

(1998) 02 BOM CK 0069

In the Bombay High Court

Case No : Writ Petition (Lodging) No. 6 of 1998

Surendrakumar Tilakkumar Agarwal

APPELLANT

Vs

Food Corporation of India and others

RESPONDENT

Date of Decision : 02-02-1998

Acts Referred:

Constitution of India, 1950 — Article 226

Citation : (1998) 3 BomCR 679

Hon'ble Judges : M.B. Shah, C.J.; R.J. Kochar, J

Bench : Division Bench

Advocate : S.P. Kanuga, for the Appellant; R.V. Desai and K.G. Shah, for the Respondent

Judgement

Mr. M.B. Shah, C.J.—It appears that, (or reasons best known to the Authorities of the Food Corporation of India, they have decided to dispose of the "D" Category rice to some favoured persons.

2. It has been pointed out in the petition that the Food Corporation of India purchases large quantities of foodgrains like wheat, rice and other commodities from open market for distribution under what is known as "Public Distribution System". It is also stated that, with a view to maintain the prices of the commodities, the Food Corporation of India sells in open market the commodities by inviting tenders or by making public invitations at floor price or approved price level, and, when the quantity is surplus with the Corporation, the same is sold by inviting tenders and by publishing in the newspapers, so that proper price is realised or the commodities are sold to as many people as possible, in order to discourage monopoly in a particular commodity. It is the contention of the petitioner that the petitioner came to know that respondent No. 2 has large quantities exceeding 10,000 Metric Tonnes or more of "D" Category rice, which they were required to dispose of by inviting public tenders or by making open public invitations. The petitioner and others approached the officers of the Food Corporation of India and filed an application on 29th December, 1997 that they

were interested in purchase of "D" Category rice. However, they came to know that the manner and method of disposal of the said rice was kept top secret, and, on probing, it was learnt that instructions were received that the commodities were to be given to persons of their choice, without inviting tenders or putting up a public notice calling upon general public to purchase such quantity. This action of the Food Corporation of India is challenged by filing this petition.

3. When the petition was placed on Board for hearing on 7th January, 1998, the Court, considering the serious allegations made against the respondents and the statement that foodgrains are disposed of without inviting tenders, granted ad-interim relief in terms of prayer Clause 22(b). The matter was adjourned, so that the respondents could file necessary affidavit-in-reply.

4. Today, when the matter came up for further hearing, the learned Counsel appearing on behalf of the respondents, states that, in the present case, no affidavit-in-reply is required to be filed, because the Scheme which was envisaged for disposal of foodgrains is now scrapped, and that, in future, foodgrains would be sold by inviting public tenders or invitations in accordance with rules.

5. In view of the aforesaid statement, no further action is required to be taken in this petition. However, we note that, if some officers of the Central Government have issued such instruction to dispose of rice to some specified favoured persons, then it is highly deplorable. We hope that, in future, the Food Corporation of India would not try to favour anybody by adopting such irregular method.

6. The petition stands disposed of accordingly.

7. Mr. Desai, learned Counsel appearing on behalf of the respondents, states that, because this petition was filed and in view of the Order passed thereon, the Corporation has not entered into any final contract to dispose of the foodgrains.

8. The Office is directed to send a copy of this Order, along with a copy of the petition, to the Ministry of Food & Civil Supplies, Government of India, New Delhi, for taking appropriate action of seeing that articles, which are meant for distribution to the public at large at reasonable prices, are not eaten away by such mismanagement or favouritism.