

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.17075 of 2015

1. Maner Telpa Primary Agriculture Credit Cooperative Societies through its Chairman, Ritesh Kumar, son of Sri Mithilesh Kumar Singh, resident of village- Maner Telpa, P.O. Bikram, P.S. Bikram, District- Patna.
2. Akhtiyarpur Manjhauli Primary Agriculture Credit Cooperative Societies, through its Chairman Archit Kumar, son of Late Arun Kumar Singh, resident of village and P.O. Akhtiyarpur, P.S. Bikram, District- Patna.
3. Barah Primary Agriculture Credit Cooperative Societies, through its Chairman Pawan Singh, son of Sri Tapeswar Singh, resident of village and P.O. Barh, P.S. Rani Talab Kanpa, District- Patna.
4. Patut Primary Agriculture Credit Cooperative Societies, through its Chairman Sudarshan Singh, son of Late Prashuram Singh, resident of village- Raghapur, P. Patut, P.S. Rani Talab Kanpa, District- Patna.
5. Haibaspur Gona Primary Agriculture Credit Cooperative Societies, through its Chairman Kamlesh Singh son of Late Hari Nandan Singh, resident of village- Gopalpur, P.O. Sairabad, P.S. Rani Talab Kanpa, District- Patna.
6. Datiyana Primary Agriculture Credit Cooperative Societies, through its Manager Raj Kumar Singh, son of Sri Kamla Singh, resident of village and P.O. Datiyana, P.S. Bikram, District- Patna.
7. Saidabad Kanpa Primary Agriculture Credit Cooperative Societies, through its Chairman Sudarshan Pra son of Sri Ramchandra Yadav, resident of village and P.O. Saidabad, P.S. Rani Talab Kanpa, District- Patna.
8. Danara Katari Primary Agriculture Credit Cooperative Societies, through its Chairman Ishwari Prasad son of Late Chitranjan Prasad Singh, resident of village and P.O. Danara, P.S. Bikram, District- Patna.
9. Mahajpura Primary Agriculture Credit Cooperative Societies, through its Chairman Suba Singh, son of Late Chhotu Singh, resident of village- Amwa, P.O. and P.S. Bikram , District- Patna.
10. Naghar Primary Agriculture Credit Cooperative Societies, through its Chairman Ajit Kumar Singh, son of Sri Lal Babu Singh, resident of village- Bagha Kol, P.O. Patut, P.S. Biram, District- Patna.
11. Gorakhari Primary Agriculture Credit Cooperative Societies, through its Chairman Satyendra Singh, son of Late Sridhar Singh, resident of village and P.O. Gorakhri, P.S. Bikram, District- Patna.

... .. Petitioner/s

Versus

1. The Bihar State Food And Civil Supplies Corporation Ltd.Sone Bhawan, Birchand Patel Path, Patna through the Managing Director.
2. The Managing Director, Bihar State Food and Civil Supplies Corporation Ltd. Sone Bhawan, Birchand Patel Path, Patna.
3. The District Manager, Bihar State Food and Civil Supplies Corporation, Patna District- Patna.
4. The Assistant Manager, Bihar State Food and Civil Supplies Corporation, C.M.R. Godown Sarsi, Block- Bikram, District-Patna.



5. The Godown Incharge, C.M.R. Godown Sarsi, Block- Bikram, District- Patna.
6. The Godown Incharge, C.M.R. Godown Datiyana, Block- Bikram, District- Patna.
7. The Godown Manager, Paddy Procurement Centre, Bikram, Block- Bikram, District- Patna.
8. The District Magistrate, Patna.

... .. Respondent/s

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Appearance :

For the Petitioner/s : Mr.Bindhyachal Singh, Adv.
For the BSFC : Mr. Nirmal Kumar, Adv.
Mr.Shailendra Kumar Singh, Adv.

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CORAM: HONOURABLE MR. JUSTICE RAJEEV RANJAN PRASAD
ORAL ORDER

13 07-05-2019 Let the District Magistrate, Patna be added as party
Respondent No.8 to the writ application in course of the day.

Heard learned counsel for the petitioners, learned
counsel representing the Bihar State Food and Civil Supplies
Corporation (hereinafter referred to as the Corporation).

Petitioners in the present case are the different
Primary Agriculture Co-operative Societies (hereinafter referred
to as the PACS). They have moved this Court seeking a writ of
mandamus commanding the respondent authorities of the
Corporation to make payment of the price of the paddy and
Custom Mill Rice (CMR) said to have been deposited by the
petitioners and received by the Godown In-Charge of the
respondent Corporation on different dates. The petitioners claim
that because of non-payment of the price of the paddy and the
'CMR', they are being burdened with the amount of interest



which is being charged by the banker against the Cash Credit Facility availed by the petitioners society for payment of price to the petitioner.

A perusal of the writ application would reveal that according to the petitioners they had made the deposits on different dates as indicated in Paragraph '10' of the writ application. The quantity of paddy said to have been purchased are also mentioned in the said paragraph with a statement that the petitioners had deposited their paddy at the centres fixed by the respondent Corporation at Bikram-cum-Patut and Datiyana and in token, thereof, receipts were granted in favour of writ petitioners by the Godown In-charge of the concerned centres.

The writ petition, however, also states that except for the petitioner nos.1, 3, 5 and 10 all the writ petitioners had deposited their entire purchased stock of paddy at the centre but so far as petitioner nos.1, 3, 5 and 10 are concerned, they did not deposit their some of the stock of paddy since there was rush at the centre for deposit and there was no sufficient space available for it. After some time, the petitioner nos. 1, 3, 5 and 10 therefore, converted the paddy in 'CMR' rice and deposited in the Go-down of Respondent Corporation and in token of deposit the concerned Go-down Manager and the Assistant District



Manager had granted receipt of 'CMR' rice in favour of petitioner nos.1, 3, 5 and 10.

Learned counsel for the petitioner submits that on the face and the materials available on the record which have been placed by way of Annexures to the writ application, it is not known as to why the respondent authorities would not make payment of the price of the Paddy/CMR.

Learned counsel for the Corporation has, however, opposed the submission of learned counsel for the petitioner. In course of hearing, attention of this Court has been drawn towards some of the 'Purchase-cum-Payment Vouchers' available at Page Nos.40, 41, 42 onward with the writ application. It is submitted that a perusal thereof would show that the paddy were deposited after the cut-off-date i.e., 31.03.2015 but in order to bring such purchases, if any, within the cut-off-date, the date first mentioned in the given column was cut down and date '31.03.2015' was mentioned thereon with sole intention to bring those purchases within the cut-off-date.

Attention of this Court has also been drawn towards the 'Acceptance-cum-Analysis Report of Rice' as appearing at Page No. '105' of the brief to show that the rice were accepted



by the Assistant Manager of the Corporation after the cut-off-date which in case of 'CMR' was 30.06.2015. The 'Acceptance-cum-Analysis Report of Rice', if correct would show that the deposits of 'CMR' were made on 20.08.2015 i.e., after the cut-off-date.

Learned counsel submits that the whole transaction with regard to the purchase of paddy and deposit thereof would require to be considered keeping in mind the Hon'ble Division Bench Judgment of this Court in the case of **Bihar State and Civil Supplies Corporation Ltd and another vs. Nayan Kumar Sinha and Ors.** reported in **LPA No.881 of 2016 and another analogous matters** which were decided on 06.08.2018. It is submitted that the District Magistrate of the concerned District would only be the competent person to examine the claim of the petitioner keeping in mind the guidelines laid down by the Hon'ble Division Bench in LPA No.881 of 2016 and other analogous matters hence, a direction may, accordingly, be issued to the District Magistrate of the concerned District.

Having heard learned counsel for the parties and on perusal of the records, this Court finds that while the petitioners are claiming that they had supplied the Paddy/CMR within the cut-off-date i.e., 31.03.2015/30th June, 2015 respectively for



which no payment has been made to the petitioners, the Corporation is disputing the same by pointing out writings showing the dates on the vouchers which have been brought on the record. This Court also finds that although in the writ application it is stated that the petitioners had purchased the paddy from the farmers and it is the contention of Mr. Bindhyachal Singh, learned counsel representing the petitioners that the word 'purchase' has to be taken as if payments have already been made to the farmers. This Court does not find any cogent material to accept the submission. The submission made in Paragraph '9' of the writ application rather gives an impression that the farmers had yet to receive the price of their paddy and they had developed a legitimate expectation that they would get the price of their paddy very soon. This Court would, thus, not go into this issue particularly, keeping in mind what have been observed and directed by the Hon'ble Division Bench of this Court in LPA No.881 of 2016 and other analogous matters.

This, however, would not effect the case of the petitioner from being considered after looking into the materials, if any showing payment to the farmers.

In LPA No.881 of 2016 and other analogous matters,



at the writ stage, the learned Single Judge of this Court had upon consideration of the scheme of the Government directed the Corporation, State and the Union of India to accept the delivery of 'CMR' and make payment of the price in respect thereof as may be found admissible. The said case also pertains to procurement year 2014-15 and the cut-off-date 31.03.2015 had come up for consideration in the aforesaid case. After discussing the various aspects of the schemes, this Court found that for the paddy procurement year 2014-15, in order to ensure that the purchase be made only from farmers and not from the traders and intermediaries the Government made an arrangement whereunder the Corporation was made a Nodal Agency for purchase from 'PACS' and purchase centers of the Corporation. The scheme also provided for preparation of 'CMR' through the mills operated by 'PACS' and under the agreement by the Corporation and the mill run by the 'PACS'. The Hon'ble Division Bench concluded that the whole purpose of the scheme was to secure benefits to the farmers and nobody else.

Taking note of the aforesaid purpose of the scheme, the Hon'ble Division Bench held in Paragraph Nos.17 to 20 of its judgment as under:-

"17. In the facts and circumstances of the



case, we find that the Court is required to balance the interest of both the parties keeping in mind the aim and object of the government's scheme and the purpose of the scheme is that the benefit of scheme should go only to the farmers and not to any trader or intermediaries. We would respectfully differ with the view of the learned Writ Court only to the extent that the payments made to the farmers on or before 31.03.2015, in our opinion, has to be taken as an important consideration and a factor to be taken care of in order to reach to a conclusion whether or not the PACS in respect of whom the learned writ Court has found a case in their favour, are entitled to the benefit of the same. In order to ensure the achievement of the aims and objects of the government's scheme we would direct that a committee comprising (i) the District Magistrate of the concerned district, (ii) the Enforcement Officer of the concerned Block within whose jurisdiction the PACS is situated and (iii) one senior officer from the BSFCSC would nominated by the Managing Director of the BSFCSC, shall with the assistance of the concerned bank manager and officer of the cooperative banks shall find out such purchases which have been made by the respective PACKS in whose favour the learned Writ Court has found a case and against which payments have been made to the farmer members of the PACKS either by RTGS/NEFT or through account payee cheque on or before 31.03.2015. All such claims of procurement of paddy which will be supported by the payments made to the farmer members of the PACKS in the manner stated in the government's scheme shall only qualify for supply of proportionate 'CMR' to the 'BSFCSC'. Mr. Anjani Kumar, learned senior counsel has contended before us that so far as BSFCSC is concerned, it is only a nodal agency and the entire fund with regard to such procurements through the PACS are to be made available by the Central Government.

18. Mr. S.D. Sanjay, learned Additional Solicitor General representing the Central Government



has a submission that the scheme was meant for the year 2014-15 and after the scheme has lived its life and thereafter purchases are being made in different years, it would not be proper to issue any mandamus at this stage.

19. We have considered the submissions made at the Bar and find that only those writ applications have been allowed by the learned Writ Court in which the petitioners had moved the Court before the end of the procurement year or had claimed that the purchases of paddy were made before the end of the scheme on 31.03.2015. Since these writ applications pertain to the paddy season 2014-15 only in respect of which the government scheme was in operation, if the petitioners would be able to make out their case in terms of our directions hereinabove, in our considered opinion, they cannot be deprived from supplying the proportionate CMR, as the case may be, in terms of the scheme. If these 'PACS' have made payments to the farmer members on or before 31.03.2015, the nodal agency as well as the Central Government are liable to abide by the promises made under the scheme.

20. The Committee aforesaid shall complete the entire exercise of verification within a period of two months from the date of receipt/production of a copy of this order and the supplies which would qualify for payments will be made available to them within a period of thirty (30) days from the date of recommendation of the Committee. The respective Co-operative Banks shall co-operate with the Committee and shall make available the necessary records of payment to farmers and other information which may be sought by the Committee. The Committee shall give reasons for rejection of claims of a PACS. It is made clear that any party, who may be aggrieved by the recommendation of the Committee, will be at liberty to raise a grievance and seek his/their remedy in accordance with law."

Since, the issues involved in the present writ



application are identical in nature and there is no dispute at the Bar that this case would be covered by the Judgment of the Hon'ble Division Bench of this Court as it pertains to the same procurement year, this Court would direct the District Magistrate, Patna to look into the grievance of the petitioners, follow the guidelines of the Hon'ble Division Bench in LPA No.881 of 2016 and other analogous matters and consider the case of the petitioners in identical manner as was ordered by the Hon'ble Division Bench in the aforesaid Judgment. The whole exercise in this regard must be completed within a period of three months from the date of receipt/production of a copy of this order. In case the supplies made by the petitioners if any, qualifies for payments, the same will be made available to the petitioners within a period of 30 days from the date of recommendation of the committee. The whole matter will be considered in identical manner as have been directed by the Hon'ble Division Bench in LPA No.881 of 2016 and other analogous matters.

The writ application stands disposed of, accordingly.

(Rajeev Ranjan Prasad, J)

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