

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

**CWP No. 5550 of 2013
Date of Decision : 10.12.2018**

Punjab State Warehousing Corporation

...Petitioner

versus

Food Corporation of India and others

...Respondents

CORAM : HON'BLE MR. JUSTICE ARUN MONGA

Present : Mr. Jastej Singh, Advocate,
for the petitioner.

Mr. K. K. Gupta, Advocate,
for respondents No.1 and 2.

Mr. Abhay Pal Singh, AAG, Punjab.

ARUN MONGA, J. (Oral)

CM NO. 18448 OF 2018

For the reasons mentioned in the application, same is allowed and the list of millers as per orders dated 10.10.2018, is taken on record subject to all just exceptions.

CWP NO. 5550 OF 2013

1. The present writ petition has been filed by a Punjab State PSU against a PSU of Union of India, praying for the issuance of an appropriate writ, order or direction in the nature of certiorari quashing the recovery notices appended with the writ petition as Annexure P-6 (colly).

2. The grievance of Punjab State Warehousing Corporation/petitioner is against the recovery notices issued by the Food Corporation of India (hereinafter referred to as "the FCI") in respect of the rice supplied in the kharif marketing season 2004-2005 which was accepted by the FCI and their agents upon finding the same to be conforming to the prescribed quality and quantity norms and certifying the same. On the basis of such written certification by the FCI, the payments were made to the rice millers who had carried out custom milling. The petitioner states that with the supply of rice as per the prescribed norms and upon due and proper certification by the FCI to be conforming to the prescribed norms, the contract between the petitioner/Corporation and the FCI stood fully discharged.

3. Learned counsel appearing for respondents No.1 and 2 points out that vide office memorandum dated 22.05.2018, issued by Department of Public Enterprises, Government of India in respect of settlement of Commercial Disputes between Central Public Sector Enterprises (CPSEs) *inter se*, and also between CPSEs and Government Departments/Organizations, all the disputes *inter se* are to be referred to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD). He further contends that in view of Clauses 4, 5 and 6 thereof, it has been clearly stated that at the first level such commercial disputes shall be referred to the Committee comprising of Secretaries of Administrative Ministries followed by referring the same to the

second tier constituted by the Cabinet Secretary, in the event the dispute remains unresolved by the first tier.

4) After hearing the rival contentions of both sides, I am of the view that the petitioner ought to have pursued his remedy according to the mechanism provided, as per circular dated 22.05.2018.

5) Accordingly, present writ petition is disposed of with a direction to the Committee of Secretaries of Administrative Ministries, constituted/to be constituted as per office Memo dated 22.05.2018, to pass a speaking order on merits adjudicating the disputes between the parties herein raised in this writ petition. It is made clear that all the rival contentions of the respective parties are kept open to be raised before the first tier Committee of Secretaries. The said Committee of Secretaries is directed to pass a speaking order after taking into consideration the rival contentions of the parties within the time frame prescribed in the Circular dated 22.05.2018.

(ARUN MONGA)
JUDGE

DECEMBER 10, 2018
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1.	Whether speaking/reasoned	Yes / No
2.	Whether Reportable	Yes / No