THE HON'BLE SRI JUSTICE A.RAJASHEKER REDDY

W.P.Nos.23826 of 2009, 33549, 35372, 35886 & 35889 of 2015, 28662 of 2016, 9823, 11219, 11705, 12567, 14031, 15538, 16151, 17419, 29867, 30953, 30982, , 35349, & 40499 of 2017, 56, 1729, 4257, 8535, 9724, 9769, 11299, 12699, 18191, 18462, 18686, 20369, 20634, 22570, 24580, 25064, 25462, 26773, 28084, 28303, 29067, 29561, 30353, 30721, 30902, 31513, 33810, 33887, 33906, 34167, 34181, 34537, 34616, 34623, 34784, 35683, 35766, 36913, 37132, 37285, 37402, 37448, 37967, 38574, 39463, 40826, 40883, 45743, 45746, 45763 & 47891 of 2018, 57, 67, 89, 1056, 1715, 1748, 2265, 2402, 2413, 2506, 2989, 3520, 3540, 3926, 4431, 4956, 5098, 6637, 6771, 6822, 6848, 6860, 7335, 7492, 7850, 8422, 9057, 9502, 9704, 9872, 12057, 12066, 12233, 12446, 15460, 17338, 17389, 17405, 17415, 17425, 17437, 17480, 17587, 18606, 18715, 18833, 18845, 18850, 18917, 19029, 19966, 20823, 21088, 21600, 21709, 22311, 22328, 22426, 22580, 22684, 23285, 24053, 24485, 24711, 25486, 26037, 27966, 28746 & 28804 of 2019, 189, 1994, 2319, 4241, 5204, 6691, 7578, 8666, 10369, 10633, 11242, 11351, 12329, 12634, 15434, 15761, 15824, 16542, 17301, 18396, 18882, 18963, 18980, 19037, 19449, 19526, 19544, 19704, 19880 & 21564 of 2020, 952 & 971 of 2021

COMMON ORDER

Since the issue involved in all these writ petitions is common, they are heard together and are being disposed of by this common order.

As per the averments made in the affidavits filed in support of the writ petitions, it could be seen that some of the petitioners are agriculturists, and their claim is that they are cultivating paddy in their fields, and after harvest, converting the same into rice, and selling them in the open markets. Some of the petitioners are dealing in the business of purchasing paddy and converting the same into rice, and selling them in the markets. In that process, while they were transporting rice to the markets, the rice along with respective vehicles, were seized by respondent – authorities, and in some writ petitions, rice was seized from the godowns. The main allegation in all the writ petitions, except in W.P.No.23826 of 2009, is that the petitioners are in illegal possession of PDS

rice, and that they have purchased the said PDS rice from the card holders. In W.P.No.23826 of 2009, the allegation is that the petitioner has been transporting rice without proper and valid documents, and hence the respondents have seized the same.

After seizure, FIRs under Section 420 of IPC, and Section 7 of the Essential Commodities Act, 1955 (for short 'the Act') were registered, and the investigations/trials are pending. Proceedings under Section 6-A of the Act were also initiated, and show cause notices under Section 6-B of the Act were also issued and in some cases, confiscation orders also have been passed.

Assailing the same, the present writ petitions have been filed, relying on Removal of (Licensing requirements, Stock limits and Movement Restrictions) of Specified Foodstuffs Order, 2002, issued by the Central Government in G.S.R.104(E) dated 15.02.2002 in exercise of jurisdiction under Section 3 of the Act, and also the subsequent order dated 29.09.2016 issued by the Central Government vide G.S.R.No.929 (E) in exercise of power conferred by Section 3 of the Act, and in supersession of the Removal of (Licensing Requirements, Stock Limits and Movement Restrictions) on Specified Food Stuffs Order, 2002, viz., the Removal of Licensing Requirements, Stock Limits and Movement Restrictions of Specified Foodstuffs Order, 2016; contending that as per Clause 3 of the order dated 29.09.2016, any dealer may freely buy, stock sell, transport, distribute, dispose, acquire, use or consume, any quantity of rice, and

that no permit or licence is required therefor. And that ‘rice’ and ‘paddy’ are not essential commodities, and hence initiation of proceedings under Section 6-A of the Act is illegal and arbitrary.

Counter affidavits have been filed in the writ petitions, the tenor of which, apart from disputing the claim of the petitioners on merits, and factual aspects, is that since the proceedings under Section 6-A of the Act are pending, it is open to the petitioners to raise all the contentions in the said proceedings, and that in cases where confiscation orders were passed, it is open to them to file appeals under Section 6-C of the Act, and as disputed questions of facts are involved, writ petitions cannot be entertained under Article 226 of the Constitution of India. With these grounds *inter alia*, the writ petitions are sought to be dismissed.

Heard learned counsel Sri H.V.R.R. Swamy, Sri A.Prabbhakar Rao, Sri K.Venumadhav, Sri Somavarapu Satyanarayana, Sri G.L.Nageswara Rao, Sri T.Sujan Kumar, Sri K.Rama Krishna, Sri Bollam Lingaiah Yadav, Sri Praveen Kumar Veerjala, Sri P.Vishnuvardhana Reddy, Sri Venkatram Reddy Mantur, Sri K.Rathanga Pani Reddy, Ms. K.Hemalatha, Sri K.Srinivas, Sri Ch.Ravinder, Sri T.Jayant Jaisooryan, Sri Babuji Tenneti, Dr. Challa Srinivasa Reddy, Sri S.Viplav Simha Reddy, Ms. C.Sunitha Kumari, Sri P.Shashi Kiran, Sri Pulla Rao Yellanki, Sri R.V.Mallikarjuna Rao, Sri Gudi Madhusudha Reddy, Sri K.Ramachandra, Sri Kiran Palakurthi, Sri E.Ramesh Chandra Goud, Sri R.Venkatesham, Sri Janardhan Goud Sunkari, Sri P.Shashi Kiran,

Sri Chaithanya K.,Sri Bajrangh Singh Thakur, Sri P.Giri Krishna, Sri Ch. Ravinder and Sri P.Lakshma Reddy, appearing for the writ petitioners.

Learned counsel appearing for the petitioners, apart from reiterating the averments made in the writ affidavits, further submit that Section 2-A(1) of the Act, defines the term ‘essential commodity’, which means a commodity specified in the schedule under the said provision. In the said schedule ‘paddy’ and ‘rice’ are not specified.

It is stated that sub-section (2) of Section 2-A empowers the Central Government to issue notification, in consultation with the State Government, adding a commodity, or removing a commodity from the schedule as ‘essential commodity’, and such notification as per sub-section (3) of Section 2-A, will be valid for a period of six moths, unless the Central Government extends the same. No such notification was issued, and however in the notification issued by the Central Government vide SO.3267 (E) dated 22.12.2009, ‘rice’ and ‘paddy’ are not included in the schedule. Therefore, ‘rice’ and ‘paddy’ cannot be treated as essential commodities.

Learned counsel further submits that by virtue of the power conferred under Section 3 of the Act, the Central Government i.e., the Ministry of Consumer Affairs, Food and Pubic Distribution (Department of Consumer Affairs), passed the Foodstuffs Order, 2002 dated 15.02.2002 and also the Food Stuffs Order,

2016 dated 29.09.2016, in supersession of earlier order of 2002, and as per Clause 3(1) of the latter order, any dealer may freely buy, stock, sell transport, distribute, dispose, acquire, use or consume, any quantity of rice and paddy and other items mentioned there under and that no permit or licence is required.

Therefore, the contention of the learned counsel for the petitioners is that when 'rice' and 'paddy' are not essential commodities as per Section 2-A(1) of the Act, and even the Foodstuffs Order 2016, passed by the Central Government, by the virtue of the power conferred under Section 3 of the Act, does not provide for any restriction, or for obtaining any licence for buying, selling, transporting, storing 'rice' and 'paddy', the action of the respondent – authorities, in seizing the stocks along with vehicles, and initiating proceedings under Section 6-A of the Act, cannot be sustained.

Learned counsel further submit that the allegation against the petitioners is that they are in illegal possession of PDS rice, and that they have purchased the same from card holders, which is liable for penal action under Clause 17(e) of the Telangana State Public Distribution System (Control) Order, 2016, (for short 'the Control Order, 2016'). They contend that there is no legally admissible evidence on record to show that the petitioners have purchased the PDS rice from card holders, and there is also no mechanism under the Act or the Rules made there under to identify the PDS rice. Therefore, the allegation in this regard is without any basis.

Learned counsel would submit that a Division Bench of this court in ***MAIMUNA BEGUM vs. STATE OF TELANGANA, REPRESENTED BY ITS CHIEF SECRETARY, HYDERABAD AND OTHERS***[1] considering the allegation that the *detenus* therein have been purchasing PDS rice from the card holders, held that when once there is no prohibition on such activity either under the Act, or the Control Order 2008, which undisputedly is the only order that governs the distribution and control of rice meant for public distribution system, the *detenus* cannot be accused of committing any offence and that once their activity do not constitute any offence under law, their preventive detention cannot be sustained. Therefore, the learned counsel would submit that even if the allegation of the respondents is admitted for the sake of argument, in view of the judgment of the Division Bench, the petitioners cannot be said to have committed any offence.

Learned counsel would further submit that subsequent to the said judgment, the Government of Telangana, in exercise of jurisdiction under Section 3 read with Section 5 of the Act, and in terms of the Government of India GSR No.213(3) dated 20.03.2015, and in supersession of the Andhra Pradesh State Public Distribution System (Control) Order, 2008, issued G.O.Ms.No29, Consumer Affairs, Food and Civil Supplies (CS.I.CCS) Department dated 19.08.2016, promulgated Control Order, 2016, where-under Clause 17(e) has been inserted, making the purchase of rice supplied through PDS either from the

[1] 2016(5) ALT 280 (D.B.)

card holder or from the FP shop dealer or any other source, liable for criminal action and imposition of penalty as may be fixed by the Competent Authority. Learned counsel would submit that there is no legally admissible evidence on record to show that the petitioners have purchased the PDS rice from card holders. They further submit that under Clause 17(e) of the Control Order, 2016, the offence is only defined, and the 'competent authority', is not specified. Hence the said provision is otiose.

Learned counsel for the petitioners submit that the allegation against the petitioners in W.P.Nos.33549, 35372, 35889 and 35886 of 2015, and 15460 of 2019, is that they purchased the rice supplied through PDS from the card holders, and this allegation is prior to introduction of Clause 17(e) of the Control Order, 2016. Therefore, as per the judgment of the Division Bench *MAIMUNA BEGUM vs. STATE OF TELANGANA, REPRESENTED BY ITS CHIEF SECRETARY, HYDERABAD AND OTHERS(1 supra),* the petitioners in these writ petitions cannot be said to have committed any offence, and hence the writ petitions may be allowed.

With these submissions, the impugned action of the respondents is sought to be set aside.

On the other hand Sri A.Sanjeev Kumar, learned Special Government Pleader appearing on behalf of learned Additional Advocate General, made the following submissions:

(i) That, though there is no requirement of licence for transportation, sale, and storing of rice, but contravention of Order made under Section 3 of the Act, entails initiation of proceedings under Section 6-A of the Act and also criminal action.

(ii) that, 'food stuff' is an essential commodity under clause 3 of the schedule under Section 2-A(1) of the Act. A Division Bench of the erstwhile High Court of Andhra Pradesh, in the decision reported in ***ELLURU CHANDRA OBUL REDDY v. JOINT COLLECTOR, KADAPA***[2], held that 'rice' and 'paddy' come under the definition of 'food stuffs' under Section 2(a)(v) of the Act, and that they are essential commodities.

(iii) that, Government of Telangana, in exercise of the jurisdiction under Section 3 read with Section 5 of the Act, promulgated the Control Order, 2016, and as per Clause 17(e) of the said Order, purchasing of rice supplied through PDS either from the card holder or the F.P. shop dealer or any other source, is liable for criminal action and imposition of penalty, as may be fixed by the competent authority.

(iv) that, the allegation against the petitioners is that they purchased the PDS rice from card holders, and they are in illegal possession of PDS rice, which amounts to contravention of the Control Order, 2016 made under Section 3 read

[2] 2008(6) ALT 538 (.D.B)

with Section 5 of the Act, and hence liable for criminal action, and also liable for initiation of proceedings under Section 6-A of the Act.

(v) that, the 'competent authority' specified under Clause 17(e) of the Control Orders, 2016 is the same authority, specified under Section 6-A of the Act, who confiscates the stocks i.e., the District Collector, and hence it cannot be said that Clause 17(e) only defines the offence and that no competent authority is specified.

(vi) that as per the Memo No.2202/CS.I(1)2012 dated 25.08.2012 issued by the erstwhile Government of Andhra Pradesh, Consumer Affairs, Food and Civil Supplies (CS1) Department, adapted by the State of Telangana, pecuniary jurisdictions between the Collector and the Joint Collector, have been delineated for disposal of the cases under Section 6-A of the Act.

With the above submissions, learned Special Government Pleader seeks to dismiss the writ petitions.

In view of the facts and circumstances and the rival contentions, the issue that emerges for my consideration is:

Whether 'rice' is an essential commodity under the Act, and liable for seizure and confiscation under Section 6-A, for contravention of Clause 17(e) of the Control Order, 2016, made in exercise of jurisdiction under Section 3 read with Section 5 of the Act ?

To answer the above issue, certain provisions of the Act are required to be noticed. Section 2-A of the Act deals with declaration of essential commodities, and under sub-section (1) "Essential Commodity" means a commodity specified in the schedule. Under the Schedule of 'essential commodities', 'foodstuffs' are provided at clause (3).

Section 3 of the Act empowers the Central Government to issue orders for regulating or prohibiting the production, supply and distribution of essential commodities for the purpose of maintaining or increasing supplies of any essential commodity, or for securing their equitable distribution and availability at fair prices, or for securing any essential commodity for the defence of India or the efficient conduct of military operations.

Section 5 of the Act deals with delegation of power under Section 3, to issue orders to the State Government.

In exercise of the powers conferred under Section 3 read with Section 5 of the Act, the Government of Telangana issued G.O.Ms.No.29 Consumer Affairs, Food and Civil Supplies (CS.I.CCS) Department dated 19.08.2016 promulgating Control Order, 2016 in supersession of the Andhra Pradesh State Public Distribution System (Control) Order, 2008.

Clause 17(e) of the Control Order, 2016 provides that *"If any person is found to have purchased the rice supplied through PDS either from the card*

holder or the F.P. Shop dealer or any other source, he shall be liable for criminal action and imposition of penalty as may be fixed by the competent authority."

Section 6-A of the Act empowers the Collector to confiscate the essential commodity seized in pursuance of the Order made under Section 3 of the Act, if he is satisfied that there has been a contravention of the said Order.

Section 7 of the Act provides the penalties for contravention of the Order made under Section 3 of the Act.

A Division Bench of the erstwhile High Court of A.P. in the decision reported in *ELLURU CHANDRA OBUL REDDY v. JOINT COLLECTOR, KADAPA* (2 supra), had an occasion to consider the very same issue, whether the 'rice' and 'paddy' are essential commodities. The facts of the said case disclose that petitioners therein were alleged to have been in possession of rice meant for public distribution, which contravenes the provisions of the Andhra Pradesh Rice Procurement (Levy) Order, 1984. The said Levy Order, 1984, was promulgated by the Government of Andhra Pradesh in exercise of the jurisdiction under Section 3 read with Section 5 of the Act, for the purpose of maintaining the supplies of paddy and rice, for securing its equitable distribution and availability at fair price. The Sub Inspector of Police, who is the Enforcement Officer, seized the same, and initiated criminal proceedings, and the proceedings under Section 6-A of the Act, were also initiated by the authorities. The contentions of the petitioners therein was that 'rice' and 'paddy' are not essential commodities

under the Act, and that by virtue of the notification dated 15.02.2002 issued by the Government of India, i.e., the Foodstuffs Order, 2002, there are no restrictions as to stock or transport of paddy and rice, and that if the person or dealer is found to have indulged in purchase of rice meant for food for work, or public distribution system, as per the clarification issued by the Commissioner of Civil Supplies, Hyderabad vide proceedings dated 12.8.2002, the only course open to the authorities, is to initiate proceedings under the provisions of Cr.P.C., and that proceedings under Section 6-A of the Act cannot be initiated.

The Division Bench, held that 'rice' and 'paddy' are essential commodities, and that any Enforcement Officer can search and seize rice or paddy if he is of *prima facie* opinion that a dealer or person, contravened the provisions of A.P. Rice Procurement (Levy) order, 1984, and that for contravening the said order, the dealer or the person is liable to be prosecuted under the provisions of the Act.

Further, the Division Bench while not accepting the contention of the petitioners therein that, as there is no restriction as to stock or transport of paddy and rice, and that if a person or dealer is found to have indulged in purchase of rice meant for public distribution, only course open is to initiate proceedings under Cr.P.C., and not the proceedings under Section 6-A of the Act; held the Foodstuffs Act, 2002 does not take away the powers of Enforcement Officer under Levy Order, 1984, and that it only eliminates permit or licence system in respect of essential commodities, that does not mean that a dealer can carry on business having illegal possession of rice; and that clarification issued by the

Commissioner of Civil Supplies in his proceedings dated 12.08.2002 that where a trader indulged in purchase of rice meant for food for work scheme, the authorities can only initiate proceedings under Cr.P.C., is contrary to the provisions of Levy Order, 1984, by holding thus:

"15. . . .From the above decisions, it is clear that raw food material comes within the meaning of foodstuff. Similarly, the articles derived from the raw food, can be termed as 'foodstuff'. There cannot be any dispute that rice, after cooking, is meant for human consumption and therefore, it can be stated to be a 'foodstuff'. Similarly, paddy, is a food crop, which is a raw produce of rice, and therefore, it can also be termed as 'foodstuff' within the meaning of Section 2(a)(v) of the EC Act, 1955. Therefore, paddy or rice is an essential commodity.

. . .

20. The learned counsel for the petitioners placed strong reliance on the order issued by the Ministry of Consumer Affairs, Food and Public Distribution, Government of India, New Delhi in G.S.R. 104(E), dated 15.2.2002, which may be called as 'Removal of (Licensing requirement, Stock limits and Movement Restrictions) on Specified Foodstuffs Order, 2002 (for short, 'the foodstuffs Order, 2002). The said order was issued in exercise of powers conferred under Section 3 of the Act, 1955, for securing availability of commodities specified in the Order at fair prices through out the country. The learned counsel for the petitioners mainly relied upon clause '3' of the Food Stuffs Order, 2002, which reads that with the coming into effect of the said Order, any dealer may freely buy, sell, stock, sell, transport, distribute, dispose, acquire, use or consume any quantity of wheat, paddy/rice, coarse grains, sugar, edible oil seeds and edible oils and shall not require a permit or licence therefore under any order issued under the Act, 1955. the aforementioned clause would clearly contemplate that no permit or licence for the essential commodities is required for the purposes as mentioned therein. The said clause in its sweep in regard to the orders issued by the State Governments or Central Government, under the Act, 1955, totally eliminates the permit or licence system in respect of the essential commodities mentioned therein for the purpose of buying, stocking, selling, transporting, distributing, etc. But this provision does not take away the various other aspects under the Llevy Order, 1984, except to the limited extent of taking away the permit or licence system in transporting or storage of the essential commodities mentioned therein. Foodstuffs Order 2002 does not take away, expressly or by necessary implication, the power of the Enforcement Officer as depicted under the Levy Order, 2002.

21. Clause 5 of the Foodstuffs Order, 2002 contemplates the issue of any orders by the state Governments for regulating licences, permit, or otherwise, the storage, transport, distribution, disposal, acquisition use or consumption of any of the commodities specified inclause 3, shall require the prior concurrence of the Central Government. By virtue of the said provision, a person cannot be prosecuted under the Act, 1955, or violation of any control order for not taking a licence or permit for transporting or storing, etc. of paddy and rice. But, that does not mean that a dealer can carry on business of illegal possession, storage or transport of rice. When a dealier is authorized to do business legally, then only the permit or licence for carrying on business of rice or paddy is not required with effect from 15.2.2002.

Clause '6' of the Foodstuffs Order, 2002 reads that nothing contained in the said Order shall affect the operation of the Public Distribution System (Control) Order, 2001 issued by the Central Government and orders of the State Governments issued in pursuance thereof.

. . .

28. In view of the foregoing discussion, we answer the reference with the following findings:

(a) The Andhra Pradesh Rice Procurement (Levy) order, 1984 is in force;

(b) <u>'Rice" and 'Paddy" are essential commodities within the meaning of Section 2(a)(v) of the essential Commodities Act, 1955;</u>

(c) The Officer-in-charge of a police station or a Police Officer making investigation under the Code of Criminal Procedure, 1973, can search a premises and seize any essential commodity in any place within the limits of his jurisdiction, under general penal laws;

(d) Any officer, within the meaning of Section 2(e) of the Andhra Pradesh Rice Procurement (Levy) order, 1984 can search and seize rice or paddy or broken rice, including animal, vehicle, vessel or conveyance used for carrying the stock of rice or paddy or broken rice, if he is of the *prima facie* opinion that a dealer contravened any of the provisions of the said Order.

(e) The clarification proceedings in CCS Ref. No. PDS/11(3)/1240/2002, issued by the Commissioner of Civil Supplies, Hyderabad, dated 12.8.2002 is contrary to the provisions of the Andhra Pradesh Rice Procurement (Levy) Order, 1984;

(f) A dealer or miller or purchaser of paddy or any person, contravening the provisions of the Andhra Pradesh Rice Procurement (Levy) Order, 1984, is liable to be prosecuted under the provisions of the Essential Commodities Act, 1955."

Thus from the above decision of the Division Bench, which has become final, it is clear that 'rice' and 'paddy' are essential commodities and that a dealer or a miller or purchaser of paddy or any person, contravening the order made by the Government in exercise of jurisdiction under Section 3 read with Section 5 of the Act, are liable to be prosecuted under the provisions of the Act.

In the decision of the Division Bench in *MAIMUNA BEGAUM vs. STATE OF TELANGANA* (1 supra), considering the very same allegation i.e., the detenus therein purchased the rice meant for public distribution from card holders, and also considering Clause 17(A) of the Andhra Pradesh State Public Distribution System (Control) Order, 2008, it was held that since the alleged activity of the *detenus* therein, in purchasing the PDS rice, from the card holders, falls outside the purview of Clause 17(A), and that once there is no such prohibition on such activity either under the 1955 Act, or under the Control Order,

2008, which undisputedly is the only order that governs distribution and control of rice meant for public distribution system, the *detenus* cannot be accused of committing any offence.

But, as already noted above, the Government of Telangana, in exercise of jurisdiction under Section 3 read with Section 5 of the Act and in terms of the order of the Ministry of Consumer Affairs, Food and Public Distribution, Government of India GSR No.213(3) dated 20.03.2015, and in supersession of Andhra Pradesh State Public Distribution System (Control) Order, 2008, issued G.O.Ms.No.29 dated 19.08.2016 promulgating Control Order, 2016 where under Clause 17(e) makes the purchase of rice supplied through PDS either from the card holder or the F.P. shop dealer or any other source, liable for criminal action and imposition of penalty as may be fixed by the competent authority. Therefore, the judgment of the Division Bench (1 supra), is not applicable to the cases, where the allegation of purchase of PDS rice from the card holders, is after introduction of Clause 17(e) to Control Order, 2016, and the said judgment is applicable only to the cases, which fall prior to introduction of the said provision.

To sum up, it is to be seen that as held by the Division Bench (2 supra), ‘rice’ and ‘paddy’ are ‘essential commodities’ and though there is no requirement of obtaining licence for doing business in rice and paddy, and there is also no restriction of movement of ‘rice’ and ‘paddy’, purchase of PDS rice from the card holder is made an offence under Clause 17(e) of the Control Order, 2016.

Control Order, 2016 is promulgated by the Government of Telangana in exercise of power conferred under Section 3 read with Section 5 of the Act. As the allegation against petitioners is contravention of Clause 17(e) of the Control Order, 2016, made under Section 3 of the Act, the rice is liable for seizure and confiscation under Section 6-A of the Act, after following the due procedure, and also liable for criminal action under Section 7 of the Act, which deals with penalties. Thus the issue framed is answered in the affirmative.

The other contention of the learned counsel for the petitioners is that under Clause 17(e) of the Control Order, 2016, the offence is defined for imposing penalties, but the competent authority is not specified and the nature of penalty is also not specified.

This issue is not germane for consideration, for disposal of these writ petitions, since in the present cases, the authorities have not passed any orders imposing penalties under Clause 17(e) of the Control Order, 2016, and that stage has not yet reached. Therefore, in my considered view, decision on this issue is premature, and it would be only an academic issue. Hence, this court is not inclined to go into that issue.

Before parting with the case, it is made clear that whether the seized rice is PDS rice purchased from card holders or not, as contended by both the counsel, has to be examined by the competent authority under Section 6-A of the

Act, and also by the criminal court, if prosecution is launched, based on evidence.

For the foregoing reasons, W.P.Nos.33549, 35372, 35889 & 35886 of 2015, and 15460 of 2019, which are covered by the order of the Division Bench of this court in *MAIMUNA BEGUM vs. STATE OF TELANGANA, REPRESENTED BY ITS CHIEF SECRETARY, HYDERABAD AND OTHERS (1 supra)* are liable to be allowed. In respect of petitioners in other writ petitions, I do not find any reason to interfere with the impugned action of the respondents and the writ petitions are liable to be dismissed.

Accordingly, W.P.Nos.33549, 35372, 35889 & 35886 of 2015, and 15460 of 2019, are allowed and the security furnished by them to the authorities for release of stocks and vehicle, stands cancelled. All other writ petitions in this batch, are dismissed.

In cases, where, by virtue of the interim orders, the stocks as well as the vehicles, were released on providing security, the same is subject to conclusion of inquiry under Section 6-A of the Act, and the criminal proceedings initiated under Section 420 of IPC read with Section 7 of the Act.

It is made clear that this court has not expressed any opinion on merits and it is open to the petitioners to raise all the contentions before the competent authority in the proceedings under Section 6-A of the Act, and also before the competent criminal court.

It is also made clear that where confiscation orders are passed, it is open to the respective petitioners, to file appeals under Section 6-C of the Act.

Interlocutory applications pending, if any, shall stand closed. No order as to costs.

A.RAJASHEKER REDDY,J

DATE:30--04--2021

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