

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No. 15227 of 2019

1. Md. Tasauver Alam aged about 47 years (Male) Son of Khabiruddin, resident of Village Dahnia (Danhia), P.S. and Block Azamnagar, District- Katihar.
2. Md. Kasful Hoda aged about 53 years (Male) Son of Late SK. Aminuddin, resident of Village Kaliganj, P.S. and Block Azamnagar, District- Katihar.
3. Anhu Sharma, aged about 49 years (Male) Son of Santu Sharma, resident of Village Mangatpur, P.S. and Block Azamnagar, District- Katihar.
4. Md. Mokail aged about 37 years (Male) Son of Md. Nuhu resident of Village Kolhan, P.S. and Block Azamnagar, District- Katihar.
5. Md. Amanullah, aged about 30 years (Male) Son of Md. Ghyasuddin, resident of Village Marhi, P.S. and Block Azamnagar, District- Katihar.
6. Abdul Basit, aged about 35 years (Male) Son of Late Abdul Khalique, resident of Village Gaighotta, P.S. and Block Azamnagar District- Katihar.

... .. Petitioner/s

Versus

1. The State of Bihar.
2. The Principal Secretary, Department of Bihar State Food and Civil Supplies Corporation Limited, Patna.
3. The Director, Department of Bihar State Food and Civil Supplies Corporation Limited, Patna.
4. The General Manager Department of Finance Corporation Head Quarter Patna.
5. The District Magistrate cum Collector, Katihar.
6. The District Co-operative Officer cum Managing Director of Co-operative Bank Limited, Katihar.
7. The District Manager of State Food Corporation, Katihar.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr. Najmul Hoda and Mr. Md. Qumrul Hoda, Petitioners
For the BSFC	:	Mr. Anjani Kumar, Sr. Advocate Mr. Shailendra Kumar Singh, Advocate
For the State	:	Mr. Md. Kamil Akhtar, AC to AAG 5

**CORAM: HONOURABLE MR. JUSTICE AHSANUDDIN
AMANULLAH**

ORAL JUDGMENT

Date : 18-01-2020



Heard learned counsel for the petitioners; learned AC to AAG 5 for the State and Mr. Anjani Kumar, learned senior counsel along with Mr. Shailendra Kumar Singh, learned counsel for the Bihar State Food and Civil Supplies Corporation Limited (hereinafter referred to as the 'Corporation').

2. Despite service of notice and name of learned counsel appearing for the Co-operative Bank Limited, Katihar (hereinafter referred to as the 'Bank') nobody appeared when the matter was taken up and heard.

3. The petitioners have moved the court for the following relief:

“That this writ application is being filed for a direction/order to the concerned respondents for payment of Price of rice with interest to the petitioners. As the petitioners are Chairman of PACS (Primary Agriculture Cooperative Society) have sold rice to B.S.F.C. (Bihar State Food and Civil Supplies) Katihar on Credit as per provision of PACS and it is further prayed for other necessary direction in the circumstances set forth below.”

4. During the pendency of the writ petition, the main grievance of the petitioners with regard to non-payment of their dues by the Corporation has been redressed. However, with regard to the fact that due to late payment to the petitioners they had defaulted in repaying the Bank which has saddled them with 11%



interest, the Court by order dated 16.12.2019 had directed the parties to file their affidavit with regard to the date on which the *challan* were submitted by the petitioners, which was the reason cited by the Corporation for making payment belatedly.

5. Pursuant to the aforesaid, the petitioners have filed 3rd supplementary affidavit and the Corporation has also filed its supplementary counter affidavit. The stand taken on the said point by the Corporation is incorporated in paragraphs no. 3 and 4, which read as under:

“3. That as per order dated on 16.12.2019, by hon’ble Court the petitioner no. 01 had submitted truck Chalan on 12.09.2018, petitioner no. 02 had submitted truck chalan on 18.01.2018, petitioner no. 03 had submitted truck chalan on 01.05.2018, petitioner no. 04 had submitted truck chalan on 12.09.2018, petitioner non 05 had submitted truck chalan 10.10.2018 and petitioner no. 06 had submitted but chalan on 20.02.2018.

4. That the answering respondent issued vide letter No. 406, dated 06.04.2017, vide letter no. 529, dated 06.05.2017 and vide letter no. 61 dated 05.08.2017 to District Co-operative Officer Katihar and requesting to provide instruction or concerned PACS (petitioner) for is submitting truck chalan, but the petitioners/PACSs had not submitted truck Chalan within the cutoff dated 31.02.2017. Due to the aforesaid facts the respondent has not paid the admitted dues amount to petitioner.”



6. There is nothing to controvert the submission of the truck *challan* by the petitioners on the dates as specified in the affidavit filed on behalf of the Corporation, as noted above.

7. Thus, accepting the stand taken by the Corporation on oath as recorded above, when the Court called upon learned counsel for the Corporation to explain as to why still after submission of the *challan* payments have been made after great delay of over a year and extending from over a year to almost two years, learned counsel for the Corporation submitted that under the instructions of the Government of India and the Department of Food and Public Distribution, only interest charges for two months on Minimum Support Price and Mandi Labour charges are payable. The Court on a further query to learned counsel as to how the same was relevant in the present case when the controversy is not with regard to the admissibility of interest for MSP and Mandi Labour charges, as the same relate only to labour charges incurred in such delivery, he submitted that the Minimum Support Price is relevant in the present case as it is on such rate the paddy is procured on which interest is given only for two months both as per the Government of India, Department of Food and Public Distribution as well as the Department of Food and Consumer Protection Department, Government of Bihar.



8. With regard to the stand taken by learned counsel for the Corporation that interest charges for only two months are admissible, the Court would only indicate that such instructions are by the State/Central Government on their own and that too under normal circumstances with regard to the time which may be taken for procurement or for storage by way of labour charges. Thus, the same does not have either any bearing on the issue before the Court or, in any view of the matter would stand in the way of the Court to make an order in the particular facts and circumstances of the case.

9. Having considered the facts and circumstances of the case and submission of learned counsel for the parties, the admitted position is that the petitioners were not paid their dues regarding paddy supplied by them to the Corporation. Even if the Court accepts the stand taken by the Corporation, as reproduced earlier, with regard to the said truck *challans* submitted, still the Court finds that for the delay in submission of the *challans* the petitioners have already suffered as they cannot claim any further payment much less interest for there has been default/deficiency on their part in not complying with the requirement of submitting such truck *challan*. However, upon the same being done, the onus shifts on the Corporation as it is required to discharge its



responsibility by paying for the paddy to the petitioners. Thus, for the period till the time the truck *challans* were not submitted, the Corporation cannot be held liable for payment of any interest. However, since even after submission of the truck *challan*, there has been delay of over a year to almost two years with regard to the petitioners in making payment for the admitted paddy supplied by them, the Court deems it to be a fit case where it should award interest. As the Court has been persuaded to award interest for the reason that the petitioners in turn has been saddled with the same by the Bank for non-payment of the loan by way of cash credit which account also carries interest, in the considered opinion of the Court, for the ends of justice and equity, it is held that the petitioners would be entitled to the same rate of interest which the Bank is charging from them i.e., @ 11% simple interest per annum. However, the interest payable to the petitioners would not be from the day they had supplied the paddy to the Corporation but from the date they had discharged their responsibility of submitting the truck *challan*. Thus, from the dates as has been stated in the affidavit filed on behalf of the Corporation, especially in the aforesaid paragraphs, the petitioners would be entitled to payment of interest @ of 11% simple interest per annum from the date of submission of such truck *challan* till the date of actual



payment to them. The Court has chosen the rate of 11% per annum simple interest for the reason that it is the rate which the petitioners are required to pay to the Bank for no fault on their part for the periods noted above. With regard to the period for which the truck *challans* were not submitted, the Court does not feel that the petitioners are required to be compensated as there has been laches on their part by not complying with the formalities.

10. The payments be calculated in terms of the directions issued above within three weeks from the date of production of a copy of this order before the respondent no. 7 and credited into the account of the petitioners within two weeks thereafter.

11. The writ application stands disposed off in the aforementioned terms.

(Ahsanuddin Amanullah, J.)

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