

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

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1. CR-2760-2021 (O&M)
Date of decision: 20.09.2022

UNION OF INDIA **..Petitioner**

Versus

M/S MAHAVIR TRADING COMPANY AND ORS **..Respondents**

2. CR-2762-2021 (O&M)

UNION OF INDIA **..Petitioner**

Versus

M/S PIRDAN SHAM LAL RICE MILL AND ANR **..Respondents**

3. CR-2781-2021 (O&M)

UNION OF INDIA **..Petitioner**

Versus

M/S SHERANWALI RICE MILLS AND ANR **..Respondents**

4. CR-2782-2021 (O&M)

UNION OF INDIA **..Petitioner**

Versus

M/S MITTAL ENTERPRISES AND ANR **..Respondents**

5. CR-2878-2021 (O&M)

UNION OF INDIA **..Petitioner**

Versus

M/S SHRI RAM ENTERPRISES AND ANR **..Respondents**

6. CR-2879-2021 (O&M)

UNION OF INDIA **..Petitioner**

Versus

M/S GARG AGRO FOODS AND ANR **..Respondents**

7. CR-2896-2021 (O&M)

UNION OF INDIA

..Petitioner

Versus

M/S KANSAL AGRO FOOD AND ANR

..Respondents

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Ashish Rawal, Advocate
Senior Panel Counsel for Union of India,
for the petitioner(s).

Mr. Akhil Kashyap, Advocate
for respondent (in CR-2781-2021)

Ms. Harleen Ahluwalia, Advocate
for Mr. B.S. Bhalla, Advocate
for respondent No.4 (in CR-2879-2021)

Mr. Rohit Singla, Advocate
for respondent No.1(b), (c), (d) and (e)
(in CR-2782-2021).

Mr. Shilesh Gupta, Advocate
for respondent No.1(b) (in CR-2896-2021).

Mr. K.K. Gupta, Advocate
for Food Corporation of India.

ANIL KSHETARPAL, J(Oral)

While hearing a batch of identical civil revision petitions, this Court vide order dated 30.05.2022, permitted the impleadment of Union of India as a co-appellant before the First Appellate Court.

The order reads as under:-

“1. The Union of India has filed these seven revision petitions assailing the correctness of identical reasoned orders, passed by the First Appellate Court, while dismissing its application for impleadment as a party.

2. The Food Corporation of India (hereinafter referred to as “the FCI”) procures rice from the Rice Millers for central operationi for beneficiaries identified by the Government of India. In fact, the FCI, which is the creation of a Statute, acts on behalf of the Union of India.

The FCI, after purchasing the paddy, on behalf of the Union of India, gets it dehusked and thereafter, supplies it to the Union of India. It is the Union of India which pays the amount of the rice procured by the FCI.

3. *There were some complaints with regard to the quality of rice procured by the FCI from the Rice Millers. A CBI probe was ordered. Ultimately, certain discrepancies were found as the substandard rice were supplied to the FCI by some millers in various States. The FCI filed a suit for recovery of the amount from the respondents. The suits were dismissed on the ground of limitation. The FCI filed an appeal and during its pendency, the Union of India filed an application for its impleadment as a party. The Court has dismissed the various applications on the ground that there is no privity of contract between the Rice Millers and the Union of India.*

4. *In the considered opinion of this Bench, the entire approach of the First Appellate Court is erroneous. Once it is undisputed that the FCI is procuring the rice for central pool i.e. Union of India, which is ultimately paying the price of the aforesaid procured paddy/rice, the Union of India is not only a proper party, but also a necessary party. In these cases, the probe by the Central Bureau of Investigation has already been held.*

5. *Keeping in view the aforesaid facts, all the revision petitions are allowed. The orders, under challenge, are set aside. The Union of India is impleaded as a co-appellant before the First Appellate Court.*

6. *The miscellaneous application(s) pending, if any, in all the revision petitions shall stand disposed of.”*

The learned counsel representing the parties are *ad idem* that the aforesaid order squarely covers this batch of revision petitions as well.

Ordered accordingly.

All the pending miscellaneous applications, if any, are also disposed of.

September 20th, 2022

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(ANIL KSHETARPAL)
JUDGE

<i>Whether speaking/reasoned</i>	:	<i>Yes/No</i>
<i>Whether reportable</i>	:	<i>Yes/No</i>