

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-11058-2014 (O&M)
Date of Decision:-29.11.2018.

M/s Jain Rice Mills, Rayya

.....Petitioner

Versus

Union of India and others

.....Respondents

CORAM: HON'BLE MR. JUSTICE ARUN MONGA

Present: Mr. Vineet Sharma, Advocate for the petitioner.

Mr. Sumeet Goel, Advocate and
Mr. Manav Bajaj, Advocate for respondent No.1-UOI.

Mr. Abhaypal Singh Gill, AAG, Punjab.

Mr. Vikas Singh, Advocate and
Mr. A.S. Pannu, Advocate for respondent Nos.5 to 7.

ARUN MONGA, J. (Oral)

CM-17124-CWP-2018

Order dated 16.05.2001 passed in CWP-15972-2000 as Annexure A-4 and Rapat No.451 dated 15.04.2013 as Annexure A-5 is taken on record.

CM stands allowed subject to all just exceptions.

CWP-11058-2014

Learned counsel for the petitioner *inter alia* contends that pursuant to the order dated 15.10.2018, the petitioner is still willing to deposit amount of Rs.3,17,03,931/- out of which Rs.1 crore has already been deposited on 10.06.2014.

2.) Learned counsel for respondent Nos.5 to 7 contends that his clients have no objection to the sale of the rice which is lying stored in the godown and as

long as the same is sold by respondent No.5 and not the petitioner. He fairly states that at the time of sale of rice, representatives of the petitioner will be duly allowed to participate and be present there. However, he contends that the sale proceeds shall directly be remitted to respondent No.5 and the same shall be adjusted towards the amount eventually found due from the petitioner.

3.) Learned counsel appearing for the petitioner fairly concedes that his clients are willing to pay the balance amount also which is found due after adjustment of the sale price of the rice lying in the godown. Learned counsel for respondent No.5 to 7 states that as per his instructions as on 15.10.2018, the total outstanding amount is Rs.6,91,76,638/- after adjusting Rs.1 crore already paid.

4.) As regards the balance outstanding to be paid by the petitioner, the learned counsels are *ad idem* that the same shall be subject to outcome of the arbitration proceedings and all the rival contentions are kept open to be adjudicated upon by the learned Arbitrator. In view of the fact that amount of Rs.1 crore has already been paid by the petitioner, which reflects *bona fide* of the petitioner coupled with the fact that sale proceeds of the rice stock lying in the godown shall also be directly remitted to respondent No.5, no coercive steps shall be taken against the petitioner during the pendency of the arbitration proceedings subject to a further payment of another Rs.1 crore, staggered in 4 monthly installments of Rs.25 lacs each commencing from the month of January, 2019.

5.) Petition stands disposed of in above terms.

(ARUN MONGA)
JUDGE

November 29, 2018.
sandeep

Whether speaking/reasoned:-

Yes / No

Whether Reportable:-

Yes / No.