

208
IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP-7447-2021 (O&M)
Date of Decision: 30.01.2023

M/S GOYAL AGRO INDUSTRIES

....Petitioner(s)

Versus

PUNJAB AGRO FOODGRAINS CORPORATION LTD AND ANR

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Aman Bansal, Advocate, for the petitioner.

Mr. Sumesh Gupta, Advocate, for the respondents.

JASGURPREET SINGH PURI, J. (Oral)

The present petition has been filed under Article 226 of the Constitution of India seeking a writ in the nature of Mandamus directing the respondents to settle the accounts of the petitioner and release the payment i.e. Rs. 70,000/- for the crop year 2017-2018 and Rs. 17,38,140/- and Rs. 59,000/- i.e. security for the crop year 2018-2019 alongwith interest.

An affidavit has been filed on behalf of the respondents in pursuance of the orders dated 19.12.2022 which is taken on record and a copy has been supplied to the learned counsel for the petitioner.

Learned counsel for the petitioner has submitted that the petitioner is a Rice Mill and the petitioner-Rice Mill was allotted agency of Punjab Agro Foodgrains Corporation Limited for custom milling for KMS

2017-2018 and 2018-2019 by the Department of Food Supplies and Consumers Affairs, Punjab wherein he had done the milling of the rice and delivered the same to the concerned authorities satisfactorily. As per Annexure P-1 dated 07.10.2019, a 'No Dues Certificate' was also issued by the respondent- Punjab Agro Foodgrains Corporation Limited in which it has been specifically stated that there is no outstanding amount of the milling work qua the petitioner. He submitted that the aforesaid amount is an admitted liability and there is no dispute with regard to the entitlement of the petitioner with regard to the same and the respondent-Corporation is a Government Organization. He submitted that even now an affidavit has been filed by the respondent-Corporation wherein liability of Rs. 11,22,541/- and also security amount of Rs. 59,000/- for two financial years i.e. 2017-2018 and 2018-2019 has been admitted. He submitted that the only reason which has been given by the respondent-Corporation is that they are facing paucity of funds and as soon as they get the money from the Government of Punjab, the same will be paid. He submitted that the respondent-Corporation has taken the services of the petitioner and is a Government Sector Undertaking and therefore, they cannot be permitted to take up such a plea that as and when they receive the money from the Government of Punjab, the same will be paid to the petitioner once the liability has been admitted by the respondent-Corporation and has prayed that appropriate directions may be issued to the respondent-Corporation to pay the aforesaid amount alongwith interest.

Mr. Somesh Gupta, Advocate appearing on behalf of the

respondent-Corporation has submitted that as per affidavit which has been filed today by the Assistant Manager (G), Punjab Agro Foodgrains Corporation Ltd, Salem Tabri, Ludhiana, the liability pertaining to Rs. 11,22,541/- is admitted and the respondent-Corporation is bound to pay the same and there is no dispute with regard to the same. He further submitted that so far as the refund of security amount is concerned, as per para No.5 it is only pertaining to the year 2017-2018 to the tune of Rs. 59,000/- and therefore, the admitted liability for refund of the aforesaid amount is pertaining to one year only i.e crop year 2017-2018. He further referred to the remaining paras of the affidavit to contend that now the earlier business of rice milling qua the Punjab Agro Foodgrains Corporation has stopped and therefore, there is a paucity of funds and as per the affidavit filed by the aforesaid authority, the same will be released to the miller as and when the funds are received from the Punjab Government and there is no dispute with regard to the aforesaid amount and it is an admitted liability.

I have heard the learned counsel for the parties.

The present petition is seeking payment of amount which the petitioner claims against the respondent-Corporation. It is not in dispute as per the affidavit filed by the respondent-Corporation that it is liable to pay an amount Rs. 11,22,541/- to the petitioner with an additional amount of Rs. 59,000/- as security amount for the crop year 2017-2018. Learned counsel for the petitioner has also stated that so far as Rs. 11,22,541/- is concerned, it is a correct figure and so far as the amount of Rs. 59,000/- is

concerned, it is pertaining to two crop years and not one crop year. The plea which has been raised by the learned counsel for the respondent-Corporation that due to paucity of funds, they are not able to pay the money and will be paid to the petitioner as soon as they receive funds from the Punjab Government could have been considered had it been a case of the immediately preceding year but it appears that this amount pertains to the year 2017-2018 and 2018-2019 and the aforesaid admitted amount has been withheld by the respondent-Corporation for about two years. Therefore, such a plea of paucity of funds is not available to the respondent-Corporation. The respondent-Corporation is a Public Sector Undertaking and once the services of the petitioner have been taken by the Corporation, they are bound to pay the outstanding amount especially when it is a case of admitted liability. During the course of arguments, learned counsel for the petitioner has also pointed out that although the Corporation has stopped the milling business but there are other activities pertaining to petrol retail outlets to which the same has not been disputed by the Assistant Manager who has filed the affidavit and is present in the Court. Be that as it may, once the liability is admitted, the respondent-Corporation is bound to pay the same.

Consequently, the present petition is allowed. The respondent-Corporation is hereby directed to pay an amount of Rs. 11,22,541/- to the petitioner. So far as the security amount of Rs. 59,000/- is concerned, the respondent-Corporation shall once again ascertain as to whether it pertains to only one crop year or two crop years. In case it pertains to two crop

years of 2017-2018 and 2018-2019, then the same shall also be paid to the petitioner and in case it pertains only to one crop year 2017-2018, then after paying the same an order shall be passed by the Managing Director of the Corporation giving the factual position and to be conveyed to the petitioner. The aforesaid payments shall be made within a period of six months from today alongwith interest @ 6% per annum.

30.01.2023
rakesh

(JASGURPREET SINGH PURI)
JUDGE

Whether speaking	:	Yes/No
Whether reportable	:	Yes/No