the High Level Committee, constituted by the Board of Directors of the FCI in its 350th meeting, within one week from today, the same shall be decided within two weeks thereafter positively by passing a speaking order and the decision shall be conveyed to the petitioner immediately thereafter.

October 19, 2015
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(Rakesh Kumar Jain)
Judge