

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

Sr. No.125

**Civil Revision No.449 of 2022 (O&M)
Date of Decision : February 10, 2022**

Union of India

...Petitioner

Versus

M/s Hemkunt Rice Mills and others

...Respondents

CORAM: HON'BLE MR. JUSTICE SUDHIR MITTAL

Present: Mr. Ashish Rawal, Advocate, for the petitioner.

SUDHIR MITTAL, J. (ORAL)

A suit for recovery was filed by the Food Corporation of India against respondents No.1 & 2. Seven years later, the Union of India filed an application for being impleaded as a party thereto. The application has been rejected by the trial Court on the ground that it was belated and that the Union of India was neither a necessary nor a proper party. The argument that Union of India was providing the funds for the Food Corporation of India has also not been accepted.

The only argument raised by learned counsel for the petitioner is that the Food Corporation of India is a *no profit no loss* organisation and all funds are provided by the Union of India. The rice in respect of which the suit has been filed was part of the central pool and the miller was supposed to mill the rice as per the specifications provided by the Government of India. Thus, the trial Court was in error in dismissing the application.

The Food Corporation of India is a body corporate and is a separate entity in law. It is entitled to sue and be sued in its own right. The

recovery suit has been filed on the basis of the instructions issued by the Central Government and the interests of the Central Government are being looked after by it. Thus, presence of the Union of India is not essential for a decision of the suit. It also cannot be termed to be a proper party. Thus, the findings of the trial Court do not suffer from any infirmity.

The revision petition has no merit and is dismissed.

CM-1228-CII-2022

Since the main case stands dismissed, the present application is also dismissed.

February 10, 2022

Ankur

**(SUDHIR MITTAL)
JUDGE**

Whether speaking/reasoned	Yes/No
Whether Reportable	Yes/No