CGHC010389902026 2026:CGHC:43560

RAGHVENDRA JAT Digitally signed by RAGHVENDRA JAT

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HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 5057 of 2026

1 - M/s Sapneshwar Rice Industries Through Its Proprietor Smt Rajkumari Sahu, Aged About 53 Years, W/o Miniketan Sahu, Situated At Narsinghpur (Jagdishpur), Basna, District Mahasamund, Chhattisgarh Through Power Of Attorney Holder Shri Nitesh Kumar Sahu Aged About 35 Years, S/o Miniketan Sahu Village Jiradabari Rasoda, Basna District Mahasamund Chhattisgarh.

... Petitioner(s)

versus

1 - Union Of India Through Secretary, Department Of Food, Civil Supplies And Consumer Protection, Office At Krishi Bhavan, New Delhi

2 - State Of Chhattisgarh Through Secretary, Department Of Food, Civil Supplies And Consumer Protection, Office At Mahanadi Bhawan, Mantralaya, Atal Nagar, New Raipur, District Raipur Chhattisgarh

3 - Chhattisgarh State Market Federation Maryadit Through Managing Director, Office At Atal Nagar, New Raipur, District Raipur Chhattisgarh

4 - Food Corporation Of India Regional Office Chhattisgarh Through General Manager, Ofice At Mowa, Kapa, Vidhan Sabha Marg, Raipur Chhattisgarh

5 - Collector District Mahasamund Chhattisgarh

6 - District Marketing Officer Chhattisgarh State Market Federation Maryadit, District Mahasamund Chhattisgarh

7 - Punjab National Bank Through Its Branch Manager, Branch Basna, District Mahasamund Chhattisgarh

... Respondent(s)

For Petitioner(s)	:	Mr. Sanjay Agrawal, Advocate.
For Respondent(s)/State	:	Mr. Anil Pandey, G.A.
For Respondent No. 1	:	Mr. T.S. Sahu, CGC.
For Respondent No. 4	:	Mr. R.S. Patel, Advocate.
For Respondent No. 7	:	Mr. Sharad Mishra, Advocate.

Hon’ble Mr. Justice Amitendra Kishore Prasad

Order on Board

08/10/2026

1. By way of this petition, the petitioner has prayed for following reliefs:-

“10.1 That the Hon'ble Court may kindly be pleased to Restrain Respondent No. 06 from encashing the bank guarantee furnished by the petitioner in pursuance of the milling agreement and quash the impugned letter No 2222/2026 dated 23.09.2026 (Annexure P-1), in the interest of justice.

10.2 That the Hon'ble Court may kindly be pleased to direct the District Marketing Officer Mahasamund to immediately accept the pending delivery of rice from the petitioner.

10.3 To kindly make any other order or writ that may be deemed fit and just in the facts and circumstances of the case including awarding of the costs to the petitioner.

10.4 That, Cost of the petition may also be awarded to the petitioner.”

2. Learned counsel for the petitioner submits that, in terms of Clause 14.1 of the agreement, any dispute arising between the parties is required to be adjudicated by the concerned Collector, and therefore the petitioner may be permitted to approach the competent authority for resolution of the dispute in the manner contemplated under the said clause; it is further submitted that, in the meantime, as the respondent authorities are proceeding to invoke and encash the bank guarantee furnished by the petitioner, appropriate interim protection may be granted by restraining the respondents from encashing the bank guarantee until a decision is taken by the concerned Collector in accordance with law.
3. Learned counsel for the respondents submits that they have no objection to the limited prayer made by learned counsel for the petitioner, insofar as it pertains to seeking redressal of the petitioner’s grievance before the concerned Collector in accordance with law.
4. I have heard learned counsel for the parties and perused the material available on record.
5. Considering the facts and circumstances of the case, and further taking into account that Clause 14.1 of the agreement specifically provides that any dispute arising between the parties shall be resolved by the concerned Collector, it is directed that the petitioner shall approach the said authority within a period of 10 days from the date of receipt of a copy of this order; upon such approach, the concerned Collector shall consider and decide the

petitioner's grievance in accordance with law within a period of 30 days thereafter; and, till such decision is rendered, no coercive steps shall be taken by the respondent authorities with regard to encashment of the bank guarantee.

6. It is further observed that, against any order that may be passed by the Collector, there exists an arbitration clause, namely Clause 15.1 of the agreement; accordingly, in the event of any grievance or exigency arising from such order, the petitioner shall be at liberty to avail the remedy of arbitration in terms of the said clause, in accordance with law.

7. With this observation and direction, the writ petition is **disposed of**.

Sd/-

(Amitendra Kishore Prasad)

Judge

Raghu Jat