

IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH

102+205

CWP-1247-2023 (O&M)  
Date of Decision: 28.11.2023

M/s Yamuna Rice and General Mills

...Petitioner

Versus

State of Haryana and Others

...Respondents

**CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL**

Present:- Mr. Robin Dutt, Advocate for the petitioner  
Mr. Raman Sharma, Addl. A.G., Haryana  
Mr. Gaurav Mohunta, Advocate and  
Mr. Nishant Arora, Advocate for respondent Nos.3 and 4  
Mr. K.C. Bhatia, Advocate for Punjab National Bank  
\*\*\*

**JAGMOHAN BANSAL, J. (Oral)**

1. On 17.08.2023, the following order was passed:-

*“Mr. Mohunta submits that petitioner may be directed to open an Escrow account where all the sale proceeds arising out of sale of land would be deposited. The bank with whom the petitioner has mortgaged his land would be free to withdraw money from the said account and respondents No. 2 to 4 would also be entitled to withdraw money from the said account.*

*Mr. Robin Dutt, Advocate concedes to the said arrangement and submits that he has entered into One Time Settlement with bank and as per said settlement, petitioner has to pay Rs. 1.80 crore in a time bound manner. The petitioner would open an Escrow account after entering into tripartite agreement i.e. agreement between petitioner, bank and respondent No. 3.*

*Mr. Mohunta further submits that they have no objection if the petitioner sells paddy which is lying in the factory premises.*

*It is made clear that sale proceeds arising out of sale of paddy would be deposited with respondents No. 3 and 4.*

*Let the needful be done within two weeks from today.*

*Adjourned to 14.09.2023.”*

2. On 14.09.2023, the following order was passed:-

*“1. Learned counsel for respondents No.3 and 4 on telephonic instructions from Mr. Sandeep Ghanghas, District Manager Warehouse Corporation, District Ambala, submits that the petitioner may be permitted to sell the stock lying in the factory premises in the presence of officials of respondent No.3.*

*2. Learned counsel for the petitioner agrees to aforesaid arrangement.*

*3. In the wake of statement of learned counsel for respondents No.3 and 4, the petitioner is at liberty to sell the stock within a week in the presence of officials of respondents No.3 and 4. The sale proceeds shall be deposited with respondents No.3 and 4. The respondents No.3 and 4 would be at liberty to introduce a buyer or buy themselves stock in question at a rate higher than rate proposed by the petitioner.*

*Adjourned to 25.09.2023.”*

3. Pursuant to aforesaid order, the respondent put the stock on auction, however, it could not fetch the desired price.

4. Learned counsel for the petitioner submits that it may be permitted to sell the stock of paddy and it would deposit minimum amount of ₹40 Lacs qua the aforesaid stock with respondent Nos.3 and 4. In case, the

petitioner realizes more consideration, the said consideration would also be deposited with respondent Nos.3 and 4.

5. Faced with this, learned counsel for respondent Nos.3 and 4 agrees to aforesaid arrangement.

6. In the wake of statements of both sides, the present petition stands disposed of with liberty to petitioner to take delivery of paddy and sell the same. The sale consideration which would not be less than ₹40 lacs would be deposited with respondent Nos.3 and 4. It is further made clear that the amount deposited with respondent Nos.3 and 4 would be subject to any claim of banker-Punjab National Bank on account of hypothecation, if any.

7. With the consent of banker as well as respondent Nos.3 and 4, the petitioner is permitted to sell its land, building and plant & machinery. The sale consideration shall be deposited in the escrow account which would be opened with Punjab National Bank.

Pending application(s), if any, also stand(s) disposed of.

(JAGMOHAN BANSAL)  
JUDGE

28.11.2023  
Mohit Kumar

|                                  |               |
|----------------------------------|---------------|
| <i>Whether speaking/reasoned</i> | <i>Yes/No</i> |
| <i>Whether reportable</i>        | <i>Yes/No</i> |