

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

WRIT PETITION NO. 10196 OF 2025

Laxmibai Lakhimchand Dalwani

VERSUS

The State Of Maharashtra And Others

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Advocate for the Petitioner : Ms. Jakhade Rutuja L.

AGP for Respondent/State : Mr. S.K. Shirse

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CORAM : S. G. CHAPALGAONKAR, J.

DATED : APRIL 18, 2026

PER COURT :-

1. The petitioner impugns order dated 14.05.2025 passed by Hon'ble Minister for Food, Civil Supplies and Consumer Protection Department in वैअना१४२५/प्र.क्र.०१/ना.पु.२३, whereby orders passed by Divisional Commissioner, Aurangabad, and order passed by District Supply Officer thereby cancelling petitioner's licence of fair price shop has been confirmed.

2. Learned Advocate appearing for the petitioner submits that petitioner is a lady, she holds licence to run ration shop at Dhule. On 24.03.2024, false complaint was filed against petitioner. Accordingly, Crime No. 149 of 2024 has been registered with Dhule City Police Station at Dhule for offences punishable under Sections 3 and 7 of Essential Commodities Act. The petitioner was thereafter served with show cause notice. The petitioner replied to the same. However, without considering her reply, only on the basis of

registration of offence, fair price shop licence has been cancelled. Although she appealed before Appellate Authority, Divisional Authority and Hon'ble Minister, order has been confirmed without considering factual and legal aspects of the matter.

3. Per contra, learned AGP supports impugned order. He would submit that petitioner was consistently found indulged in malpractices while running fair price shop. There were multiple violations licensing conditions at hands of petitioner. Eventually, decision was taken to cancel her licence, which is just and proper.

4. Having considered submissions advanced by learned advocates appearing for respective parties and on perusal of record, it is discernible that petitioner holds licence to run fair price shop. On 24.03.2024, FIR has been registered on complaint given by Mr. Dinesh Pardesi i.e. police officer alleging that while he was patrolling along with companion officers, he received secret information about black marketing going on at Shop No.41. At about 5:30, when they reached to spot, they noticed that Shop No.41 was open and gunny bags containing food grains were laying on steps of shop and a person was found taking out gunny bags out of shop. The person who introduced himself as owner of the shop could not explain why he was taking goods out of the shop.

5. The aforesaid information culminated into registration of FIR No.149 of 2024 against petitioner for offences punishable under

Sections 3 and 7 of Essential Commodities Act. On 16.04.2024, petitioner was served show cause notice pursuant to registration of offence. Eventually, order suspending her license was passed and finally on 13.05.2024, her license has been permanently cancelled subject to outcome of criminal prosecution pending trial before Court. The petitioner challenged aforesaid order before Divisional Commissioner under Section 24 of Maharashtra Scheduled Commodities (Regulation of Distribution) Order, 1975, however, her appeal came to be dismissed. Even Hon'ble Minister refused to entertain her revision and confirmed order passed by authority. Perusal of order passed by District Supply Officer shows that that only basis of cancellation of license is registration of offence against petitioner. There is nothing to show that concerned authority caused independent inquiry or Tahsildar reported about loss of stock of subsidized grains from shop. There is nothing to show that goods found out of shop were pertaining to public distribution through fair price shop.

6. Learned advocate appearing for petitioner rightly relied upon observations of Full Bench of this Court in case of *Bajrangi Tiwari vs. The Commissioner Devidas Patan Mandal Gonda and Another in Misc. Single No.8033 of 2013 decided on 26.10.2017*, wherein it is observed that license of fair price shop cannot be cancelled merely on the ground of lodging of criminal offense. It is

not disputed before this Court that for cancellation of license, procedure has been contemplated under Maharashtra Scheduled Commodities (Regulation of Distribution) Order, 1975. This Court finds that respondent authorities have not followed procedure or caused inquiry to find out as to whether goods were brought out of shop for black marketing and that such goods were part of public distribution system. In this background this Court holds that impugned order cannot be countenanced under law. However, in facts of the case it would be appropriate to direct respondent no.3 to cause in-depth inquiry into the matter and pass fresh order after confirming, that so-called goods were taken out of shop for black marketing and gunny bags taken out of shop were containing food grains meant for public distribution system.

7. In result, writ petition is partly allowed. The impugned orders are set aside.

8. The matter is relegated back to District Supply Officer/respondent no.3 for fresh inquiry and consideration in accordance with law. The respondent no. 3 shall complete inquiry after giving opportunity of hearing to petitioner within a period of three months from today and pass order either maintaining cancellation or restoration of license of petitioner.

(S.G. CHAPALGAONKAR, J.)