

CWP-16387-2021 (O&M); CWP-16388-2021 (O&M);
CWP-16389-2021 (O&M); CWP-16392-2021 (O&M);
CWP-17493-2021; CWP-18933-2021 (O&M);
CWP-15798-2021 (O&M) & CWP-15889-2021 (O&M)

-1-

206 (8 Cases)

**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

Date of Decision: 07.05.2025

(I) CWP-16387-2021 (O&M)

2025:PHHC:062097



M/s Baij Nath Uggar Sain, District Karnal Through
Its Proprietor Yashit Gupta

..... Petitioner

Versus

Union of India and others

..... Respondents

(II) CWP-16388-2021 (O&M)

2025:PHHC:062117



M/s Paridhi Foods

..... Petitioner

Versus

Union of India and others

..... Respondents

(III) CWP-16389-2021 (O&M)

2025:PHHC:062119



M/s Hari Om Rice Mills

..... Petitioner

Versus

Union of India and others

..... Respondents

(IV) CWP-16392-2021 (O&M)

2025:PHHC:062120



M/s Battan Foods

..... Petitioner

Versus

Union of India and others

..... Respondents

**CWP-16387-2021 (O&M); CWP-16388-2021 (O&M);
CWP-16389-2021 (O&M); CWP-16392-2021 (O&M);
CWP-17493-2021; CWP-18933-2021 (O&M);
CWP-15798-2021 (O&M) & CWP-15889-2021 (O&M)**

-2-

(V) CWP-17493-2021

2025:PHHC:062122



M/s Wilaiti Ram Rice and Gen. Mills

..... Petitioner

Versus

Union of India and others

..... Respondents

(VI) CWP-18933-2021 (O&M)

2025:PHHC:062123



M/s R.Y. Agro Foods

..... Petitioner

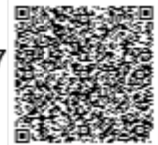
Versus

Union of India and others

..... Respondents

(VII) CWP-15798-2021 (O&M)

2025:PHHC:062117



M/s Singla Agro Industries

..... Petitioner

Versus

Union of India and others

..... Respondents

(VIII) CWP-15889-2021 (O&M)

2025:PHHC:062117



M/s S.G. Foods

..... Petitioner

Versus

Union of India and others

..... Respondents

CWP-16387-2021 (O&M); CWP-16388-2021 (O&M);
CWP-16389-2021 (O&M); CWP-16392-2021 (O&M);
CWP-17493-2021; CWP-18933-2021 (O&M);
CWP-15798-2021 (O&M) & CWP-15889-2021 (O&M)

-3-

CORAM: HON'BLE MR. JUSTICE HARSH BUNGER

Present: Mr. Satish Kumar Garg, Advocate
for the petitioner (in CWP-17493-2021).

Mr. Amarpreet Singh, Advocate for
Mr. Arav Gupta, Advocate
for the petitioner(s).

Mr. Ashish Rawal, Advocate and
Mr. Jaivir Singh, Advocate
for the respondent-Union of India.

Mr. Rajneesh Chadwal, AAG, Haryana.

Mr. K.K. Gupta, Advocate
for respondent-Food Corporation of India.

Mr. Deepak Balyan, Advocate
for respondents No.7 and 8
(in CWP-17493-2021 & CWP-15798-2021).

Ms. Mansi, Advocate for
Mr. Padam Kant Dwivedi, Advocate
for respondents No.8 to 10 (in CWP-18933-2021).

HARSH BUNGER J. (ORAL)

This order shall dispose of eight writ petitions, i.e. CWP No.16387 of 2021, CWP No.16388 of 2021, CWP No.16389 of 2021, CWP No.16392 of 2021, CWP No.17493 of 2021, CWP No.18933 of 2021, CWP No.15798 of 2021 and CWP No.15889 of 2021, as prayer in all of them is, *inter alia*, for issuance of a writ in the nature of Certiorari for quashing the Physical Verification Report(s), made in the respective cases.

2. During the course of hearing, it has been informed that there is an Arbitration Agreement between the petitioner(s) and the State Agency. Clause 24 thereof reads as under:-

“24. All the minor disputes relating to interest, penalty, holding charges, milling charges and differences arising out of

CWP-16387-2021 (O&M); CWP-16388-2021 (O&M);
CWP-16389-2021 (O&M); CWP-16392-2021 (O&M);
CWP-17493-2021; CWP-18933-2021 (O&M);
CWP-15798-2021 (O&M) & CWP-15889-2021 (O&M)

-4-

interpretations or in any manner touching or concerning this agreement whatsoever shall be referred to the sole arbitrator of the Director Food, Civil Supplies & Consumer Affairs, Haryana/Managing Director of the Agency or any person appointed by them in this behalf. There will be no objection to any such appointment that the person appointed is or was an employee of Food, Civil Supplies & Consumer Affairs Department, Haryana/Agency and he had expressed views on all or any of the matter in dispute or difference. The award of such arbitration shall be final and binding on both the parties to this contract. It is a term of this contract that in the event of transfer, vacation of office or being unable to act for any reason of a person appointed as an arbitrator by the Director Food, Civil Supplies & Consumer Affairs, Haryana/Managing Director at the time of such transfer, vacation of office, death or inability shall appoint another person to act as an arbitrator. Such a person shall be entitled to proceed with reference from the stage where it was left by his predecessor.

Provided that any demand for arbitration in respect of any claim(s) of the Miller/Second Party, under the contract shall be in writing and made within one year of the date of completion or expiry of the period of contract. If the demand is not made within the period, the claim(s) of the Miller/Second Party shall be deemed to have been waived off and released of all liabilities under the contract in respect of these claims. The cost for and in connection with arbitration shall be the discretion of the arbitrator who may make suitable orders in his award.

Subject as aforesaid, the Arbitration and Conciliation Act, 1996, shall apply to the arbitration provided under this clause. However, the cases of fraud, theft or misappropriation etc. on the part of Second party are not covered under this clause and in such cases legal proceedings as deemed fit will be initiated by the First party against the Second party as well

CWP-16387-2021 (O&M); CWP-16388-2021 (O&M);
CWP-16389-2021 (O&M); CWP-16392-2021 (O&M);
CWP-17493-2021; CWP-18933-2021 (O&M);
CWP-15798-2021 (O&M) & CWP-15889-2021 (O&M)

-5-

as against the sureties.”

3. Learned counsel for the respective parties submit that all the differences between the parties can be adjudicated upon by the Arbitrator and none of the parties would have any objection in case the petitioners are relegated to avail the remedy of invoking arbitration under Clause 24 of their respective Agreements.

3.1 It is further agreed that the period of one year for invoking arbitration, as envisaged under first proviso to Clause 24 of the aforesaid Agreements, would stand extended for a period of four months from today.

3.2 It is also agreed that the State Agency would also be at liberty to stake its claim (if so advised), within the aforesaid extended period of four months.

4. Keeping in view the broad consensus arrived at between the parties, the present writ petitions are disposed of with liberty to the petitioners and also the State Agency to invoke arbitration in terms of Clause 24 of their respective Agreements, within the above referred extended period.

5. All pending application(s), if any, shall also stand closed.

6. Photocopy of this order be placed on the files of other connected cases.

07.05.2025
Apurva

(HARSH BUNGER)
JUDGE

1. Whether speaking/reasoned : Yes/No

2. Whether reportable : Yes/No