
(2014) 12 AP CK 0065

In the Andhra Pradesh High Court

Case No : Writ Petition No. 38005 of 2014

Annapurna Rice Traders

APPELLANT

Vs

The State of Andhra Pradesh

RESPONDENT

Date of Decision : 10-12-2014

Acts Referred:

Essential Commodities Act, 1955 — Section 6A, 6A(2), 6B

Citation : (2015) 2 ALD 213 : (2015) 4 ALT 691

Hon'ble Judges : C.V. Nagarjuna Reddy, J

Bench : Single Bench

Advocate : Venkateswara Rao Gudapati, Advocate for the Appellant

Judgement

C.V. Nagarjuna Reddy, J.—This Writ Petition is filed for a Mandamus to declare the action of respondent No. 2, in directing respondent No. 3 to dispose of the stock of rice seized from the petitioners business premises through public auction, while issuing show cause notice to the petitioner vide CC. No. 90/2014 G6, dated 25-11-2014, as illegal and arbitrary.

2. The petitioner is a trader in rice. Its business premises was inspected by respondent No. 3 and the stock of 345.75 quintals of rice was seized therefrom on the ground that there is a variation between the stock register and the ground balance to the extent of 84 bags (25 kgs each). The petitioner is stated to have filed its representation on 22-06-2014 for dropping all further proceedings. However, more than five months later, respondent No. 2 has issued the impugned show cause notice under Section 6-B of the Essential Commodities Act, 1955 (for short the Act) to the petitioner and, while marking a copy thereof to respondent No. 3, a direction was issued to him to dispose of the seized stock through public auction and remit the value thereof to the Government exchequer in civil deposits.

3. After hearing Mr. Venkateswara Rao Gudapati, learned Counsel for the petitioner, and the learned Assistant Government Pleader for Civil Supplies (AP)

representing the respondents, I am of the opinion that the procedure followed by respondent No. 2 is improper, as the impugned show cause notice was issued by him more than five months after the stock of rice was seized from the petitioners business premises.

4. Under Section 6-A(2) of the Act, interim disposal of the seized stocks are ordered, if the Collector is of the opinion that the seized essential commodities are subject to speedy and natural decay or it is otherwise expedient in the public interest to do so.

5. From the language of sub-section (2) of Section 6-A of the Act, it is implied that the Collector has to pass an order, by recording his satisfaction, that either the seized stocks are subject to speedy and natural decay or it is otherwise expedient in the public interest to order its sale, pending disposal of the proceedings under Section 6-A of the Act. The appropriate stage for the Collector to exercise this power must be within a reasonable time from the date of seizure. The fact that respondent No. 2 has not ordered sale of the seized stock for five months after its seizure itself shows that he was not satisfied that the seized commodity was subject to speedy and natural decay. If respondent No. 2 felt that public interest warranted sale of the seized stock, he should have passed an order in writing to that effect. Without passing any such order, respondent No. 2 cannot issue a direction to his subordinates to sell the seized stock.

6. Furthermore, I do not find any justification for respondent No. 2 to issue the impugned show cause notice at a leisurely pace i.e., five months after initiation of the proceedings under Section 6-A of the Act. Such delays not only cause serious prejudice to the interests of the trader but also to that of the State. If a trader is innocent, he legitimately expects expeditious conclusion of the proceedings under Section 6-A of the Act. Inordinate delays in completion of such proceedings severely jeopardize his interests. Conversely, in case of erring traders, it is in the interest of the State that such proceedings are completed without much loss of time. Either way, it is not desirable for the Collectors to keep the Section 6-A proceedings pending for unduly long time. Respondent No. 1 is, therefore, directed to issue an appropriate circular fixing reasonable time limit for the Collectors in the State to dispose of the proceedings under Section 6-A of the Act.

7. In the light of the discussion undertaken herein above, the direction issued by respondent No. 2 to respondent No. 3 to sell the seized stock in public auction is set aside. Respondent No. 2 is directed to conclude the enquiry under Section 6-A of the Act and pass an appropriate order thereon within one month from the date of receipt of this order.

8. The Writ Petition is, accordingly, allowed to the extent indicated above.

9. As a sequel to disposal of the Writ Petition, WPMP. No. 47545 of 2014, filed by the petitioner for interim relief, is disposed of as infructuous.