

**THE HON'BLE SRI JUSTICE A.RAMALINGESWARA RAO**

**WRIT PETITION No. 35245 of 2015**

**ORDER:**

Heard learned counsel for the petitioner and learned standing counsel appearing for the respondents.

2. The petitioner is a Stage-II Transport Contractor. He has been transporting the essential commodities from MLS point to fair price shops attached to the MLS point for the last eight years under an agreement entered on 02.04.2015. A paper publication was made on 24.09.2015 about the diversion of redgram dal into black market in Balkonda Mandal, Nizamabad District, and on the basis of the said paper publication, the Assistant Supply Officer, Bodhan along with Deputy Tahsildars of Armoor, Balkonda, Kammarpally and Jakrampally inspected the MLS point, Armoor, and noticed that 80 quintals of redgram dal was diverted into black market from the MLS point, Armoor with the help of one Sri Raj Ganesh, fair price shop dealer No.3 of Balkonda and the petitioner. Basing on the report submitted by them, the 3<sup>rd</sup> respondent terminated the contract by proceedings dated 07.10.2015. Challenging the said proceedings, the present writ petition is filed.

3. The learned standing counsel appearing for the respondents submits that in the case of diversion of commodities or irregularities, it is within the purview of the authority to take action for termination of the contract without issuing any notice. The said action is in tune with the contract entered with the petitioner. Though such a clause is existing in the contract, this Court cannot appreciate the action of termination of contract without issuing any notice.

4. In the circumstances, the impugned order dated 07.10.2015 passed by the 3<sup>rd</sup> respondent shall be construed as a notice of suspension of contract and the petitioner shall be given liberty to submit his explanation to the said notice and the report submitted by the Assistant Supply Officer, Bodhan and the Deputy Tahsildars of Armoor, Balkonda, Kammarpally

and Jakrampally, pursuant to the news item published in newspapers on 24.09.2015 and after considering such explanation, the 3<sup>rd</sup> respondent shall pass final orders. The entire process shall be completed within a period of thirty (30) days from the date of receipt of a copy of the order.

5. The Writ Petition is accordingly disposed of. Consequently, miscellaneous petitions, if any, pending in the writ petition shall stand closed. There shall be no order as to costs.

(A.RAMALINGESWARA RAO, J)

30<sup>th</sup> October, 2015

Note: Furnish C.C. in three days.

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