

**IN THE HIGH COURT OF JUDICATURE AT PATNA**  
**Civil Writ Jurisdiction Case No.657 of 2023**

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1. Bora-Pathakdih Primary Agriculture Credit Co-operative Society Limited having its office at Bora, Police Station-Amdanda, District- Bhagalpur through its Chairman Suman Kumar Singh aged about 44 years son of Late Diwakar Prasad Singh, resident of village- Bora, Police Station-Amdanda, District-Bhagalpur-813204.
2. Kairiya Primary Agriculture Credit Co-operative Society having its office at Jangal Gopali, P.O. Laxmipur Babhaniya, Police Station- Kahalgaon District- Bhagalpur through its Manager Ranjit Kumar aged about 41 years son of Sri Tulsi Mandal, resident of village- Jangal Gopali, P.O. Laxmipur Babhaniya, Police Station- Kahalgaon, District- Bhagalpur-813204.
3. Sonudih Primary Agriculture Credit Co-operative Society Limited having its office at Sonudih, P.O.- Saino, Police Station- Goradih District- Bhagalpur through its Chairman Sangita Devi aged about 37 years wife of Pramod Kumar, resident of village- Sonudih, P.O.- Saino, Police Station-Goradih, District- Bhagalpur-813105.
4. Harinkol Primary Agriculture Credit Co-operative Society Limited having its office at Hiranand, P.O.Shadipur, Police Station- Pirpainti, District- Bhagalpur through its Chairman Anil Kumar Singh aged about 38 years son of Kishundeo Singh, resident of Village- Hiranand, P.O. Shadipur, Police Station- Pirpainti, District-Bhagalpur-813209.
5. Rajgaon Primary Agriculture Credit Co-operative Society Limited having its office at Gauripur, P.O. Barmasiya, Police Station- Ishipur (Barahat), District- Bhagalpur through its Chairman Ajay Tiwary aged about 53 years son of Hare Ram Tiwary, resident of village- Gauripur, P.O. Barmasiya, Police Station-Ishipur (Barahat), District- Bhagalpur-813209.
6. Sadi Simanpur Primary Agriculture Credit Co-operative Society Limited having its office at Chandan nagar, P.O. Rifayatpur, Police Station- Ishipur, District- Bhagalpur through its Chairman Pradip Kumar Singh aged about 55 years son of Late Abhay Kumar Singh, resident of village- Chandan nagar, P.O. Rifayatpur, Police Station- Ishipur, District- Bhagalpur-813209.
7. Kounda Doradih Primary Agriculture Credit Co-operative Society Limited having its office at Sultanpur, P.O.Kounda, Police Station- Shahkund, District- Bhagalpur through its Chairman Devendra Prasad aged about 47 years son of Vinay Singh, resident of village- Sultanpur, P.O. Kounda, Police Station- Shahkund, District- Bhagalpur-813108.
8. Kahalgaon Vyapar Mandal Co-operative Society Limited, Kahalgaon having its office at Kahalgaon, P.O. Kahalgaon, Police Station- Kahalgaon, District- Bhagalpur through its Chairman Diwakar Sinha aged about 53 years son of Late Kamta Prasad Ram, resident of village- Devipur, P.O. Nandlalpur, Police Station- Kahalgaon, District- Bhagalpur-813222.

... .. Petitioner/s

Versus

1. The State of Bihar through the Secretary Bihar State Food and Consumer Protection Department, Govt. of Bihar, Patna.



2. The Registrar, Co-operative Society, Bihar, Patna.
3. The Joint Registrar, Co-operative Society, Bhagalpur Division, Bhagalpur.
4. The District Co-operative Officer, Bhagalpur.
5. The District Audit Officer, Co-operative Society, Bhagalpur.
6. The Bihar State Co-operative Bank, Ashok Raj Path, Patna through its Managing Director.
7. The Central Co-operative Bank, Bhagalpur through its managing Director.
8. The Bihar State Food and Civil Supply Corporation Ltd., Patna through its Managing Director.

... .. Respondent/s

**Appearance :**

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|----------------------|---|--------------------------------------|
| For the Petitioner/s | : | Ms. Swati Mishra, Advocate           |
|                      | : | Mr. Yogendra Mishra, Advocate        |
| For the Respondent/s | : | Mr. S. Raza Ahmad ( Aag 5 )          |
| For the BSCB         | : | Mr. Bindhyachal Rai, Advocate        |
| For the BCCB         | : | Mr. Rakesh Kumar Jha, Advocate       |
| For the BSFC         | : | Mr. Shailendra Kumar Singh, Advocate |
|                      | : | Ms. Usha Kumari, Advocate            |
| For the State        | : | Md. Kawil Akhtar, AC to AAG-5        |

**CORAM: HONOURABLE MR. JUSTICE SATYAVRAT VERMA**  
ORAL ORDER

3      21-04-2023                      Heard learned counsel for the petitioners, learned counsel for the State, learned counsel for the BSFC (Bihar State Food and Civil Supply Corporation) Mr. Shailendra Kumar Singh, learned counsel for the Bank along with learned counsel for the Bihar State Cooperative Bank and learned counsel for the Bhagalpur Central Cooperative Bank Mr. Rakesh Kumar Jha.

Learned counsel for the petitioners submits that the issue involved in the present writ application is that the decision taken by the Government to take only Usna (boiled



rice) from the rice mill has the impact of closing the petitioner's rice mill. The learned counsel next submits that the State Government sponsored a Scheme known as National Agricultural Development Project as back as in the year 2010, as per the Scheme the Societies were required to establish rice mill for the purposes of preparing Arwa/ Usna rice. It is next submitted that in meeting dated 21.07.2010 (Annexure-1) the petitioner's Society was selected for the purposes of rice mill. It is further submitted that State Government undertook to bear 50 per cent of the cost of the rice mill as grant and 50 per cent of the cost was required to be borne by the Society, accordingly, Bhagalpur Central Cooperative Bank provided 50 per cent of the cost to the Society which was to be repayable within ten years and the rest cost i.e., 50 per cent was borne by the Society for establishing the rice mill.

The learned counsel next submits that in pursuance of the Scheme the Society were at liberty to choose that as to whether they intend to establish rice mill for preparing Usna rice or Arwa rice. It is submitted that the petitioner's Society decided to establish a rice mill for the



purposes of preparation of Arwa rice and accordingly, the rice mill was set up. The learned counsel next submits that for purposes of establishing the rice mill, loan was taken from the Bank, as aforesaid, and the Society of the petitioners till date is repaying the loan.

It is further submitted that now the State Government has come out with a scheme as contained in Annexure-2 to the writ application issued by the Secretary, Food and Consumer Protection Department, Government of Bihar, Patna as would be evident from Letter No. 5248 dated 22.11.2022 (Annexure 2 to the writ application). Learned counsel submits that from perusal of the Letter dated 22.11.2022, it would manifest that the same records that in view of direction from the higher authorities the target for procuring grains has been done as would be evident from column 6 of the letter, further the letter also records that the milling capabilities of the rice mill with respect to Usna and Arwa rice has been recorded at column 9 and 10 of the letter.

The learned counsel for the petitioners submits that from perusal of column 6 at page 21 of the writ



application it would manifest that in the District of Bhagalpur, the total requirement of Usna rice is 12267 metric ton (Column 9), it is next submitted that from perusal of column 7 it would manifest that the requirement of Usna rice in the District of Bhagalpur is being fulfilled. The learned counsel thus submits that since the target for procuring Usna rice in the District of Bhagalpur is complete, as such, the BSFC now is not procuring Arwa rice from the rice mill of the Society as the requirement of Arwa rice in the District of Bhagalpur is zero as would be evident from Column 10.

The learned counsel next submits that the Society has already invested huge amount for establishing the rice mill for the purposes of preparing Arwa rice in terms of the scheme of the State Government floated in the year 2010, for which loan was taken from the Bank and the Society till date is repaying the loan as some concession was granted on account of prevalence of Covid in the year 2020.

Learned counsel for the petitioners thus submits that since in the District of Bhagalpur where the Society of the petitioners is established does not require Arwa rice, as



such, the rice mill of the Society would now be closed down or the Society will have to shift for preparing Usna rice by changing the machinery of the rice mill which involves huge cost. Learned counsel next submits that the Society till date is repaying the loan taken from the Bank and in view of the decision of the Government not to procure Arwa rice in the District of Bhagalpur has literally given a death knell to the rice mill of the petitioner's Society.

Learned counsel thus submits that it is in pursuance of the scheme floated by the Government and on assurance given by the Government that the Society had established the rice mill but now the Society is facing starvation for the reason that now the purpose for which the rice mill was established, no longer is serving the purpose. Learned counsel thus submits that if the Society shifts to preparing Usna rice then the investment involved would be nearly more than Rs. 2 crores and the Society till date has a loan of Rs. 17,00,000/- to be repaid to the Bank, it is thus submitted that the main earning of the Society gets hit by the decision of the Authorities as contained in Annexure-2 to the writ application.



Learned counsel for the BSFC, State and the Banks submit that the petitioners have sought quashing of Annexure-2 to the writ application and the foundation on which the said letter dated 22.11.2022 is being challenged is not properly pleaded in the writ application.

Be that as it may, the writ application is disposed of with a direction to the petitioners to file a detailed representation before the Secretary, Food and Consumer Protection Department, Government of Bihar, with all the required details, bringing to his notice that the decision of the Authorities in not accepting Arwa rice within the District of Bhagalpur has given a death knell to the rice mill of the Society.

In the event, if any representation is filed before the State Authority by 18.05.2023, the Secretary, Food and Consumer Protection Department, Government of Bihar, is directed to consider and dispose of the representation of the petitioners keeping in mind that the petitioner's Society has invested huge amount in establishing the rice mill and is still repaying the loan and it has been submitted that in other districts the rice mill are still providing Arwa rice to



the BSFC, expeditiously, preferably within a period of two months from the date receipt production of a copy of this order.

**(Satyavrat Verma, J)**

GauravSinha/-

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