

In the High Court of Punjab and Haryana, at Chandigarh

1.

Civil Revision No. 85 of 2022 (O&M)

Union of India

... Petitioner(s)

Versus

M/s Gaurav Enterprises and Another

... Respondent(s)
2.

Civil Revision No. 87 of 2022 (O&M)

Union of India

... Petitioner(s)

Versus

M/s Hargobind Agro Foods and Another

... Respondent(s)
3.

Civil Revision No. 94 of 2022 (O&M)

Union of India

... Petitioner(s)

Versus

M/s Jai Maa Sherawali Rice Mills and Others

... Respondent(s)
4.

Civil Revision No. 96 of 2022 (O&M)

Union of India

... Petitioner(s)

Versus

M/s Satyug Rice Mills and Another

... Respondent(s)
5.

Civil Revision No. 100 of 2022 (O&M)

Union of India

... Petitioner(s)

Versus

M/s Hind Agro Foods and Another

... Respondent(s)

6. Civil Revision No. 105 of 2022 (O&M)

Union of India

... Petitioner(s)

Versus

M/s Anand Foods and Another

... Respondent(s)

AND

7. Civil Revision No. 109 of 2022 (O&M)

Union of India

... Petitioner(s)

Versus

M/s EII Emm Jay Mills and Another

... Respondent(s)

DATE OF DECISION: 30.05.2022

CORAM: Hon'ble Mr. Justice Anil Kshetarpal.

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

Mr. Rajesh Bhatheja, Advocate
for the respondent No.1(a) and (b) (In CR-87-2022),
and for the respondent No.1(a) (In CR-96-2022).

Mr. Vikas Kumar, Advocate
for the respondent No.1 and 2 (In CR-94-2022),
for the respondent No.1(a) and (c) (In CR-100-2022 and
for the respondent No.1(c), (e) and (f) (In CR-109-2022).

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

Anil Kshetarpal, J.

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.

(Anil Kshetarpal)
Judge

May 30, 2022
“DK”

Whether speaking/reasoned :Yes/No
Whether reportable : Yes/No