

IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

Sr. No.120

LPA-1705-2023

Date of decision :09.11.2023

Satnam Rice Mill

..... Appellant

*Versus*

State of Haryana and others

..... Respondents

CORAM : HON'BLE MR. JUSTICE DEEPAK SIBAL  
HON'BLE MRS. JUSTICE SUKHVINDER KAUR

Present : Mr.Babbar Bhan, Advocate, for the appellant.

Mr.Raman Sharma, Addl.A.G., Haryana.

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DEEPAK SIBAL, J. (Oral)

1. Through a writ petition filed by the appellant challenge was made to the orders passed by the State of Haryana dated 02.10.2023 and 09.10.2023 through which certain conditions had been imposed requiring the appellant to secure the State's financial interest at the time of allotment of paddy to the appellant for milling purposes. When the petition came up for hearing before a learned Single Judge of this Court, learned State counsel submitted that the State would allot paddy to the appellant provided that the appellant furnishes post dated cheques as well as submits guarantee through other millers. It was further submitted that since the appellant had already secured a loan of Rs.25 crores against his own mill, the State would not accept as security, the property papers of his own mill. Accepting the statement made on behalf of the State, learned counsel for the appellant submitted before the learned Single Judge that the appellant would submit post dated cheques and would also furnish surety bonds of two rice millers who had been allotted paddy by the State for the kharif season 2023-24.

2. After considering the afore submissions the learned Single Judge

disposed of the appellant's petition with liberty to the appellant to furnish post dated cheques alongwith security in the form of unencumbered immovable property or in the alternative submit surety bonds of two rice millers who had already been allotted paddy for the kharif season 2023-24 and who had not stood surety for any other rice miller with a further clarification that the appellant shall not furnish surety bonds of M/s Shri Shyam Agro and M/s Himank Rice Mills.

3. Learned counsel for the appellant submits that the appellant is aggrieved with only that part of the order passed by the learned Single Judge wherein the appellant has been prohibited from furnishing surety bonds of M/s Shri Shyam Agro and M/s Himank Rice Mills as no reasons for their exclusion have been given in the impugned order; the aforesaid two mills have been allotted paddy for the kharif season 2023-24 and have not stood surety for any other rice millers as also are not defaulters and therefore there was no reason for the learned Single Judge to exclude them from standing surety for the appellant.

4. Mr.Raman Sharma, Addl.A.G., Haryana, who is present in Court, on the asking of the Court, appeared for the respondents and very fairly stated that in case the appellant submitted post dated cheques alongwith security/surety bonds in terms of the orders of the learned Single Judge, paddy would be allotted to him and that surety bonds of M/s Shri Shyam Agro and M/s Himank Rice Mills may be permitted to be accepted only if these mills have been finally allotted paddy by the State for the kharif season 2023-24, they have not been declared to be defaulters and that these mills have also not stood surety for any other rice miller.

5. After considering the afore submissions, we dispose of the present appeal with a direction that paddy, as per the appellant's entitlement, be allotted

to the appellant by the State of Haryana for the purpose of milling in terms of the existing Custom Milling Policy of the State. However, the same shall be subject to the appellant's fulfilling of the following conditions to secure the State's financial interests: -

- (a) *Submit post dated cheques to the satisfaction of the authorities; and*
- (b) *provide security in the form of original documents of unencumbered immovable property(ies) or in the alternative surety bonds of any two rice millers who have finally been allotted paddy by the State for the kharif season 2023-24 and who have not stood surety for any other rice miller as also have not been declared to be defaulters by the State .*

6. It is clarified that only in case M/s Shri Shyam Agro and M/s Himank Rice Mills have been finally allotted paddy by the State for the kharif season 2023-24 and they have not stood surety for any other rice miller as also if they have not been declared defaulters by the State would they also be eligible for standing surety for the appellant, otherwise not.

[DEEPAK SIBAL]  
JUDGE

09.11.2023  
shamsher

[SUKHVINDER KAUR]  
JUDGE

|                             |          |
|-----------------------------|----------|
| Whether speaking/reasoned : | Yes / No |
| Whether reportable :        | Yes / No |