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IN THE HIGH COURT OF DELHI AT NEW DELHI

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W.P.(C) 7695/2015 & CM No.15085/2015

M/S. GUPTA STORE

..... Petitioner

Through: Mr.Pradeep Gupta, Mr.Parinav Gupta,
Ms.Mansi Gupta & Ms.Moazzam Ali,
Advts.

versus

GOVT OF NCT DELHI & ANR.

..... Respondents

Through: Ms.Sukriti Ghai, Adv. on behalf of
Mr.Devesh Singh, ASC (Civil)
GNCTD, for R-1 & R-2.

CORAM:

HON'BLE MR. JUSTICE NAVIN CHAWLA

ORDER

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21.01.2020

1. This petition has been filed challenging the order dated 21.05.2014 passed by the respondent no. 2 and the order dated 17.04.2015 passed by the respondent no. 1.
2. By the order dated 21.05.2014, the respondent no. 2 ordered cancellation of the authorisation/licence of the petitioner's Fair Price Shop. The finding of the respondent no. 2 is reproduced hereinbelow:-

"DECISION:

From the perusal of the above mentioned reply and comments of the inspecting team, it was evident that the FPS holder was violated the instructions of the Department and the provision of the Delhi Specified Articles (Regulation of Distribution) order 1981, under which he was given authorization No.8443 to run FPS. He has been working in a manner detrimental to the interest of the Public Distribution system. The variation in the stock

has not been explained by the FPS holder and apparently been diverted by him in unauthorized channels. Even the appeal which he was made before the appellate authority for the restoration of the license, has been rejected. In fact, any lenient view would set a wrong example before the Court the other PDS outlet holders and will be against the interest of the Public distribution System.”

3. By the order dated 17.04.2015, the respondent no. 1 has dismissed the appeal filed by the petitioner observing as under:-

“I have gone through the documents placed before me in the matter including vigilance report as well as appeal memorandum filed by the appellant and the written reply filed by the concerned Circle Officer/FSO. I have also heard the appellant in person. The arguments given by the appellant in support of the case are not convincing. Further, I fully agree with the views of the licensing authority that any lenient view would set a wrong precedent before other PDS outlet holders and will be against the interest of the Public Distribution System. In view of the above, I do not find any merit in the appeal and therefore reject. As a result, the order dated 21.05.2014 passed by the Asst. Commissioner (South West) is upheld.”

4. The learned counsel for the petitioner submits that both the above Impugned Orders are un-reasoned in nature. They do not give any reason why the explanation given by the petitioner in response to the Show Cause Notice was found to be “not convincing”. He further submits that the respondents have also relied upon an alleged door to door verification, which was never supplied to the petitioner and was not even a part of the Show Cause Notice.
5. On the other hand, the learned counsel for the respondents submits that the allegations against the petitioner are grave in nature and therefore,

the Impugned Orders have been passed after considering all submissions made by the petitioner and finding no merit in the same.

6. I have considered the submissions made by the learned counsels for the parties. A reading of the above finding of the respondent nos. 1 and 2 does not indicate sufficient reasons being given for not agreeing with the submissions made by the petitioners in response to the Show Cause Notice or in the appeal. Merely stating that the submissions made were found to be “not convincing” is not sufficient to meet the test of Principles of Natural Justice which requires reasons to be given by such authorities for their decisions.

7. It is settled law that though such orders may not give reasons in an elaborate form as in a Court decision, but have to be adequate, proper and intelligible. They must reasonably deal with the points raised in reply to the Show Cause Notice in a manner that would show that the same had been taken into consideration and what view the deciding authority took thereon. Mechanical and stereotype reasons cannot be regarded as adequate. Similarly, it is not sufficient to show that the reasons contained in the Show Cause Notice were found sufficient or that the reply given by the noticee was found unsatisfactory or “not convincing”.

8. It is also not denied that the alleged door to door survey which has been relied upon in the Impugned Orders was not supplied to the petitioner during the course of the proceedings and, infact did not form part of the Show Cause Notice. This also would be a violation of the Principles of Natural Justice.

9. In view of the above, the Impugned Orders dated 21.05.2014 and 17.04.2015 are set aside, leaving it open to the respondent to initiate fresh

proceedings against the petitioner, if so desired, in accordance with law.
There shall be no order as to costs.

Dasti.

NAVIN CHAWLA, J

JANUARY 21, 2020/rv