

THE HON'BLE SRI JUSTICE M. GANGA RAO

Writ Petition No.10725 of 2021

ORDER:

The action of respondent No.3, in seizing stock viz., 500 bags of raw rice (465 bags shown in mediatorsnama) weighing 50 Kgs each belonging to the 1<sup>st</sup> petitioner along with lorry bearing No. AP 16 TJ 1949 of the 2<sup>nd</sup> petitioner, under a cover of mediatorsnama dated 15.05.2021 alleging illegal transportation of PDS rice, is questioned in the writ petition as being illegal and arbitrary.

Heard learned counsel for the petitioners and the learned Government Pleader for Civil Supplies. With their consent, the Writ Petition is being disposed of at the admission stage.

The case of the petitioners is that the 1<sup>st</sup> petitioner is a trading mill. It purchases paddy from the ryots, mill the same and sell the rice to different traders and customers. An order for consignment of 500 bags of raw rice @ 50 Kgs each was received from H.M Agri Group Private Limited. Accordingly, the stock was loaded in the lorry of the 2<sup>nd</sup> petitioner to deliver the same at Krishnapatnam Port with valid invoice and e-way bill dated 13.05.2021. On 14.05.2021 while the lorry was proceeding to Krishnapatnam port, the lorry was intercepted by Konakamitla police near the police station and detained the same in the police station alleging that the stock in the lorry is PDS rice and the same was informed to the 3<sup>rd</sup> respondent. The 3<sup>rd</sup> respondent inspected the vehicle and seized the lorry along with the stock under the cover of mediatorsnama dated 15.05.2021 alleging that the 1<sup>st</sup> petitioner purchased PDS rice and converted the same into rice and selling the same.

Learned Counsel for the petitioners submits that the subject rice is not PDS rice and that the 1<sup>st</sup> petitioner got valid bill under Invoice No.1413 3407 6375 dated 13.05.2021 to show that he received an order of 500 bags of raw

rice to be delivered at Krishnapatnam port, SPSR Nellore District. Though the load in the lorry is 500 bags in the mediatorsnama it is mentioned as if there are 465 bags in the lorry. He seeks interim custody of the vehicle and rice, pending disposal of proceedings under Section 6A of the E.C Act. The petitioners are ready to furnish immovable property security for the value of the seized stock and seized vehicle and would be bound by the orders that would be passed in proceedings under Section 6-A of the E.C Act.

Having regard to the facts and circumstances of the case, submissions of the learned counsel and on perusal of the material record, this Court, in the interests of justice, felt it appropriate to dispose of the writ petition.

The writ petition is disposed of directing the respondents to release to the 1<sup>st</sup> petitioner, the seized stock as per the mediatorsnama dated 15.05.2021, subject to the 1<sup>st</sup> petitioner furnishing immovable property security to the value of the stock seized. The release of the stock would be subject to further orders that would be passed in proceedings initiated against it under Section 6-A of the E.C Act. Further, the respondents are directed to get the vehicle valued by the concerned Motor Vehicle Inspector in the presence of the 2<sup>nd</sup> petitioner after serving notice on him and the 2<sup>nd</sup> petitioner is directed to furnish the immovable property security by executing a bond strictly adhering to the Stamps and Registration Laws as per the value fixed by the Motor Vehicle Inspector and, on production of such immovable property as security, the respondents are directed to release the lorry bearing No.AP 16 TJ 1949 towards interim custody. The 2<sup>nd</sup> petitioner shall give proof of ownership of the vehicle and an undertaking that he will not alienate, alter its nature or create any encumbrance over the same, pending proceedings under Section 6-A of the Act. The police officials shall also write to the RTA authority not to transfer the vehicle in question on any third parties name without clearance from the Civil Supplies Department. The release of vehicle shall be subject to the orders to

be passed in the enquiry under Sections 6-A and 7 of the Essential Commodities Act.

With the above observations, the Writ Petition is disposed of. There shall be no order as to costs.

Interlocutory Applications pending, if any, shall stand closed.

30.06.2021  
Vjl

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**M.GANGA RAO, J**

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