

**THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM**

**WRIT PETITION No.6396 of 2014**

**ORDER:**

In this Writ Petition, petitioners, 9 in number, challenge the proceedings, dated 17.02.2014, issued by the third respondent – District Collector, East Godavari, relating to the bifurcation of the fair price shops of the petitioners situated in Gokavaram Mandal at Sl.No.8 and the consequential notification, dated 20.02.2014, issued by the fourth respondent – Revenue Divisional Officer, Rajahmundry, East Godavari, calling for appointment of new dealers.

It is the case of the petitioners that they are operating their respective fair price shops for over a period of four decades with utmost care and attention and without there being any complaint whatsoever from any quarter. It is also their case that in view of creation of new fair price shops due to bifurcation, the fourth respondent issued the impugned notification calling for applications for appointment of new dealers without following the procedure prescribed in G.O.Ms.No.35, dated 17.09.2007 (for short 'the G.O.') and that no notice whatsoever was given to the petitioners and the bifurcation proposal itself is at the instance of

the local MLA in order to accommodate and appoint his followers as fair price shop dealers. It is also their case that this Court in **T. Ramanjaneyulu v. State of Andhra Pradesh and others**<sup>1</sup> held that the procedure prescribed in the G.O. has to be strictly adhered to.

Learned Government Pleader for Civil Supplies submits that bifurcation of the cards has been proposed on account of rationalization of fair price shops to ensure timely distribution of the scheduled commodities to the consumers. He contends that it is not the case of the petitioners that the respondent authorities have violated any specific clause/obligation mentioned in the G.O. He submits that the petitioners are having a large number of cards and as on date, there is slight variation in the figures on account of migration of certain people. He also submits that on principle, the petitioners cannot object to the bifurcation as long as the respondent authorities adhere to the guidelines mentioned in the G.O.

Having considered the above and having perused the material on record, at the outset, it is to be noted that there cannot be any challenge to the right of the State in creating new fair

---

<sup>1</sup> 2009(1) ALD (NOC 12)

price shops by way of bifurcation of existing fair price shops where the same is done on account of rationalization. It is to be noted further that there is no challenge to the G.O. The petitioners contend that the procedure prescribed in the G.O. is not being followed by the respondent authorities scrupulously. They claim that the G.O. provides for an opportunity of personal hearing to the existing dealers before bifurcation exercise is taken up. This Court is unable to accept the same, as it is factually incorrect. The G.O. by itself does not provide any opportunity of hearing to the existing dealers. The exercise undertaken by the State authorities is rationalization of the system and as long as the methodology which is adopted for such rationalization is not arbitrary, the same cannot be challenged in any manner, and in such exercise, as a matter of rule, there is no requirement to issue notice to the existing dealers with regard to bifurcation of particular fair price shop, as long as the authorities are strictly adhering to the guidelines mentioned in the G.O. The basic principle in issuing the G.O. is to ensure minimum number of cards depending on the location of the fair price shop i.e., in the rural area/urban area/Corporation. The State had taken into consideration the viability of the fair price shop dealer and the finances of a particular dealer depending on the area and

accordingly, prescribed certain limits ensuring a minimum number of cards to be attached to a dealer. At this stage, there is no basis for the petitioners to assume that the guidelines mentioned in the G.O. would not be followed to ensure the allocation of viable number of cards to the respective dealers. As there is no specific mention in the G.O. with regard to providing an opportunity of hearing to the existing dealers, there is no requirement of giving notice to the petitioners except informing them as to the re-allocated number of cards with specifications.

In those circumstances, this Court finds no merit in the Writ Petition, which is accordingly dismissed.

Miscellaneous Petitions, if any pending shall stand dismissed. There shall be no order as to costs.

---

**CHALLA KODANDA RAM, J**

7<sup>th</sup> FEBRUARY, 2018.

*kvni*