

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

CR-718-2022 (O&M)

Date of decision: 23.09.2022

Union of India

....Petitioner

Versus

M/s Rice and General Mills and another

..Respondents

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Ashish Rawal, Advocate for the petitioner
 Mr. K.K.Gupta, Advocate for respondent no.2-FCI

ANIL KSHETARPAL, J (Oral)

Though as per the office report, respondent no.1(a) and 1(b) remain unserved as they are reported to have gone abroad, however, the learned counsel representing the petitioner submits that in view of the order passed on 30.05.2002 while deciding **CR-85-2022 (UOI vs.M/s Gaurav Enterprises and another)** and other connected cases, the UOI has been permitted to be impleaded as a co-appellant with the Food Corporation of India. The order dated 30.05.2022 is extracted 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.”*

Keeping in view the aforesaid facts, the revision petition is allowed. However, respondent no.1(a) and 1(b) shall be at liberty to file an application for recall, if they feel aggrieved.

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

23.09.2022

rekha

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No

(ANIL KSHETARPAL)
JUDGE