

**HON'BLE SRI JUSTICE C.PRAVEEN KUMAR**

**CRIMINAL REVISION CASE No. 1897 of 2016**

**ORDER:**

Aggrieved by the judgment in Criminal Appeal No.31 of 2016 on the file of the Principal Sessions Judge, Mahabubnagar, wherein the order of the District Collector, Mahabubnagar District, in Case No.CS6/628/2015 was partly allowed, the present Revision is filed.

2. The case of the prosecution is that on receipt of reliable information that the proprietor of M/s. Sai Raghavendra Rice Industries, Kolkulapally village of Madgul Mandal is indulging in clandestine business of paddy and diverting rice into black market by hoarding huge quantities in the mill illegally, the Vigilance and Enforcement officials raided the premises on 23.07.2015 in the presence of the mediators. After disclosing their identity and purpose of visit, the Assistant Supply Officer, Mahabubnagar Division demanded the person present there to produce the records. On inspection, they found 5040.00 Qtls of paddy to be in excess of record. On physical verification, except paddy and rice, broken rice was found to be tallied with the record. When questioned about the variation of the paddy stock, from book balance to the ground balance, the Managing Partner is alleged to have stated that the business transaction of the previous two days i.e., on 21.07.2015 and 22.07.2015 could not be entered in the Register due to non availability of the Clerk. As the explanation was found to be not acceptable, they

seized the stocks of paddy, rice and broken rice valued at Rs.2,46,97,400/-. After conducting a detailed enquiry and after hearing the petitioner herein, the District Collector vide his order dated 30.01.2016 ordered confiscation of 15% of the stock seized from the petitioner firm. Aggrieved by the same he preferred Crl.Appeal No.31 of 2016 before the Principal District and Sessions Judge, Mahabubnagar, who by its Judgment dated 24.06.2016 allowed the appeal in part, ordering confiscation of 15 % of the value of the variation instead of 15% of the seized stock. Consequently, the appellant was directed to remit Rs.10,58,400/- which is 15% of the value of the variation of the seized stock, to the Government. Challenging the same, the present Revision is filed.

3. The main ground urged by the learned counsel for the petitioner is that both the Courts erred in ordering seizure of Rice and paddy which is no more a control commodity. He places reliance on the Circulars issued by the Government and also the judgment of this Court in W.P.No.40390 of 2015 in support of his plea. The same is opposed by the learned Additional Public Prosecutor.

4. As seen from the record, on 15.02.2002 the Ministry of Consumer Affairs, Food and Public Distribution issued circular, wherein it has been stated that with the coming into effect of this order any dealer may freely buy, stock, sell, transport, distribute, dispose, acquire, use or consume any quantity of wheat, paddy/rice, coarse grains, sugar,

edible oilseeds and edible oils and shall not require a permit or license under any order issued under the Essential Commodities Act, 1955. Subsequently, on 21.11.2014 the Consumer Affairs, Food and Civil Supplies (CS.I) Department, Government of Andhra Pradesh, issued G.O.Ms.No.20 dated 21.11.2014, amending the orders issued in G.O.Ms.No.33 dated 20.11.2013 and G.O.Ms.No.34 dated 27.12.2013 extending the validity period for a further period of one year in respect of pulses, edible oil and edible oil seeds, paddy and rice. Later on 11.02.2015 the Government of Telangana issued CCS Ref.No.P1(3)/490/2014, informing the Collectors, about the circulars issued by Government of India, wherein the Government of India did not favour the need of stock limits on rice and paddy and as such there is no stock limit on rice and paddy after 30.11.2014. Similar is the circular issued by Government of Andhra Pradesh dated 09.04.2015, in which it has been categorically stated that in view of the lapse of the GOI S.O.No.3543(E) dated 29.11.2013 the APSCD (LS&R) order, 2008 is not applicable in respect of paddy and rice from 01.12.2014.

5. From the said Circulars and G.Os., it is clear that there is no limit on the quantity of Rice and Paddy which can be stored. It is to be noted that it is not the case of the prosecution that the Rice, which is stored is meant for public distribution system. Even the impugned orders do not anywhere indicate that the Rice seized is PDS rice. In view of the proceedings issued by the Commissioner of Civil Supplies, Telangana

State vide CCS Ref.No.P1(3)/490/2014 dated 11.02.2015 there is no limit on the quantity of rice and paddy which can be stored. Therefore, the impugned order directing confiscation of 15% of the value of the variation, appears to be incorrect.

6. Accordingly, the Criminal Revision Case is allowed, setting aside the Judgment dated 24.06.2016 passed in Crl.Appeal No.31 of 2016 on the file of the Principal Sessions Judge, confirming the order in Case No. CS6/628/2015 of the District Collector, Mahabubnagar District. As a sequel to it, miscellaneous petitions pending if any, in this Revision shall stand closed.

A circular green seal of the High Court of Judicature at Hyderabad. The outer ring contains the text 'HIGH COURT OF JUDICATURE AT HYDERABAD' at the top and 'FOR THE STATE OF TELANGANA AND THE STATE OF MAHARASHTRA' at the bottom. Inside the ring is a central emblem featuring a green tree and a red lotus. Below the emblem is the motto 'सत्यमेव जयते' in Devanagari script.

**JUSTICE C. PRAVEEN KUMAR**

Date: 14.09.2016  
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