IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

Regular Second Appeal No.3552 of 2011 (O&M)
Date of decision: 11.5.2015

Balbir Kaur

... Appellant

Versus

Punjab State Warehousing Corporation and others

... Respondents

CORAM: HON'BLE MR. JUSTICE RAJIV NARAIN RAINA

Present: Mr.Vaneet Soni, Advocate,
for the appellant.

Mr.B.R.Bansal, Advocate,
for respondents No.1 and 2.

*****

1. To be referred to the Reporters or not?
2. Whether the judgment should be reported in the Digest?

RAJIV NARAIN RAINA, J.(Oral)

This is plaintiff's second appeal in a suit for recovery of rent for storage of paddy stock kept for milling in her godown. She has lost in both the Courts below. The paddy stock belonged to the Punjab State Warehousing Corporation as agent of the Food Corporation of India for distribution of milled rice. The milling agent was a sheller, namely, M/s Bedi Rice Mills who were bound by milling contract with the Corporation. She claimed that the stocks overstayed in her godown and were not lifted by the Corporation even when the arbitration award between M/s Bedi Rice Mills and the Corporation directed lifting of stock by November 30, 1998. If there was failure to lift stock it remained in her godown causing loss of income from rent of space occupied by the stationary paddy stock which she could have earned had the stock been lifted timely. But the appellant did not claim recovery of money and instead file suit for rendition of accounts against the respondent Corporation.

Assuming that the arbitration award fixed a cut off date i.e. November 30, 1998 for the Punjab State Warehousing Corporation to lift the paddy stock lying in the name of M/s Bedi Rice Mills but in the storage premises of appellant Balbir Kaur, yet there was no privity of contract between the appellant and the respondents with respect to the paddy stock stored on property of the appellant. Balbir Kaur, plaintiff filed a suit for rendition of accounts against the Corporation, but strangely not against M/s Bedi Rice Mills. Similarly, in case there was a lease agreement drawn between Balbir Kaur and M/s Bedi Rice Mills for storage of paddy stock, respondent Corporation was not privy to that contract. Merely because the stock was kept in the godown of Balbir Kaur, which goods belonged to the Corporation for milling by its shelling agent M/s Bedi Rice Mills then the claim, if any, of Balbir Kaur was to seek recoveries of money from the sheller or file an action for rendition of accounts against M/s Bedi Rice Mills by way of a separate suit. Moreover, the appellant as plaintiff chose not to implead M/s Bedi Rice Mills as party to the suit instituted against the Corporation. M/s Bedi Rice Mills was held by the courts *a quo* is a necessary party in the absence of whom, the controversy could not have been resolved effectively and completely. If the proceedings in FAO No.2690 of 2003 arising out of the arbitration award between M/s Bedi Rice

Mills and the Corporation have been transferred by the Supreme Court to itself vide order dated September 3, 2013 to be decided with SLP (Civil) No.31922 of 2010, that would be insufficient ground to link this appeal with the fate of those cases pending before the Supreme Court. Balbir Kaur is not a party to those proceedings. A photocopy of the order of the Supreme Court is taken on record.

Both the Courts below have not agreed with the plaintiff appellant that she is entitled to relief by a decree. The learned Additional District Judge, Tarn Taran held that the relief of rendition of accounts was not grantable since the appellant had herself assessed charges @ 10 paise per bag per day then there was nothing to be accounted for. If she had quantified the money herself and reflected those figures in the plaint, then the lower appellate Court was correct in its reasoning that nothing was amenable to rendition by way of accounts. It is also noteworthy that the learned appellate Court returned a finding in paragraph 13 of the judgment that the plaintiff had not produced on the file any document of ownership of the godown where the paddy was stored. She did not disclose in the plaint as to how M/s Bedi Rice Mills set foot on her godown for storing the paddy belonging to the Corporation and under what terms and conditions. The Court went further still and rightly observed that the question of use and occupation of the godown by the respondents would have arisen only if the Corporation had been in illegal possession of the godown and had kept the paddy beyond the period agreed. But there was no agreement between Balbir Kaur and the Corporation and the suit was, therefore, wholly misdirected. It is only where disputing parties are bound by a fiduciary relationship arising out of business relations and inter se dealings that they can be compelled to render accounts to each other by a court decree when unable to resolve their differences between themselves. The remedies of Balbir Kaur, if any, were against M/s Bedi Rice Mills alone to recover money for the holdup of goods on the premises, if she felt aggrieved. Therefore, no question of law arises in this case, much less a substantial one, warranting admission of the matter. For the reasons recorded by the lower appellate court which are found unexceptionable, this appeal fails. The findings are endorsed. The appeal is dismissed.

(RAJIV NARAIN RAINA)
JUDGE

May 11, 2015
Paritosh Kumar