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APHC010511092024



**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI [3327]
(Special Original Jurisdiction)**

**WEDNESDAY, THE SEVENTEENTH DAY OF JUNE
TWO THOUSAND AND TWENTY SIX
PRESENT**

**THE HONOURABLE SRI JUSTICE K SREENIVASA REDDY
WRIT PETITION NO: 26620/2024 & Batch**

Between:

Kanyaka Traders

...PETITIONER

AND

Union Of India and Others

...RESPONDENT(S)

Counsel for the Petitioner:

1. T V P SAI VIHARI

Counsel for the Respondent(S):

1. DEPUTY SOLICITOR GENERAL OF INDIA

2. O UDAYA KUMAR

3. MD.SALEEM SC For APSCSC Limited, Vijayawda

THE HON'BLE SRI JUSTICE K. SREENIVASA REDDY

WRIT PETITION No.26620 of 2024, 26520 of 2024,
26521 of 2024, 26522 of 2024, 26525 of 2024,
26526 of 2024, 26527 of 2024, 26533 of 2024,
26534 of 2024, 26535 of 2024, 26543 of 2024,
26549 of 2024, 26550 of 2024, 26551 of 2024,
26619 of 2024, 26621 of 2024, 237 of 2025,
239 of 2025, 242 of 2025, 259 of 2025, 270 of 2025,
277 of 2025, 280 of 2025, 286 of 2025, 287 of 2025,
289 of 2025, 292 of 2025, 297 of 2025, 306 of 2025,
308 of 2025, 316 of 2025, 319 of 2025, 320 of 2025,
339 of 2025, 342 of 2025, 345 of 2025, 347 of 2025,
348 of 2025, 349 of 2025, 351 of 2025, 354 of 2025,
356 of 2025, 359 of 2025, 360 of 2025, 364 of 2025,
367 of 2025, 386 of 2025 & 474 of 2025

COMMON ORDER:

Writ Petition Nos.26620 of 2024, 26520 of 2024,
26521 of 2024, 26522 of 2024, 26525 of 2024,
26526 of 2024, 26527 of 2024, 26533 of 2024,
26534 of 2024, 26535 of 2024, 26543 of 2024,
26549 of 2024, 26550 of 2024, 26551 of 2024,
26619 of 2024 & 26621 of 2024

These Writ Petitions are filed seeking –(a) to declare
letter dated 02.09.2024, addressed by FCI Regional Office

to FCI Divisional Office, directing to get the stocks supplied by the petitioners for the crop season KMS 2022-23 replaced, as illegal and arbitrary, and consequently set-aside the same; (b) to declare the action of the respondents in not allowing the petitioners to supply FRK rice and banning the petitioners from supplying FRK rice as illegal and arbitrary, and consequently direct the respondents to implement the letter dated 24.04.2024 issued by the FCI Regional Office to the FCI Divisional Office, and allow the petitioners to supply FRK rice for the Season; & (c) to declare the action of the respondents in not releasing the bills from FY 2016-17 relating to the respective amounts to the respective petitioners, as illegal and arbitrary and consequently direct the respondents to release the aforesaid respective overdue amounts with interest.

Writ Petition Nos.345 of 2025 and 356 of 2025

These Writ Petitions are filed seeking to declare letters dated 13.11.2024 and 02.09.2024, both addressed by the FCI Regional Office to the FCI Divisional Office, directing to get the stocks supplied by the petitioners for the crop

season KMS 2022-23 replaced, as illegal and arbitrary, and consequently set-aside the same; and to declare the action of the respondents in not releasing the bills for respective Financial Years relating to the respective amounts to the respective petitioners, as illegal and arbitrary and consequently direct the respondents to release the aforesaid respective overdue amounts with interest.

Writ Petition Nos. 237 of 2025, 239 of 2025, 242 of 2025, 286 of 2025, 287 of 2025, 289 of 2025, 292 of 2025, 297 of 2025, 306 of 2025, 308 of 2025, 319 of 2025 & 320 of 2025

These Writ Petitions are filed seeking –(a) to declare letter dated 22.10.2024, addressed by the respective FCI Divisional Office to 3rd respondent, directing to get the stocks supplied by the petitioners for the crop season KMS 2022-23 replaced, as illegal and arbitrary, and consequently set-aside the same; (b) to declare letter dated 02.09.2024, addressed by FCI Regional Office to FCI Divisional Office, directing to get the stocks supplied by the petitioners for the crop season KMS 2022-23 replaced, as illegal and arbitrary, and consequently set-aside the same;

& (c) to declare the action of the respondents in not releasing the bills from FY 2016-17 to FY 2023-24 relating to the respective amounts to the respective petitioners, as illegal and arbitrary and consequently direct the respondents to release the aforesaid respective overdue amounts with interest.

Writ Petition Nos. 259 of 2025, 270 of 2025, 277 of 2025, 280 of 2025, 316 of 2025, 339 of 2025, 342 of 2025, 347 of 2025, 348 of 2025, 351 of 2025, 354 of 2025, 359 of 2025, 360 of 2025, 364 of 2025, 367 of 2025, 386 of 2025 & 474 of 2025

These Writ Petitions are filed seeking –(a) to declare letter dated 15.10.2024, addressed by respective FCI Divisional Office to the respective petitioners, directing them to replace the respective stocks supplied by them for the crop season KMS 2022-23, as illegal and arbitrary, and consequently set-aside the same; (b) to declare letter dated 02.09.2024, addressed by FCI Regional Office to FCI Divisional Office, directing to get the respective stocks supplied by the petitioners for the crop season KMS 2022-23 replaced, as illegal and arbitrary, and consequently set-aside the same; & (c) to declare the action of the

respondents in not releasing the bills for respective Financial Years relating to the respective amounts to the respective petitioners, as illegal and arbitrary and consequently direct the respondents to release the aforesaid respective overdue amounts with interest.

Writ Petition No. 349 of 2025

This Writ Petition is filed seeking (a) to declare letter dated 16.10.2024, addressed by FCI Divisional Office to the petitioner, directing to replace the stocks supplied by it for the crop season KMS 2022-23, as illegal and arbitrary, and consequently set-aside the same; (b) to declare letter dated 02.09.2024, addressed by FCI Regional Office to FCI Divisional Office, directing to get the stocks supplied by the petitioner for the crop season KMS 2022-23 replaced, as illegal and arbitrary, and consequently set-aside the same; & (c) to declare the action of the respondents in not releasing the bills for FY 2016-17 to FY 2023-24 for an amount of Rs.84,24,605/- to the petitioner, as illegal and arbitrary and consequently direct the respondents to release the aforesaid overdue amount with interest.

2. At the request of all the counsel and since the issues involved in all the Writ Petitions are one and the same, these Writ Petitions are taken up together for disposal, by way of this Common Order.

3. The facts, in brief, which led to filing of the present Writ Petitions are as follows.

a) Petitioners are registered partnership firms engaged in business of rice. They entered into contracts for supply of Custom Milled Rice (CMR) to 2nd respondent. 1st respondent, with an intention to improve the quality of CMR, introduced the scheme of fortification of rice so that fortified rice would be supplied through the targeted Public Distribution System (PDS), and pursuant to the same, 1st respondent issued Guidelines on quality control of Fortified Rice Kernels (FRK) which enumerated that the ratio for blending CMR by way of fortified kernels is 1:100 by using automatic blending machines. According to the petitioners, they complied with the said norms and had been supplying CMR to 2nd respondent.

b) It is further stated that 3rd respondent procures paddy and fortified kernels and supplies the same to petitioners, and thereafter, the petitioners blend the paddy and supply CMR to 2nd respondent through 3rd respondent, and accordingly 3rd respondent releases the payments. It is further stated that while supplying the fortified kernels, 3rd respondent conducts test on the said material, and if the material passes all the tests, then only the same would be supplied to the Rice Mills, and only such fortified kernels would be used in blending process. It is further stated that the petitioners delivered FRK rice to 2nd respondent, who accepted the same without raising any objections, and at the time of delivery, authorities of respondents 2 and 3 verified and accepted the same.

c) On 04.05.2023, 2nd respondent issued proceedings vide Lr. No. QC 2(2)/FRK/KMS 2022-2023/LAB, stating that the samples collected from the FRK rice supplied by the petitioners were sent to Ministry for retesting of micronutrients (fortificants) Folic Acid, Vitamin B12 and iron content, and it was found that the said samples were

not in conformity with FSSAI limits, and hence, the petitioners were directed to replace the stocks. Vide proceedings dated Lr. No. RO-AP37011/1/2023-QC-RO-AP dated 08.08.2023, 2nd respondent directed 3rd respondent to take up the said matter with millers concerned and to replace the stocks and also further directed to stop further delivery of stocks from petitioners.

d) It is further stated that the petitioners, along with other millers, approached 2nd respondent authorities and informed that the millers have nothing to do with any defects in the fortified kernels and they were using the same machines supplied by 3rd respondent, and that the fortified kernels supplied by 3rd respondent were used in blending and FRK rice supplied, and further informed that the samples which were taken for test, were not taken in their presence, which is in violation of principles of natural justice.

e) It is further stated that a meeting was conducted with the officials of respondents 2 and 3 and the millers, wherein it was concluded that the concerns raised by the

millers regarding their involvement on the failure of micro-nutrient content would be forwarded to the appropriate authorities for consideration, and that the Divisional Manager would co-operate with the relevant parties to ensure that sampling procedures comply with the established Guidelines, including presence of millers during sampling and retesting in FSSAI-Notified Lab, and the deliveries from the millers into the central pool would be put on hold until completion of retesting.

f) It is further stated that samples were collected by 2nd respondent authorities on 09.04.2024 and the same were sent for retesting, and on 15.04.2024, the Lab concerned gave report stating that FRK rice supplied by the petitioners was in accordance with the norms and guidelines. Despite the said report, 2nd respondent authorities did not allow petitioners to supply FRK rice for that current season, and being aggrieved by the said action of 2nd respondent, a representation was made to the 3rd respondent by Millers Association, requesting to allow the petitioners and similarly placed millers for supply of FRK

rice to 2nd respondent. Vide proceedings dated Lr. No. RO AP-37011/1/2023-QC-RO AP, dated 24.04.2024, 2nd respondent directed 3rd respondent to accept the CMR from the petitioners, as the retesting results revealed that the samples were found to be well within the prescribed limits, and that the millers have to abide by the final decision to be taken by the higher authorities on re-tested fortified rice stocks. But, despite the aforesaid proceedings, authorities of 2nd and 3rd respondent did not allow petitioners to supply. The authorities also did not release the pending bills from 2016, inspite of respective representations made by the millers and did not pass any final order in respect to re-tested fortified rice stocks.

g) The petitioners submitted representations to the District Manager of 3rd respondent requesting for release of the respective amounts due to them, from respective Financial Years, which was not released for the reasons best known to them and the authorities were silent on the said representations. The petitioners invested its hard-earned money in the rice mill. The petitioners are not

engaged in the free-market business and as such if the petitioners are not allowed to supply FRK, they would be put to serious irreparable loss.

h) It is further stated that 2nd respondent, without passing the final orders, as stated in their earlier correspondence, issued the impugned letters directing to replace the FRK stock at the cost of the millers, stating that the results in Department of Food and Public Distribution (DFPD) letter are final and cannot be challenged by any agency or stake holders, without giving any reasons, which is arbitrary and illegal as 1st sample was collected in the absence of the petitioners, and the samples collected in the presence of the petitioners cleared the test. Therefore, the said orders being cryptic and without any specific reason are bad in law and not maintainable in the eyes of law. Hence, it is prayed to allow the Writ Petitions.

4. 2nd respondent filed counter affidavits, denying the material averments made in the writ affidavits and contending *inter alia* as follows.

a) 2nd respondent, being a statutory body established under the Food Corporations Act, 1964, is responsible for ensuring the procurement, storage, and distribution of foodgrains under the PDS as per the Guidelines issued by the Government of India, and that the acts of 2nd respondent are as per various Operational Guidelines, Standard Operating Procedures (SOPs), and directives issued by the Ministry of Consumer Affairs, Food and Public Distribution, ensuring quality and nutritional standards for foodgrains supplied under the PDS, and that the impugned letters were issued strictly in accordance with the aforesaid Guidelines.

b) It is further stated that fortified rice plays a vital role in addressing the issue of micronutrient deficiencies, by enhancing nutritional quality of rice, a staple food for 65% of population, and that rice fortification, a scientifically validated, cost-effective and scalable intervention, involves blending pulverised milled rice with a premix of essential micronutrients, followed by extrusion to produce FRK. These kernels are then mixed with unfortified rice at a

1:100 ratio, creating fortified rice that retains the aroma, taste and texture of regular rice. The Government of India incorporated rice fortification into the National Nutrition Mission (Poshan Abhiyan), and under a centrally sponsored scheme, fortified rice is distributed across the country through PDS, Mid-Day Meals, ICDS, by ensuring the quality standards established by FSSAI under the Fortification of Foods Regulations, 2018, to ensure safe and effective implementation of the said schemes. 2nd respondent further explained the highlights in respect to the Guidelines for making fortified rice, the nutritional standards for FRK and Fortified Rice per Kilogram, the responsibilities and accountability of 2nd respondent in ensuring the quality and standards of the fortified rice, and the process of sampling and appeals.

c) It is further stated that there is no arbitrariness or illegality in the acts of this respondent, and there is no agreement between the petitioners and the FCI. It is further stated that the contractual obligations governing the fortification process lie between the petitioners and 3rd

respondent, and 2nd respondent has no direct agreement with petitioners and is not bound by any alleged obligations as stated in the Writ Petition, and that compliance with fortification standards remains the primary responsibility of the petitioners.

d) It is further stated that the rice fortification scheme is a centrally sponsored initiative designed to enhance nutritional intake, and that the Operational Guidelines, SOPs, including the Quality Management Protocols for FRK dated 15.03.2022, explicitly mandate stringent quality control measures at various levels, and the actions of 2nd respondent are fully in line with these prescribed procedures.

e) 2nd respondent denied allegation that stocks of the petitioners were never sent to the Ministry by the FCI, and stated that in July, 2023, a joint team from the Ministry and 2nd respondent authorities collected samples during their mandatory inspections and those samples were taken by the Ministry for testing at FSSAI-Notified NABL-Accredited Laboratories, in accordance with the SOP

dated 13.12.2022, and the results of the said tests were communicated in October, 2023, which indicated that the stocks collected from petitioners did not meet the prescribed standards, which required regulatory intervention. It is further stated that the responsibility for ensuring the quality and safety of the FRK lies solely with the petitioners, and that physical inspections and quality tests conducted on the stock collected from the petitioners' revealed deviations in micronutrient levels, necessitating directives for stock replacement as per the SOP dated 15.03.2022, warranting corrective action to maintain the quality standards prescribed under the fortification programme. It is further stated that the sample collection process was conducted jointly by the authorities of respondents 2 and 3, strictly adhering to the SOP dated 15.03.2022 and the testing was conducted at the NABL-Accredited Laboratory, and 3rd respondent exercised its available options under the said SOP, including the appeal and review mechanism, which reaffirmed the non-compliance of the petitioners' stocks.

f) It is further stated that the averment with regard to timeline of retesting is misrepresented and that the retesting samples were collected on 31.01.2024, and the results were duly communicated to 3rd respondent. Admittedly, as per Ministry's letter dated 10.06.2024, the retesting results hold no validity as the samples collected earlier failed to meet the standards under the DRDF Guidelines, and accordingly it directed the replacement of non-complaint stocks, therefore, the acts of 2nd respondent were in the best interest of public health and safety. It is further stated that all the actions taken were in full compliance with the prescribed guidelines, procedures, and regulatory frameworks, and affirm that the petitioners, having failed to ensure the quality of FRK as per the mandated standards, cannot now seek relief under the pretext of procedural irregularities that do not exist. It is further stated that the directives for replacement of stocks were issued based on test results from DFPD, which confirms non-compliance with nutritional parameters, and that non-adherence to the Guidelines, including random

testing of FRK, contributed to rejection of the stocks. It is stated that failure to replace these stocks would lead to wastage of public funds and hinder efficient utilization of resources earmarked for public.

g) 2nd respondent cited various legal precedents, in support of its acts and contentions. Hence, it is prayed to dismiss the Writ Petitions and vacate the interim orders passed in the Writ Petitions.

5. Respondent No.3 - Andhra Pradesh State Civil Supplies Corporation Limited (APSCSC Limited), filed counter affidavit, deposed by Dr. Manazir Jeelani Samoon, Vice Chairman & Managing Director, in W.P. No. 26520 of 2024 on 13.8.2025. Mr. MD. Saleem, learned Standing Counsel for APSCSC Limited filed a Memo, adopting the said counter affidavit in all other Writ Petitions. In the counter affidavit, 3rd respondent denied the material averments in the affidavits filed in support of the Writ Petitions and contended *inter alia* as follows.

a) The petitioners delivered CMR to 2nd respondent, and the fortified rice stocks delivered by the petitioners

were subjected to fortificant analysis by the Regional Office of FCI, wherein non-conformity with the required specifications was indicated. It is further stated that following this, an appeal was filed with the DFPD seeking a review of the results; that the review samples of fortified rice, tested for fortificants were again found non-conforming in both the first and second appeal samples referred to the Ministry; that as a result, the authorities concerned directed the millers to replace the non-conforming stocks within 24 hours, failing which it was made clear that there would be suspension of further stock deliveries by the millers.

b) It is further stated that as per the instructions of DFPD, 2nd respondent-FCI instructed the rice millers concerned responsible for replacing the defective stocks delivered by them, failing which they would be banned from participating in custom milling of paddy for the Central Pool for KMS 2024-25, and additionally, the amount equivalent to the value of the stocks would be deducted from the payments due to 3rd respondent.

c) It is stated that 3rd respondent procures FRKs from manufacturers, ensuring rigorous quality control, and each batch undergoes testing at FSSAI-Notified NABL Accredited Food Laboratories prior to delivery, and it conducts random cross-verifications by sending FRK samples to the said accredited Laboratories to ensure quality compliance. It is further stated that micro-nutrient content of the FRK supplied by 3rd respondent consistently met the required standards, which were found to be within the acceptable limits, and that after handing over of the FRKs to the miller, it is not known whether the same kernels were used in blending process by the millers or not; that 2nd respondent allocates FRK based on the Certificate of Analysis (CoA) furnished by the FRK suppliers, and as per the SOP dated 13.12.2022, it is for the ricer millers to cross-verify the sanctity of FRK supplied by conducting random tests of FSSAI-Notified NABL Accredited Laboratories.

d) It is further stated that 3rd respondent accepted fortified rice based on physical analysis (in terms of

blending percentage of FRK i.e. ranging from 0.90% to 1.20%), whereas the results communicated by DFPD are done on the basis of chemical analysis. It is stated that 2nd respondent directed to replace the FRK stock or else equivalent sum would be recovered, apart from storage charges. It is further stated that as 2nd respondent withheld the amount for CMR deliveries, the mills incidentals are to be withheld by 3rd respondent till settlement of the issue to avoid loss to the Corporation. Hence, it is prayed to dismiss the Writ Petitions.

6. Respondent No.1 filed counter affidavits denying the material averments in the writ affidavits and contending *inter alia* as follows.

a) Fortification of rice and its distribution under the PDS to address the anaemia and micronutrient deficiency in our country, is a Centrally Sponsored Pilot Scheme approved by the Government of India, and the Department of Food and Public Distribution(DFPD), in consultation with other Departments, decided to scale up the distribution of fortified rice in all Integrated Child

Development Scheme (ICDS) and PM POSHAN (erstwhile MDM scheme) schemes, from April 2021, in a phased manner leveraging domestic supply chain through 2nd respondent, and the objectives of the said schemes are to provide FRK with good quality and standard and curtail nutritional deficiencies.

b) It is further stated that the DFPD, vide SOP dated 15.03.2022 for Quality Management Protocols for FRKs, defined the responsibility of all the stakeholders, including Rice Millers and the State Government. The responsibilities are further clarified vide Operational Guidelines on Quality Control for Fortified Rice Kernels and Fortified Rice, dated 13.12.2022. It is stated that the rice millers have to cross-check the sanctity of FRK supplied by the FRK manufacturer/supplier by testing a sample at an FSSAI-Notified NABL Accredited Laboratory on a random basis.

c) It is further stated that the samples were drawn by the Storage and Research Division of the DFPD as a part of its routine inspection and as provided under the SOP,

and the same were forwarded to the Referral Laboratory of FSSAI for micronutrient level testing, wherein the samples were found not in accordance with the standard/range of micro-nutrients {viz. iron, Vitamin B9 (folic acid) and Vitamin B12} as notified by the FSSAI.

d) It is further stated that in respect of samples which were forwarded for testing of micronutrient levels, under appeal and review procedure, the samples were tested for three times viz. by the FCI during its quality check of 10% stock procured through FSSAI-Notified Accredited Laboratory as per the SOP, and as the said samples failed in micronutrient analysis, another set of samples was sent by the FCI under an appeal procedure to DFPD for micronutrient testing, and as the said samples again failed in micronutrient testing, third set of samples were again sent to DFPD by the State Government under review procedure, which were again tested at the Referral Laboratory of FSSAI, where the samples were again declared as failed in micronutrient content; that the samples were tested thrice and were found not in

accordance with the standard/range of micronutrients notified by the FSSAI.

e) It is stated that the results furnished by the referral Laboratory are final and they cannot be challenged by any Stake-holders/State Agencies.

f) It is further stated that a sample is declared as 'failed' only when it does not comply with the wide range of fortificants notified by the FSSAI in order to address the inconsistency in results, and that a tolerance limit of minus 10% of the declared total value/result is also allowed for the purpose of compliance and analysis at any point of time, provided that the maximum limit of added micronutrients specified in Schedule-I has to be complied with.

g) It is further stated that the Ministry is responsible for monitoring of food grains and it formulates Policies, Schemes, Guidelines and SOPs for the procurement of food grains that are being implemented by way of procuring agencies, and the operational responsibility of the implementation of such Policies,

Guidelines and SOPs lies with 2nd respondent, respective State Agencies and other agencies, if any. Hence, it is prayed to dismiss the Writ Petitions and vacate the interim orders passed in the Writ Petitions.

7. On 23.02.2026, 2nd respondent filed a Memo in W.P. No. 26520 of 2024, praying to receive and take on record, the documents enclosed along with the said Memo viz. Email correspondence, test results of stocks pertaining to the petitioners in W.P. Nos. 26533 of 2024, 26520 of 2024, 26534 of 2024 and 26619 of 2024, which fall under 10% mandatory inspection, as additional material papers.

It is stated in the said Memo that the said Writ Petitions come under SOP dated 15.03.2023 and the stocks covered under the said Writ Petitions pertain to stocks found BRL in Micronutrients, and accordingly, the same were rejected. It is further stated by 3rd respondent-APSCSCL availed 1st Appeal as per the SOP dated 15.03.2023, but the appellate authority confirmed the same, and 3rd respondent-APSCSCL requested for 2nd appeal as per SOP dated 15.03.2023, but the said samples

again failed. It is further stated that the results of review sample tested at referral /appellate Laboratories are final and cannot be challenged by any stakeholder/agencies, and hence, there is no procedural violation nor violation of principles of natural justice.

It is further stated that the aforesaid facts were not stated in the averments in the aforesaid Writ Petitions and in the counter affidavit of the 3rd respondent also, the aforesaid facts could not be mentioned as the documents were not handed over to the counsel, and at the time of preparing for finalising of the Writ Petitions, the same were brought to the notice of the counsel and that the said documents are essential for proper adjudication of the issues involved in the aforesaid Writ Petitions. Hence, the Memo. In view of the reasons stated therein, the Memo is taken on record.

8. An affidavit, deposed by Sri S. Dilli Rao, Vice Chairman and Managing Director of 3rd respondent-APSCSC Limited on 03.03.2026, has been filed in W.P. No. 26520 of 2024 on 05.03.2026, stating *inter alia* that the

test results found in inter-field lab in respect of the micronutrient parameters in the rice stock pertaining to rice mills which are petitioners in W.P. Nos. 26533 of 2024, 26520 of 2024, 26534 of 2024 and 26619 of 2024, are abnormally higher than the prescribed upper permissible limits, and such disproportionate variation, *prima facie*, indicates serious inconsistencies in testing methodology thereby rendering reliability and validity of the said test results questionable. It is further stated that the test results in interfiled lab, in 1st appeal and in 2nd appeal, pertaining to the three micronutrients, do not correspond or match across the three separate rounds of testing, and such material inconsistency in the analytical outcomes clearly indicates lack of uniformity and reliability in the testing process. It is further stated that vide 2nd respondent-FCI letter dated 12.01.2024, resampling of fortified rice stocks which failed in 10% stack testing and other inspections, was undertaken, and the samples were redrawn from failed stocks in the presence of rice millers and APSCSCL staff by FCI officials, and when the same

were tested in the notified laboratories, the same were found to be within prescribed standards, and that the Regional Officer of FCI forwarded the said test results to the FCI Headquarters seeking permission for liquidation of the stocks concerned; that surprisingly, vide letter dated 23.08.2024, the FCI Headquarters, relying upon the communication dated 10.06.2024, issued by DFPD, informed that results communicated by the DFPD shall be treated as final and declined to consider the resampled test results, and the delayed issuance of such clarification, despite prior knowledge of the resampling exercise already done, resulted in procedural inconsistency and avoidable administrative ambiguity. It is further stated that the DFPD has not furnished Certificates of Analysis, instead a communication containing tabulated statement of test results was provided, without specifying - the details of the laboratory where the testing was conducted, the testing methodology adopted or the applicable standards followed; that in view of the same, the authenticity, traceability, and technical validity of the reported results cannot be properly

verified, and hence, DFPD be directed to consider the retested results as valid and accord necessary permission for liquidation of the concerned stocks in accordance with law in order to avoid irreparable loss to 3rd respondent-APSCSCL. Stating so, it is prayed to dismiss the Writ Petitions.

9. Sri K.S. Murthy, learned senior counsel, appearing for the learned counsel for the petitioners, contended that the petitioners do not manufacture Fortified Rice Kernels (FRK) or they have no control over its composition or micro-nutrient levels; that the role of rice millers is limited as per the operational framework governing the fortified rice supply, to the extent of milling the paddy and blending FRK in the prescribed ratio 1:100 using blending machines in the presence and supervision of officials of State Agency; that after the blending process, the stock is inspected and accepted by the State Agency; that FRKs were supplied by 3rd respondent-APSCSCL Limited to the petitioners, and that the responsibility of the petitioners, being millers, is limited only to ensure delivery

of fortified rice, blended with the specified ratio of FRK to Custom Milled Rice (CMR), and the petitioners are not accountable for the micro-nutrient content, as FRKs are supplied to them by 3rd respondent-APSCSC Limited.

It is further submitted by the learned Senior Counsel that the fortified rice was milled during KMS 2022-23, the blending ratio was verified by the State Agency and the stock was accepted and delivered to FCI, but, after lapse of substantial time and after prolonged storage, 3rd respondent authorities, without any notice or intimation to the petitioners, drew random samples from its godowns in the absence of petitioners, and the same is contrary to the procedure prescribed and violative of principles of natural justice. It is submitted that even otherwise, the micronutrient levels in fortified rice originate exclusively from the FRKs, which are supplied by 3rd respondent along with quality certificates, and the petitioners have no role in determining the micronutrient content, except mechanically blending in prescribed ratio.

It is further contended by the learned Senior Counsel that the authorities themselves acknowledged that the initial testing results were inconsistent and fresh sampling was necessary, and accordingly, samples were redrawn subsequently in the presence of the millers, and when the same were tested, the reports confirmed that the micronutrient values were within the prescribed limits and therefore the stock was also accepted; that having undertaken the said exercise, the authorities now cannot contend that SOP does not provide for re-sampling, especially when they themselves agreed that the initial testing results were inconsistent.

It is further contended by the learned Senior Counsel that the fortified rice procured from the petitioners during the relevant procurement season was diverted for ethanol production, as per the policy decision of the Central Government, and the said stock has not entered consumer supply chain, and in such a case, the alleged deficiency in micronutrient levels becomes irrelevant; that use of FRK fortified rice in the PDS has been discontinued. It is

contended that when the petitioners are neither manufacturers of the FRKs nor have any control over its composition, and when the stock was not used for human consumption, the impugned acts of the respondents are untenable and hence, it is prayed to allow the Writ Petitions.

10. On the other hand, Sri Challa Dhanunjaya, learned Additional Solicitor General of India appearing for respondents 1 and 2 submitted that the petitioners-rice millers in W.P. Nos. 26533 of 2024, 26619 of 2024, 26534 of 2024 and 26520 of 2024, would fall under 10% mandatory inspection and these cases would come under the Standard Operating Procedure for Quality Management Protocols for Fortified Rice Kernels and Fortified Rice formulated by the DFPD dated 15.03.2022, as the stocks drawn from the rice millers in the aforesaid Writ Petitions were found Beyond Rejection Limit (BRL) in micronutrients, by the primary authority and accordingly the stocks were rejected. He further submits that 3rd respondent Corporation availed the remedy of Appeal against the

rejection, as contemplated under the Procedure for Appeal dated 15.03.2023, and the appellate authority also confirmed that the stocks would fall under BRL; that 3rd respondent Corporation also preferred review against the Appeal, as per the Procedure for Appeal dated 15.03.2023, and the results of the review also confirmed that the said stocks would fall under BRL. He further submits that as per the Procedure for Appeal dated 15.03.2023, the results of the review sample tested at referral appellate Labs of the Ministry are final and cannot be challenged either by the Agencies/Stakeholders. It is his further submission that the SOP dated 15.03.2022 and the Procedure for Appeal dated 15.03.2023 are binding on the all parties to the Writ Petitions; that the respondents 1 and 2 adhered to the procedure contemplated thereunder; that having availed the remedies available under the same and failed, the petitioners therein cannot now contend about the alleged violation of principles of natural justice; that as per Procedure for Appeal dated 15.03.2023, the results of review samples tested at referral/appellate labs of the

Ministry are final and cannot be challenged by any Agencies/Stakeholders, and action has to be taken based on the report of the Ministry, as such he prayed to dismiss W.P. Nos. 26533 of 2024, 26619 of 2024, 26534 of 2024 and 26520 of 2024 *in limine*.

11. It is further contended by the learned Additional Solicitor General of India that as per the Standard Operating Procedure for Monitoring Quality of Food Grains, Stocks procured under the Decentralised Procurement (DCP) Scheme issued by the DFPD dated 16.07.2021, a surprise inspection can be conducted at any time by the joint team constituted by the Ministry, without giving any prior notice to the concerned authorities of the State Government; that in exercise of the said powers, a surprise inspection was conducted by the DFPD with regard to the stocks of the rice millers in the Writ Petitions and the samples drawn by the team were tested at FSSAI-Notified NABL-Accredited Laboratories, where it was found that the said samples were not in conformity with the limits prescribed by FSSAI. It is further contended that the DFPD

strictly acted in accordance with the SOP dated 16.07.2021, whereunder, no notice is required before conducting the surprise inspection, as such, having failed to meet the prescribed limits prescribed by the FSSAI, the petitioners cannot now contend about the alleged violation of principles of natural justice.

He further contended that as per Annexure-2 of the Operation Guidelines on Quality Control FRKs and Fortified Rice dated 13.12.2022, it is the duty of the rice millers to cross-check the sanctity of the FRK supplied by the FRK manufacturer/supplier by testing a sample at FSSAI-Notified NABL-Accredited Laboratory on random basis. He submits that as per the Operational Guidelines dated 13.12.2022, there is bounden duty on the part of the rice millers to cross-check the sanctity of the FRKs supplied to them, and having failed to do so, the petitioners cannot now contend that they have no role in determining the micronutrient content, on the ground that the micronutrient levels in fortified rice originate exclusively

from the FRKs supplied by 3rd respondent, as they have a duty to cross-check the same according to the said SOP.

He submits that respondents 1 and 2 strictly adhered to the SOPs dated 16.07.2021 and 15.03.2022, and the Operational Guidelines dated 13.12.2022, and the Procedure for Appeal dated 15.03.2023, which are binding on all stakeholders, and there is no deviation or contravention; that the results communicated by the DFPD are final and cannot be challenged by any agency or stakeholder and as such the rice millers are bound to replace the BRL stock and there is no merit in the Writ Petitions.

12. In support of his contentions, the learned Additional Solicitor General of India relied on the following decisions.

(i) In *Chandigarh Administration & another v. Jagjit Singh & another*¹, wherein it is held thus: (paragraph 8)

“8. We are of the opinion that the basis or the principle, if it can be called one, on which the writ petition has been allowed by the High Court is

¹ (1995) 1 SCC 745

unsustainable in law and indefensible in principle. Since we have come across many such instances, we think it necessary to deal with such pleas at a little length. *Generally speaking, the mere fact that the respondent-authority has passed a particular order in the case of another person similarly situated can never be the ground for issuing a writ in favour of the petitioner on the plea of discrimination. The order in favour of the other person might be legal and valid or it might not be. That has to be investigated first before it can be directed to be followed in the case of the petitioner. If the order in favour of the other person is found to be contrary to law or not warranted in the facts and circumstances of his case, it is obvious that such illegal or unwarranted order cannot be made the basis of issuing a writ compelling the respondent-authority to repeat the illegality or to pass another unwarranted order.* The extraordinary and discretionary power of the High Court cannot be exercised for such a purpose. Merely because the respondent-authority has passed one illegal/unwarranted order, it does not entitle the High Court to compel the authority to repeat that illegality over again and again. The illegal/unwarranted action must be corrected, if it can be done according to law — indeed, wherever it is possible, the Court should direct the appropriate authority to correct such wrong orders in accordance with law — but even if it cannot be corrected, it is difficult to see how it can be made a basis for its repetition. By refusing to direct the

respondent-authority to repeat the illegality, the Court is not condoning the earlier illegal act/order nor can such illegal order constitute the basis for a legitimate complaint of discrimination. Giving effect to such pleas would be prejudicial to the interests of law and will do incalculable mischief to public interest. It will be a negation of law and the rule of law. Of course, if in case the order in favour of the other person is found to be a lawful and justified one it can be followed and a similar relief can be given to the petitioner if it is found that the petitioners' case is similar to the other persons' case. But then why examine another person's case in his absence rather than examining the case of the petitioner who is present before the Court and seeking the relief. Is it not more appropriate and convenient to examine the entitlement of the petitioner before the Court to the relief asked for in the facts and circumstances of his case than to enquire into the correctness of the order made or action taken in another person's case, which other person is not before the case nor is his case. In our considered opinion, such a course —barring exceptional situations — would neither be advisable nor desirable. In other words, the High Court cannot ignore the law and the well-accepted norms governing the writ jurisdiction and say that because in one case a particular order has been passed or a particular action has been taken, the same must be repeated irrespective of the fact whether such an order or action is contrary to law or

otherwise. Each case must be decided on its own merits, factual and legal, in accordance with relevant legal principles. The orders and actions of the authorities cannot be equated to the judgments of the Supreme Court and High Courts nor can they be elevated to the level of the precedents, as understood in the judicial world. (What is the position in the case of orders passed by authorities in exercise of their quasi-judicial power, we express no opinion. That can be dealt with when a proper case arises.)”

(ii) in *Nalgonda District Rice Millers Association & others v. Union of India & others*,² wherein it is held thus: (paragraph Nos. 16, 17 & 18)

“...The record reveals that as per the mandate of Government of India, Storage and Research (S&R) Division works, as a regulatory authority, conduct surprise checks to ensure that good quality of food grains have to reach to the beneficiaries. The inspection of food grains are carried out at Food Storage Depots (FCI, CWC, SWC & other State agency godowns), rice mills, rail heads, truck heads and Fair Price Shops by the Officers of the Quality Control Cells, which are under the direct of the DFPD with its headquarters in New Delhi and Regional Offices at Kolkata, Hyderabad, Bangalore, Bhopal, Bhubaneshwar, Lucknow, Pune, Patna, Chennai and

² MANU/TL/O405/2025

Guwahati. The Depots were selected by the deputed Inspecting Officer invariably and randomly as per the availability of stock position in the godowns. During the course of inspection, the inspection team draws the samples and sent for analysis test in the laboratory of DFPD as per the BIS standards. In the said test, it was revealed that the stocks supplied by the petitioners are BRL.

17. The record further reveals that in the surprise inspection/check, as per the SOP, there is no requirement of issuance of prior notice to the petitioners proposing to conduct surprise check/inspection and also there is no requirement to conduct analysis test in the presence of the petitioners, especially when the petitioners have not attributed any malafides against the officials of respondent Nos.1 and 2 that they intentionally refused to accept the stock supplied by them. Hence, the relief sought by the petitioners seeking to declare the action of the respondents in rejecting the delivery of FR made by the petitioners for the crop year 2023-24 as illegal, is not tenable under law, especially on the ground that the respondents have not rejected the stock supplied by them and they only directed the petitioners to replace the stocks as per the SOP for quality management for FRK and FR, as the said rice is meant for Public Distribution System.

18. It is pertinent to mention that the petitioners have not brought to the notice of this Court any

provision or procedure that the presence of the parties is required at the time of conducting inspection, drawing of the samples and also at the time of conducting analysis test. It reveals from the record that the presence of the rice millers is not allowed on the ground that the respondents have to maintain confidentiality of the entire process and to avoid undue influence on the concerned Inspecting Officers. Hence, the contentions raised by the learned counsel for the petitioners that the respondents have conducted surprise inspections, drew samples and conducted analysis test without providing notice or an opportunity and rejected the stocks supplied by them is not tenable under law.”

13. The learned Standing Counsel appearing for 3rd respondent Corporation, while reiterating the averments stated in the counter affidavit of 3rd respondent, concurred with the submissions made by Sri Challa Dhanunjaya, learned Additional Solicitor General of India, with regard to subjecting the stocks delivered by the petitioners to fortificant analysis by 2nd respondent/FCI, wherein non-conformity with the required specifications was indicated, and with regard to filing the appeal and the review with

DFPD, wherein also the authorities confirmed with the non-conforming with the required specifications.

He further submits that the FRK supplied by 3rd respondent consistently met the required standards and after handing-over the FRKs to the millers, it is not known as to whether the same kernels were blended by the millers or not, and that as per the Operational Guidelines dated 13.12.2022, it is for the rice miller to cross-verify the FRK supplied to them by conducting random tests. Hence, he prayed to dismiss the Writ Petitions.

14. Heard Sri K.S. Murthy, learned Senior Counsel, appearing for the learned counsel for the petitioners; Sri Challa Dhanunjaya, learned Additional Solicitor General of India appearing for respondents 1 and 2 and Mr. MD. Saleem, learned Standing Counsel for 3rd respondent-Corporation. Perused the record.

15. The point that arises for consideration in these Writ Petitions is whether the impugned orders issued by the respondents directing the petitioners to replace the stocks supplied by the petitioners for the crop season KMS

2022-23, warrant any interference by this Court, in exercise of its jurisdiction under Article 226 of the Constitution of India ?

16. Government of India approved a Centrally Sponsored Pilot Scheme viz. 'fortification of rice and its distribution under the PDS to address the anaemia and micronutrient deficiency in our country'. The Department of Food and Public Distribution (DFPD), in consultation with other Departments, decided to scale up the distribution of fortified rice in all Integrated Child Development Scheme (ICDS) and PM Poshan schemes, from April 2021, in a phased manner leveraging domestic supply chain through 2nd respondent. Objectives of the said schemes are to provide FRK with good quality and standard and curtail nutritional deficiencies.

17. The Department of Food and Public Distribution (DFPD), Ministry of Consumer Affairs, Food and Public Distribution, Government of India, vide F.No. 40-4/2020-QCC, dated 16.07.2021, issued 'Standard Operating Procedure for monitoring quality of food grains stocks

procured under Decentralised Procurement (DCP) Scheme' (for convenience, hereinafter referred to, as 'the SOP dated 16.07.2021'), in order to maintain the quality of food grains (Wheat/Rice) procured under the Central Pool Stock and to address various issues arising throughout the entire channel from procurement to distribution, and the State Governments were asked to ensure strict compliance of the said SOP so as to provide good quality food grains to the beneficiaries.

18. The Department of Food and Public Distribution (Quality Control Cell), Ministry of Consumer Affairs, Food and Public Distribution, Government of India, vide F.No. 36-5/2018-QCC (Part), dated 15.03.2022, issued 'Standard Operating Procedure for Quality Management Protocols for Fortified Rice Kernels (FRK) and Fortified Rice (FR)' (for convenience, hereinafter referred to, as 'the SOP dated 15.03.2022'), in order to maintain the quality of Fortified Rice Kernels (FRK) and Fortified Rice (FR), and the State Governments were asked to ensure strict compliance of the

said SOP so as to provide good quality Fortified Rice to the beneficiaries.

19. The Department of Food and Public Distribution (Quality Control Cell), Ministry of Consumer Affairs, Food and Public Distribution, Government of India, vide F.No. 36-5/2018-QCC (Part), dated 13.12.2022, issued 'Operational Guidelines on Quality Control for Fortified Rice Kernels and Fortified Rice' (for convenience, hereinafter referred to, as 'the Operational Guidelines dated 13.12.2022'), in order to maintain the quality standards of FRK/FR, and the State Governments/FCI/ Procuring Agencies/Stakeholders, etc., were asked to ensure strict compliance of the said Guidelines so as to provide the best quality of Fortified Rice to the eligible beneficiaries.

20. The Department of Food and Public Distribution (Storage and Research Division), Ministry of Consumer Affairs, Food and Public Distribution, Government of India, vide F.No. 35-13/2023-S & I/204-242, dated 15.03.2023, issued 'Procedure for Appeal against rejection of Fortified

Rice (FR) Stocks not conforming to norms prescribed by the Department of Food and Public Distribution, Government of India and FSSAI' (for convenience, hereinafter referred to, as 'the Procedure for Appeal dated 15.03.2023'), to ensure the level of micronutrients in the samples of Fortified Rice as well as to avoid any kind of harassment of the rice millers.

21. Case of the petitioners is that 1st respondent, with an intention to improve the quality of CMR, introduced the scheme of Fortification of Rice, so that fortified rice would be supplied through the PDS, and issued guidelines on quality control of FRKs which enumerate that ratio for blending CMR by way of Fortified Kernels as 1:100. It is their further case that 3rd respondent procures paddy and fortified kernels and supplies the same to the petitioners, and thereafter, the petitioners blend the paddy using FRKs and supply the CMR to 2nd respondent through 3rd respondent, and payments therefor will be released by the 3rd respondent. It is their further case that, while supplying FRKs, 3rd respondent subjects the material

procured, to various tests and only after the material passes all the tests, it would be supplied to rice mills, and that the rice mills use only such FRKs for blending. It is their further case that the FRK rice supplied by the petitioners were accepted by 2nd respondent without raising any objections, and at the time of delivery, the authorities of respondents 2 and 3 verified and accepted the same.

22. It is the contention of the learned Senior Counsel appearing for the counsel for the petitioners that the responsibility of the petitioners, being millers, is limited only to ensure delivery of fortified rice, blended with the specified ratio of FRK to Custom Milled Rice (CMR), and the petitioners are not accountable for the micro-nutrient content, as FRKs are supplied to them by 3rd respondent-APSCSC Limited. It is further contended by the learned Senior Counsel that after lapse of substantial time and after prolonged storage, the authorities, without any notice or intimation to the petitioners, drew random samples in the absence of petitioners, and the same is contrary to the procedure prescribed and violative of principles of natural

justice. It is his further submission that the micronutrient levels in fortified rice originate exclusively from the FRKs, which are supplied by 3rd respondent along with quality certificates, and the petitioners have no role in determining the micronutrient content, except mechanically blending in prescribed ratio. It is his further submission that the authorities acknowledged that the initial testing results were inconsistent and fresh sampling was necessary, and pursuant to the same, samples were subsequently drawn in the presence of the millers, and when the said samples were tested, the reports confirmed that the micronutrient values were within the prescribed limits and therefore the stock was also accepted; that after the said exercise is done, the authorities now cannot turn-around and contend that SOP does not provide for re-sampling.

23. Admittedly, as per the aforesaid SOPs and Operational Guidelines, the responsibility and accountability lie on 2nd respondent to ensure quality and standards of fortified rice. In order to ensure the same, Clause No. A. (1) of the SOP dated 16.07.2021, stipulates

inspection of food grains at storage level. Clause A. (2) of the SOP dated 16.07.2021, provides that a joint team shall be constituted, which will be led by Ministry officials and will include nominated officer/officials of State Government and FCI, to facilitate inspection of DCP stock. It provides that two types of inspection shall be conducted by the joint team viz. periodic inspection and surprise inspection. As per Clause A.- 2(b) of the SOP dated 16.07.2021, surprise inspection can be conducted at any time by the joint team, without giving any prior notice to the concerned authorities of the State Government.

24. A reading of the SOP dated 16.07.2021 makes it clear that in order to ensure the quality and standards of fortified rice, a joint team, constituted in terms of the aforesaid Clauses of the said SOP, shall conduct periodic inspection and surprise inspection of food grains at storage level. The SOP provides for surprise inspection by the joint team at any time and no prior notice to the authorities concerned is required therefor. Admittedly, a joint team from the Ministry and 2nd respondent authorities collected

the subject samples during their mandatory inspections. When the said samples were tested in FSSAI-Notified NABL-Accredited Laboratory as per the SOP dated 13.12.2022, it was found that the said samples did not meet the prescribed standards and not in conformity with the limits prescribed by the FSSAI, requiring regulatory intervention. The SOP dated 16.07.2021 is binding on the parties. When the SOP provides for surprise inspection by the joint team and no prior notice to the authorities concerned need be issued before conducting the surprise inspection, there is no requirement of issuance of prior notice to the petitioners proposing to conduct surprise check/inspection and there is also no requirement to conduct analysis test in the presence of petitioners. The sample collection process was conducted by the joint team strictly adhering to the SOP and the testing was conducted in FSSAI-Notified NABL-Accredited Laboratory. No *mala fides* are attributed against the officials of respondents 1 and 2. The petitioners have not brought to the notice of this Court any provision or procedure which mandates presence of the parties at the

time of surprise check/inspection, drawing of the samples and at the time of conducting analysis test. It is pertinent to mention here that presence of the petitioners/rice millers cannot be allowed, as, the authorities have to maintain confidentiality of the entire process and also to avoid undue influence, if any, on the inspecting officers concerned. As per the instructions dated 26.09.2023, issued by 2nd respondent, the remedy of appeal is provided only at the time of acceptance of fortified rice, but not at subsequent stage of inspections. In the case on hand, the authorities competent conducted surprise inspections and after analysing the samples, it was found that the micronutrient levels in the stocks were BRL, and in pursuance of the same 2nd respondent was directed to take steps for replacement of the stocks. In view of the aforesaid reasons, having regard to the aforesaid Clauses of the said SOP, the contention of the learned Senior Counsel that drawing of samples in the absence of petitioners affects principles of natural justice, is not tenable.

25. It is also the contention of the learned Senior Counsel appearing for the learned counsel for the petitioners, that the micronutrient levels in fortified rice originate exclusively from the FRKs, which are supplied by 3rd respondent along with Quality Certificates, and that the petitioners/rice millers have no role in determining micronutrient content, except mechanically blending in prescribed ratio. On this aspect, it is the contention of the learned Standing Counsel for 3rd respondent-APSCSC Limited that 3rd respondent procures FRKs from manufacturers, ensuring rigorous quality control, and each batch undergoes testing at FSSAI Notified NABL Accredited Food Laboratories prior to delivery, and it also conducts random cross-verifications by sending FRK samples to the said accredited laboratories to ensure quality compliance, and that the micronutrient content of the FRK supplied by 3rd respondent consistently met the required standards, and that after handing over the FRKs to the millers, it is not known whether the same kernels were blended by the millers or not.

26. It is pertinent to note that the Department of Food and Public Distribution, vide SOP dated 15.03.2022 for Quality Management Protocols for FRKs, defined the responsibility of all the stakeholders, including Rice Millers and the State Government. The responsibilities are further clarified vide Operational Guidelines dated 13.12.2022. The said Operational Guidelines were issued by the Ministry in order to maintain quality standards of FRK/FR, directing all the State Governments/FCI/Procuring Agencies/Other Stakeholders, to ensure compliance of the same, so as to provide best quality fortified rice to the eligible beneficiaries. Clause II of the aforesaid Operational Guidelines deals with, 'Quality Control during production of fortified rice at Rice Mills'. Clause II (f) thereof stipulates that in order to ensure that only good quality FRK is used for blending, the procurement agencies concerned, like FCI/State Procurement Agencies, may get random samples drawn directly from the fortified rice prepared by the mills and get them tested from any FSSAI-Notified NABL-Accredited Labs as per the validated method approved by

FSSAI. Annexure – 2 of the said Operational Guidelines (flow chart for sampling and testing up to FSD/FPS Level), stipulates that after receipt of FRK from FRK manufacturer/supplier, the rice millers should also cross-check the sanctity of the FRK supplied by the FRK manufacturer/supplier, by testing a sample at FSSAI-Notified NABL-Accredited Lab, on random basis. Therefore, as per the Operational Guidelines dated 13.12.2022, a duty is cast on the rice millers to cross-check the sanctity of the FRK supplied by the FRK manufacturers or suppliers by testing a sample at FSSAI-Notified NABL-Accredited Lab, on random basis. No material is filed to the effect that before blending process, the petitioners/rice millers cross-checked the sanctity of the FRKs supplied by the manufacturer. Therefore, in view of the specific plea taken by 3rd respondent and in the absence of any material to show that the rice millers adhered to, the obligation cast on them to cross-check the sanctity of the FRKs supplied by the manufacturers, particularly, when the sample collected during surprise inspection by the joint team, failed to meet

the standards prescribed, now, the petitioners/rice millers cannot be permitted to take the plea that the petitioners /rice millers have no role in determining micronutrient content, and they only mechanically blended the FRK supplied by 3rd respondent in prescribed ratio and supplied the same to 2nd respondent. Therefore, in view of the aforesaid discussion, the said contention is not tenable.

27. Further, it is not in dispute that the subject matter in W.P. Nos. 26533 of 2024, 26520 of 2024, 26534 of 2024 and 26619 of 2024, would fall under 10% Mandatory Inspection contemplated under Level 3.3 of the SOP dated 15.03.2022, whereunder a minimum of 10% of the samples may be referred to FSSAI-Approved NABL-Accredited Laboratories, in order to check the level of micronutrients, on monthly basis, by the procurement agency i.e. 2nd respondent-FCI, before sending the same for distribution under various social security schemes of the Government of India, within its shelf life. In the aforesaid four Writ Petitions, as a part of Mandatory Inspection of minimum 10% stocks, the stocks lifted from the

petitioners/rice millers in the said Writ Petitions were sent to FSSAI-Notified NABL-Accredited Laboratory (Interfield Lab), and upon testing, the primary authority rejected the stock as the micronutrient level in the collected samples were Beyond Rejection Limit (BRL). It is also not in dispute that 3rd respondent Corporation/State Government Agency availed the remedy of Appeal under Clauses 5 to 7 of the Procedure for Appeal dated 15.03.2023, and upon testing by the referral /appellate lab, the samples were found to be not in conformity with the levels prescribed by FSSAI. Thereafter, 3rd respondent Corporation/State Agency availed the remedy of review of analysis result of referral /appellate lab in respect of appeal, under Clause 8 of the Procedure for Appeal dated 15.03.2023, by providing the third sample (review samples) to the Ministry for analysis. A perusal of the material on record goes to show that even upon testing by the referral/appellate lab, as a part of review, the samples were found to be not in conformity with the levels prescribed by FSSAI.

28. It is not in dispute that the Procedure for Appeal dated 15.03.2023, issued by the Ministry is not under challenge. Under Clause 2 of the Procedure for Appeal dated 15.03.2023, after formation of stacks, 10% stock of fortified rice will be checked for the level of micronutrients in the fortified rice, and for this, three sealed samples have to be drawn jointly by the AGM (QC)/ DGM (QC), in the presence of representative of the rice miller/State Government Agency. Clause 3 thereof stipulates that out of the three jointly sealed samples, two samples will be retained by the FCI for testing and 3rd sample will be handed-over to the concerned State Government Agency as a review sample. As per Clause 4 thereof, out of the two samples retained by FCI, one sample will be get tested in any of the FSSAI-Notified NABL-Accredited Laboratories for the level of micronutrients as prescribed by FSSAI in the fortified rice and the result shall be conveyed within 15 working days of the drawal of the sample. According to Clause 5, in case of rejection of 1st sample, owing to excessive or lesser micronutrient value, the rice miller

/State Government may prefer an appeal to the Ministry within 48 hours of the receipt of rejection letter under intimation to FCI, and as per Clause 6, for the purpose of appeal, FCI has to send 2nd sample to the Ministry within 3 working days of appeal. As per Clause 7, on receipt of 2nd sample from FCI, the Ministry has to send the same to for testing in one of its referral/appellate labs, and communicate the result to the FCI within 15 days.

29. As per Clause 8 of the Procedure for Appeal dated 15.03.2023, in case of rejection of 2nd sample, the State Agency may request for review of analysis of the result of the referral/appellate lab in respect of appeal and provide the review sample kept with it, to the Ministry for the analysis, within the timeline mentioned thereunder.

30. There is also no dispute that Clause 9 of the Procedure for Appeal dated 15.03.2023, prescribes that the results of the review sample tested at referral/appellate labs of the Ministry are final and cannot be challenged by any agencies-stakeholders, and Clause 10 thereof

stipulates that in case of rejection of stock, the rice miller/State Government Agency will lift the rejected stock within 24 hours.

31. In the case on hand, there is no dispute with regard to adherence to the procedure prescribed under the Procedure for Appeal dated 15.03.2023. Admittedly, the samples failed in the testing by the primary authority, in appeal and in review.

32. It is the contention of the learned Senior Counsel appearing for the counsel for the petitioners that FCI Headquarters, vide letter No. FCI-HQ-QC044/2/2022-QC dated 12.01.2024, addressed to the FCI Zonal Office, informed that the said stock has been lying in FCI godowns for a considerable time and it was decided that another testing of the aforesaid stocks be done through FSSAI-Notified Labs by concerned Regional Offices to check the present level of micronutrients by drawing the samples for retesting. According to the learned Senior Counsel, the samples drawn for testing were got tested and found to be

in conformity with the limits prescribed by the FSSAI, and accordingly, the FCI Regional Office addressed letter No. RO AP-37011/1/2023-QC-RO AP dated 24.04.2024 to the Divisional Office, Vijayawada, whereby *ad hoc* approval was given to the Divisional Office to accept the CMR from the rice millers from which samples have been sent for retesting and whose results were found to be well within the prescribed limits, until further instructions from the Regional Office.

33. From the recitals of the aforesaid letter dated 24.04.2024 of the FCI Regional Office, it is clear that an *ad hoc* approval has been accorded to accept the CMR from the aforesaid 4 rice millers until further instructions from the said office. It is made clear in the said letter that the rice millers shall abide by the final decision of the FCI Headquarters on retested fortified rice stocks. Thereupon, pursuant to letter No. HQ-QC044(13)/2/2022-QC, dated 06.06.2024 addressed by the FCI Headquarter, the DFPD, vide letter F. No. 36-7/2023-QCC, dated 10.06.2024, made it clear that the results of the review sample were tested at

referral/appellate labs of FSSAI and therefore, the results communicated by the Ministry are final and cannot be challenged by any Agency/Stakeholder, as per Clause 9 of the Procedure for Appeal dated 15.03.2023, and it is made clear in the said letter that the DFPD has not considered any change in the SOP. Pursuant to the said letter of the DFPD, FCI Headquarters, vide letter No. FCI HQ044(13)/2/2022-QC, dated 23.08.2024, informed FCI Regional Office to take action as per the letter dated 10.06.2024 of the DFPD. Pursuant to the same, the FCI Regional Office, vide letter No. RO AP-37011/1/2023-QC-RO AP, dated 30.08.2024, informed 3rd respondent Corporation about the decision of the DFPD, and accordingly, requested to get all the 52 stacks i.e. samples collected by QCC team and found to be BRL and samples that failed in appeal at Ministry level in AP Region, replaced.

34. From the aforesaid discussion, it is clear that though FCI Regional Office gave an *ad hoc* approval to FCI Divisional Office, Vijayawada, to accept CMR from the

aforesaid 4 rice millers only, vide letter dated 24.04.2024, it was made clear in the said letter itself that the said rice millers shall have to abide by the final decision of the FCI Head Quarters on the retested fortified rice stocks. Admittedly, it was only an *ad hoc* approval, subject to final decision by the FCI Head Quarters, relating to the aforesaid 4 rice millers only. Simply because an *ad hoc* approval was accorded to the FCI, Divisional Office, Vijayawada, to accept the CMR from the aforesaid 4 rice millers, which is subject to the decision of the FCI Head Quarters on the retested fortified rice stocks, the same cannot confer any right on the petitioners-rice millers to seek a direction from this Court for implementation of the said decision. In fact, in the said letter dated 24.04.2024 itself, it is made clear that the said *ad hoc* decision to accept CMR from the aforesaid 4 rice millers, is always subject to final decision of the FCI Head Quarters on the fortified rice stocks. Thereafter, the FCI Headquarters, vide letter dated 23.08.2024, informed the FCI Regional Office, to take action as per the letter dated 10.06.2024 of the DFPD. The DFPD rightly informed

the FCI Head Quarters that as per Clause 9 of the Procedure for Appeal, results of review sample tested at referral/appellate labs of the Ministry are final and the same cannot be challenged by any Agencies/Stakeholders, in view of the fact that the Procedure for Appeal dated 15.03.2023, is binding and the Department has not considered any change in it. In view of the same, the FCI Regional Office, vide letter dated 30.08.2024, requested 3rd respondent to get all the 52 stacks replaced. The FCI Regional Office also, vide impugned letters informed to FCI Divisional Office about the decision taken by DFPD that the results of the review sample at referral/appellate labs of the Ministry are final and cannot be challenged by Agencies /Stakeholders, and accordingly requested to take necessary action and get the stacks replaced immediately at the own risk and cost of the millers as per the aforesaid letter of the DFPD dated 10.06.2024 and the SOP. Therefore, in view of the aforesaid reasons, even if FCI Head Quarters, vide letter dated 12.01.2024, informed its Zonal Offices about the decision taken for another testing of the aforesaid

stocks through FSSAI-Notified Labs, the same does not hold any value in view of the fact that Clause 9 of the Procedure for Appeal dated 15.03.2023, issued by the Ministry, contemplates that the results of review sample tested at referral/appellate labs of the Ministry are final and the same cannot be challenged by any Agencies /Stakeholders, and that the SOP does not contemplate any subsequent resampling and retesting.

35. Admittedly, there is no privity of contract between 2nd respondent/FCI and the rice millers, as the agreement for storage and custom milling of paddy into raw/ fortified / boiled rice – for KMS 2022-23 was made by and between 3rd respondent and the rice millers, and the contractual obligations governing the fortification process lie between petitioners/rice millers and 3rd respondent. It is stated across the Bench that the scheme of supply of FRK rice to 2nd respondent has been withdrawn.

36. In view of the foregoing discussion, this Court is of the opinion that the procedure adopted by the respondents is strictly in accordance with the SOP dated

16.07.2021, the SOP dated 15.03.2022, the Operational Guidelines dated 13.12.2022 and the Procedure for Appeal dated 15.03.2023 and there is no infirmity. This Court held that the Surprise Inspection conducted by the joint team is strictly as per the SOP dated 16.07.2021. In fact, respondents have not rejected the stocks, but only directed to replace the defective stock as per the terms of the SOP dated 16.07.2021. There is no infirmity and no interference is called for, by this Court. There is no infringement of any Fundamental or Statutory right of the petitioners so as to invoke the extraordinary jurisdiction of this Court under Article 226 of the Constitution of India. The Writ Petitions are devoid of merits and are liable to be dismissed.

37. Accordingly, the Writ Petitions are dismissed. There shall be no costs as to costs of the Writ Petitions.

Miscellaneous petitions pending, if any, in the Writ Petitions shall stand closed.

(JUSTICE K.SREENIVASA REDDY)

DRK
17.06.2026

THE HON'BLE SRI JUSTICE K. SREENIVASA REDDY

COMMON ORDER

IN

WRIT PETITION No.26620 of 2024, 26520 of 2024,
26521 of 2024, 26522 of 2024, 26525 of 2024,
26526 of 2024, 26527 of 2024, 26533 of 2024,
26534 of 2024, 26535 of 2024, 26543 of 2024,
26549 of 2024, 26550 of 2024, 26551 of 2024,
26619 of 2024, 26621 of 2024, 237 of 2025,
239 of 2025, 242 of 2025, 259 of 2025, 270 of 2025,
277 of 2025, 280 of 2025, 286 of 2025, 287 of 2025,
289 of 2025, 292 of 2025, 297 of 2025, 306 of 2025,
308 of 2025, 316 of 2025, 319 of 2025, 320 of 2025,
339 of 2025, 342 of 2025, 345 of 2025, 347 of 2025,
348 of 2025, 349 of 2025, 351 of 2025, 354 of 2025,
356 of 2025, 359 of 2025, 360 of 2025, 364 of 2025,
367 of 2025, 386 of 2025 & 474 of 2025

17.06.2026

DRK

HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

WRIT PETITION No.26620 of 2024, 26520 of 2024,
26521 of 2024, 26522 of 2024, 26525 of 2024,
26526 of 2024, 26527 of 2024, 26533 of 2024,
26534 of 2024, 26535 of 2024, 26543 of 2024,
26549 of 2024, 26550 of 2024, 26551 of 2024,
26619 of 2024, 26621 of 2024, 237 of 2025,
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308 of 2025, 316 of 2025, 319 of 2025, 320 of 2025,
339 of 2025, 342 of 2025, 345 of 2025, 347 of 2025,
348 of 2025, 349 of 2025, 351 of 2025, 354 of 2025,
356 of 2025, 359 of 2025, 360 of 2025, 364 of 2025,
367 of 2025, 386 of 2025 & 474 of 2025

Between:

Kanyaka Traders

...PETITIONER

AND

Union Of India and Others

...RESPONDENT(S)

DATE OF COMMON ORDER PRONOUNCED : 17.06.2026

SUBMITTED FOR APPROVAL:**HONOURABLE SRI JUSTICE K. SREENIVASA REDDY**

1. Whether Reporters of Local Newspapers
may be allowed to see the Order? Yes/No
2. Whether the copy of Order may be
marked to Law Reporters/Journals? Yes/No
3. Whether His Lordship wish to see the
fair copy of the Order? Yes/No

JUSTICE K.SREENIVASA REDDY

*** HONOURABLE SRI JUSTICE K.SREENIVASA REDDY**

+ WRIT PETITION No.26620 of 2024, 26520 of 2024, 26521 of 2024, 26522 of 2024, 26525 of 2024, 26526 of 2024, 26527 of 2024, 26533 of 2024, 26534 of 2024, 26535 of 2024, 26543 of 2024, 26549 of 2024, 26550 of 2024, 26551 of 2024, 26619 of 2024, 26621 of 2024, 237 of 2025, 239 of 2025, 242 of 2025, 259 of 2025, 270 of 2025, 277 of 2025, 280 of 2025, 286 of 2025, 287 of 2025, 289 of 2025, 292 of 2025, 297 of 2025, 306 of 2025, 308 of 2025, 316 of 2025, 319 of 2025, 320 of 2025, 339 of 2025, 342 of 2025, 345 of 2025, 347 of 2025, 348 of 2025, 349 of 2025, 351 of 2025, 354 of 2025, 356 of 2025, 359 of 2025, 360 of 2025, 364 of 2025, 367 of 2025, 386 of 2025 & 474 of 2025

% 17.06.2026

Between:

Kanyaka Traders

...PETITIONER

AND

Union of India & others

...Respondents

! Counsel for the petitioners : Sri K.S.Murthy, learned senior counsel appearing for petitioners Sri T.V.P.Sai Vihari & others

^ Counsel for the respondents : 1) Sri Challa Dhanunjaya, learned Additional Solicitor General of India appearing for R1 & R2

2) Sri MD. Saleem, learned Standing Counsel for R.3

< Gist:

> Head Note:

? Cases referred:

1) (1995) 1 SCC 745

2) MANU/TL/O405/2025