

ITEM NOS.1+4 COURT NO.4 SECTION PIL

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

WRIT PETITION (CIVIL) NO. 196 OF 2001

PEOPLE'S UNION FOR CIVIL LIBERTIES Petitioner(s)

VERSUS

UNION OF INDIA & ORS. Respondent(s)
(Reg. Reports submitted by Justice D.P.Wadhwa, Retd. Judge,
Supreme Court of India)
WITH I.A.Nos.90, 93, 102-1053 in W.P.(C)No.196/2001
(For permission behalf of Respondent No.17 i.e. State of
Maharashtra, modification and directions, intervention on behalf
of West Bengal M.R.Dealers' Association and All Bengal Fair Price
Shop Dealers Welfare Association, impleadment and exemption from
filing O.T.)
with
I.A.Nos.104 and 105 (Appln.(s) for impleadment and exemption from
filing O.T.)

AND W.P.(C)No.277/2010(with office report)

Date: 31/08/2010 These Petitions/applns. was/were called on for
hearing today.

CORAM :

HON'BLE MR. JUSTICE DALVEER BHANDARI
HON'BLE MR. JUSTICE DEEPAK VERMA

For Petitioner(s) Mr. Colin Gonsalves,Sr.Adv.
Mr.Divya Jyoti, Adv.
Ms. Jyoti Mendiratta,Adv.

Dr.Aman Hingorani, Adv.
Ms.Priya Hingorani,Adv.
Ms.Swati Sumbly, Adv.

For Respondent(s) Mr. Mohan Parasaran,ASG
Mr.D.L.Chidanand, Adv.
Ms. Sunita Sharma,Adv.
Mr.S.W.A.Qadri, Adv.
For Ms. Sushma Suri,Adv.
For Ms. Anil Katiyar,Adv.
For Mr. D.S. Mehra,Adv.
For Mr. B.V. Balaram Das,Adv.

Mr. Jana Kalyan Das,Adv.(NP)

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W.P.(C)No.196/2001 contd..

Ms. Hemantika Wahni,Adv.
Ms.Renuka Sahu, Adv.

Ms. Indra Sawhney,Adv.

Dr.Manish Singhvi, AAG
Mr.Devanshu Kr.Devesh, Adv.
Mr. Milind Kumar,Adv.

Mr. Navneet Kumar,Adv.
for M/s. Corporate Law Group,Adv.

Ms. Rachana Srivastava,Adv.
Mr.Malay Chaturvedi, Adv.

Mr. T.V. George,Adv.(NP)

Ms. Kamini Jaiswal,Adv.

Mr. Khwairakpam Nobin Singh,Adv.
Mr.Sapam Biswajit Meitei, Adv.

Mr. Ranjan Mukherjee,Adv.

Mr.R.Sundaravaradan, Sr.Adv.
Mr. V.G. Pragasaam,Adv.
Mr. S.J. Aristotle,Adv.
Mr. Prabu Ramasubramanian,Adv.

Mr. Jatinder Kumar Bhatia,Adv.(NP)

Mr. Pramod Swaup,Sr.Adv.
Mr.Sahil K.Dwivedi, AAG
Mr.R.K.Gupta, Adv.
Mr.Rajiv Dubey, Adv.
Mr.Kamlendra Mishra, Adv.

Mr. Ravi Prakash Mehrotra,Adv.(NP)

Mr. Gopal Singh,Adv.
Mr. Manish Kumar,Adv.
Mr. Rituraj Biswas,Adv.

Mr. Tara Chandra Sharma,Adv.
Ms. Neelam Sahrma,Adv.

Mr. Anil Shrivastav,Adv.
Mr. Rituraj Biswas,Adv.

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Mr. Edward Belho,Adv.
Ms.K. Enatoli Sema,Adv.
Mr.Rituraj Biswas, Adv.
For Mr. Balaji Srinivasan,Adv.

Mr.Wilson, AAG
Mr. T. Harish Kumar,Adv.
Mr.Prasanth P., Adv.
Mr.V.Vasudevan, Adv.

Mr.Sanjiv Sen, Adv.
Mr. P. Parmeswaran,Adv.
Mr.Prashant Kumar, Adv.
Mrs.Anuja Chopra, Adv.

Mr.Atul Jha, Adv.
Mr. D.K. Sinha,Adv.

Mr. Gopal Prasad,Adv.

Ms. Anjana Chandrashekar,Adv.(NP)

Mr. Ramesh Babu M.R.,Adv.(NP)

Ms. D. Bharathi Reddy,Adv.(NP)

Mr. Sanjay R. Hegde,Adv.

Ms.C.K.Sucharita, Adv.

Mr.I.Venkatanarayana, Adv.
Mr.D.Mahesh Babu, Adv.

Ms. Sumita Hazarika,Adv.(NP)

Ms. A. Subhashini,Adv.

Mr. Kuldip Singh,Adv.
Mr.R.K.Pandey, Adv.

Mr. Ravindra Keshavrao Adsure,Adv.(NP)

Mr. Prashant Kumar,Adv.

Mr. Vishwajit Singh,Adv.(NP)

Mr. Sanjay V. Kharde,Adv.
Ms. Asha G. Nair,Adv.

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Mr. K.V. Mohan,Adv.(NP)

Mr. Rajesh Srivastava,Adv.(NP)

Mr. Anuvrat Sharma,Adv.(NP)

Mr. K.N. Madhusoodhanan,Adv.
For Mr. R. Sathish,Adv.

Mr. R.C. Kaushik,Adv.(NP)

Mr.A.K.Singh Tarun, Adv.
For Mr.Debasis Misra, Adv.

Mr. Pradeep Misra,Adv.(NP)

Mr. Venkateswara Rao Anumolu,Adv.

Mr.S.K.Dubey, Sr.Adv.
Mr. B.S. Banthia,Adv.
Mr. Vikas Upadhyay,Adv.

Mr. G. Prakash,Adv.
Mr.V.Senthil,Adv.

Mr. Anil Kumar Jha,Adv.(NP)

Mr. Vikas Mehta,Adv.

Mr. Naresh K. Sharma,Adv.

Mr. Anis Suhrawardy,Adv.(NP)

Mr.Sunil Fernandes, Adv.
Mr.Vikrant Nagpal, Adv.
Mr.Sidhant Goel, Adv.
Ms.Renu Gupta, Adv.

Mr. S.M. Jadhav,Adv.(NP)

Mrs.Aruna Mathur, Adv.
Mr.Amarjeet Singh Girda, Adv.
For M/s.Arputham,Aruna & Co.,Adv.

Mr.S.K.Keshote,Sr.Adv.
Mr.Abhijit Sengupta,Adv.

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Mr.M.N.Krishnamani, Sr.Adv.
Mr.Bikas Kargupta,Adv.
Mr.Abhijit Sengupta, Adv.

Mr.P.S.Patwalia,Sr.Adv.
Mr.Manish Pitale, Adv.
Mr.Wasi Haider, Adv.
For Mr.C.S.Ashri, Adv.

Mr.J.R.Das, Adv.(NP)

Mr.Manjit Singh, Adv.
Mr.Manish Tiwari, Adv.
Mr.Sanjy Kr.Rathee, Adv.

Mr.Pragyan P.Sharma,Adv.
For Mr.P.V.Yogeswaran, Adv.

UPON hearing counsel the Court made the following
O R D E R

We have heard Mr.Colin Gonsalves, learned senior
counsel for the petitioner and Mr.Mohan Parasaran, learned
Additional Solicitor General at some length.

According to the Court Commissioner's Report,
about 50,000 M.T. of wheat have already been deteriorated and
is not fit for human consumption. He further submitted that
several lakhs of Metric Tonnes of wheat which has been
procured has not been properly preserved. We would like the
Central Government to inform us what steps they have taken to
preserve the remaining food-grains procured by them.

The Food Corporation of India must properly
evaluate capacities of their godowns and procure only that

much food-grains which can be properly preserved.

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Mr.Gonsalves also submitted that in view of the huge procurement of food-grains this year, 35 Kgs of food-grains must be distributed to each card-holder.

Mr.Gonsalves further submitted that although citizens who are in the category of Antyodaya Annaya Yojana, they may be given 35 Kgs. Of food-grains at Rs.3 per Kg.for rice and Rs.2 per kg. for wheat. He also suggested that citizens who fall in the category of Scheduled Castes, Scheduled Tribes and otherwise vulnerable sections, be also provided food-grains at a concessional rate.

Mr.Gonsalves has drawn our attention to the order dated 19.08.2005 where the coverage of Antyodaya Anna Yojana was expanded to landless agricultural labourers, marginal farmers, rural artisans/craftsmen, slum dwellers and persons earning their livelihood on a daily basis in the informal sector, in both rural and urban areas, households headed by widows or terminally ill persons/disabled persons/persons aged 60 or more having no assured means of sustenance or societal support, widows or terminally ill persons disabled persons or persons aged 60 or more, single women or single men with no family or societal support or assured means of sustenance, all primitive tribal households be also given 35 Kgs. Of food-grains at a concessional rate.

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Mr.Gonsalves also submitted that 150 poorest districts in the country be given 35 Kgs. of food-grains at concessional rate.

Justice Wadhwa, in the report of State of Orissa has mentioned that the system of storage agency is one of the main thrust of diversion of PDS food-grains. This system should end forth-with. The State Corporation has adequate storage facilities and sufficient reserves. Some of the godowns which are owned by the Corporation have let out to storage agents. The Panchayat Raj Department has six godowns of 15 M.T. Capacity and 300 godowns of 1000 M.T. Capacity. The Panchayat Raj Department and also the Urban Development Department may have more godowns if required. This

suggestion may also be considered by Union of India and they must respond to it on the next date of hearing.

According to the report of the Food Commissioner, lakhs of bogus cards are in circulation. According to a recent report of Times of India, more than 2,50,000 bogus cards are in circulation in the State of Orissa alone. By a newspaper advertisement, a warning be issued asking all the bogus card holders to surrender the bogus cards forthwith, in any event, within two weeks of the date of advertisement, otherwise criminal prosecution may be initiated against the bogus card holders. We have to develop a culture of zero tolerance corruption. Unless immediate and urgent steps are taken, the

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ultimate effect will be on the poorest citizen who is deprived of legitimate entitlement for food-grains. We must ensure that every poor person is ensured of two square meals per day.

It is desirable to abolish the category of the Above Poverty Line altogether. In case it is not possible, then the Government should atleast consider limiting households whose annual income is less than Rs.2 lacs per year. We see no rationale or justification in providing subsidized food-grains to card holders whose annual income is more than Rupees two lakhs. We also call upon the Union of India to carry out fresh survey to get the correct and comprehensive picture of citizens who are in the categories of APL, BPL and AAY. Let the survey be conducted as early as possible.

A survey is required to get a clearer picture of the targeted population in the categories of APL, BPL and AAY.

Some of the States are distributing fortified wheat flour (atta) which would also provide nutritional security. The Government may consider providing wheat flour. According to Justice Wadhwa's report, there will be less pilferage if wheat flour is provided instead of wheat.

It would be desirable to make allocation according to 2010 population estimates.

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Mr.Parasaran, learned Additional Solicitor
General prays for a short adjournment to give the response of
the Central Government.

W.P.(C)No.277/2010:

Issue notice. Learned ASG appearing for Union of
India accepts notice. Reply, if any, be filed before the next
date of hearing.

List these matters again on 06.09.2010 at 2.00
p.m.

(G.V.RAMANA)
COURT MASTER

(NEERU BALA VIJ)
COURT MASTER