

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

CWP-29770-2025 (O&M)
Date of decision :01.10.2025

SANDEEP SINGH

...Petitioner

Versus

STATE OF PUNJAB AND OTHERS

...Respondents

CORAM: HON'BLE MR. JUSTICE HARSH BUNGER

Present : Mr. Shiv Kumar, Advocate
for the petitioner.

Mr. Nirmaljit Singh Diwana, Sr. D.A.G., Punjab.

HARSH BUNGER, J. [ORAL]

Prayer in the present writ petition, filed under Articles 226/227 of the Constitution of India, is for issuance of a writ in the nature of *mandamus*, for directing respondent No.2 (Director, Food Civil Supplies, Punjab) for not registering the respondent No.4 (M/s Royal Rice Mills), for allotment of paddy under the Custom Milling Policy of 2025-26 as there is a dispute of partnership deed of the said Rice Mill.

2. Briefly, the petitioner claims himself to be a partner in a firm namely, M/s R. Rice Mills along with three other partners namely, Sharanjit Singh, Manjot Singh and Anmoljit Singh. Petitioner claims to be a partner in the afore-said firm to the extent of 33% share.

2.1 It is stated that earlier one Sh. Lovepreet Singh, had lodged a complaint, stating therein that although the Rice Mill was registered as M/s R. Rice Mills; however, the owners of the said Mill had fraudulently submitted a forged and fabricated document (including forged partnership

deed); whereupon, the matter was inquired into wherein, it was found that M/s Royal Rice Mills (respondent No.4) had been operating for the last 9-10 years on the basis of forged and fabricated registration documents. Consequently, the District Allotment Committee (respondent No.3) passed an order dated 13.07.2023 (Annexure P-5) recommending cancellation of registration of M/s Royal Rice Mills and further directed its blacklisting for a period of three years i.e. from 13.07.2023 upto 12.07.2026.

2.2 It transpires that the afore-said order dated 13.07.2023 (Annexure P-5) was challenged by respondent No.4 before the Appellate Authority, who vide its order dated 18.10.2024 dismissed the appeal and upheld the blacklisting order of respondent No.4.

2.3 Still aggrieved, respondent No.4 preferred a second appeal before the Second Appellate Authority, who vide its order dated 31.01.2025 (Annexure P-6) partly allowed the same whereby, the period of blacklisting was reduced from three years to two years, effective from 13.07.2023.

2.4 In the afore-mentioned circumstances, the present writ petition has been filed by the petitioner before this Court, for seeking relief/s, as noticed here-in-above.

3. Heard.

4. It would be apparent from the orders dated 13.07.2023 (Annexure P-5) and 31.01.2025 (Annexure P-6) that initially, the firm namely M/s R. Rice Mills was registered; however, subsequently, the firm namely M/s Royal Rice Mills (respondent No.4) had been operating, which on a complaint being lodged by one Lovepreet Singh, have been found to be not operating on the basis of valid documents and accordingly, its registration was cancelled and the said firm (M/s Royal Rice Mills) was blacklisted for a period of three years and the said period was reduced to

two years. In effect, the blacklisting of respondent No.4-M/s Royal Rice Mills ended on 12.07.2025. The operative part of the said order dated 31.01.2025 (Annexure P-6) reads as under :-

“5. I have gone through the appeal, perused the relevant record and have given my thoughtful considerations.

A perusal of the record reveals that the appellant mill was initially a partnership firm and registered with the Department during KMS 2013-14. During 2022-23, the constitution of the appellant mill was changed into a proprietorship firm and change in constitution was duly approved by the Department. It is observed that the appellant mill has delivered the entire due rice for KMS 2022-23. Even during previous years, the appellant mill has always timely completed the custom milling operations and there are no dues or recovery pending against the appellant mill. It was only after receiving a complaint that the facts related to the submission of forged documents by the appellant mill came to the knowledge of the Department. It is observed that although no loss has been caused to any of the State Procurement Agencies (SPAs), however, the wrongs committed by the partners of the mill cannot be ignored. The argument of the appellant that the entire fraud was played upon by one Sandeep Singh is admissible to some extent owing to the fact that Sandeep Singh was authorised by the partners of the appellant mill to manage the affairs of the appellant mill and Sandeep Singh was dealing with the SPAs and other institutions on behalf of the appellant mill. Also, SSP, Jagraon has been requested by the appellant to register FIR against Sandeep Singh. However, the argument of the appellant that he along with Sharanjit Singh (previous partner) is a green card holder of USA since 2015 and the fraud was committed in his absence holds no merit since the forged documents were submitted during KMS 2014-15. As such, the appellant mill cannot be fully absolved for the wrongs allegedly committed

on its behalf by Sandeep Singh since it is the duty of a business owner to conduct its business with due diligence.

It is observed that the appellant mill is no more a partnership firm but a proprietorship firm with appellant as its sole proprietor, thus, a separate legal entity. Further, the forged documents were submitted during 2014-15 when there were other partners in the appellant mill. Therefore, it would be inappropriate to fasten the entire liability of the previous partnership firm which now stands dissolved, on the appellant who is the sole proprietor of the appellant firm. Thus, keeping into consideration the peculiar facts of the case and the past record of the appellant mill, this forum is of the considered view that it would be harsh to blacklist the appellant mill for 3 years since the appellant is not solely liable for the fraud. Therefore, this forum is inclined to remit the period of blacklisting from 3 years to 2 years from the orders of blacklisting. It is noticed that initial orders for blacklisting were passed by the DAC on 13.07.2023, however, during subsequent orders passed by the DAC on 20.09.2023 and again on 26.02.2024, the period of blacklisting was shifted forward to 19.09.2026 and again to 25.02.2024, which is inappropriate. Further, the period from 13.07.2023 to 26.02.2024 has not been considered by the DAC while passing the orders dated 26.02.2024. Therefore, taking a lenient view, the orders dated 26.02.2024 of the DAC are modified to the extent that the period of blacklisting of the appellant mill is reduced from 3 to 2 years effective from 13.07.2023. Accordingly, the blacklisting of the appellant ends on 12.07.2025 and thereafter, the appellant will be at liberty to apply for its registration afresh with the competent authority as per policy.

6. In view of above, I, Principal Secretary to Govt. of Punjab, Food, Civil Supplies & Consumer Affairs, Punjab as per the ibid policy, hereby partly allow the appeal in terms of above orders.”

4.1 In terms of the afore-said order, Sh. Manjot Singh, who is stated to be a proprietor of M/s Royal Rice Mills, has been permitted to apply for its registration afresh with the competent authority as per policy.

4.2 It is further borne out from the said order that some observations have been made against the present petitioner-Sandeep Singh as well. Concededly, the said order has not been challenged by the petitioner.

5. Be that as it may, respondent No.4, has already been blacklisted for a period of two years, which ended on 12.07.2025 and thereafter, Sh. Manjot Singh, proprietor of M/s Royal Rice Mills, has been permitted to apply for registration afresh with the competent authority as per policy, which is being sought to be opposed by the present petitioner.

6. In my considered view, in the absence of any challenge to the order dated 31.01.2025 (Annexure P-6) whereby, the blacklisting period was reduced to only two years, the relief claimed by the petitioner in the present writ petition cannot be granted. In case, the petitioner has any dispute as regards the partnership deed (Annexure P-2) then he may avail his remedy/ies before the competent Forum/Court, in accordance with law.

7. In view of the above discussion, the present writ petition fails and the same is, accordingly, dismissed.

8. All pending applications (if any) shall also stand closed.

October 01, 2025
gurpreet

(HARSH BUNGER)
JUDGE

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