IN THE COURT OF THE I ADDITIONAL DISTRICT & SESSIONS JUDGE: AT: SANGAREDDY

(Monday, on this the 20th day of July, 2026)

Present: Smt. K. Jayanthi,
I Additional District & Sessions Judge,
Sangareddy.

CRIMINAL APPEAL No. 03 of 2026

Between

1. Ghoghari Ismail Bhai Nathu Bhai
S/o Nathu Bhai Makanji Bhai Ghogari
Aged about 35 years, Occ: Owner of Ashok Leyland lorry
Beasrign No. GJ 27 TG 0019, R/o 3305, Mota Ghogharivada
Dhandhuka, Ahmedabad.

2. Bosiriya Abdul Bhai, S/o Mohammad Bhai, Aged: 58 years
Occ: Vehicle driver, R/o Rajka village, Gujarath State.

3. M/s S.R. Trading Company, 16/67/1 a, Near Gvmc Gin and
Pressing Factory, Basapuram Road, Adoni Town, Kurnool District
A.P. Represented by its Proprietor
Kodmur Kaleem Basha, S/o K.Abdul Gaffar
Aged about 55 years, Occ: Business
R/o 4/343/39/2, Telecom Nagar
Ramjal Road, Adoni, Kurnool District.

…..Appellants/Respondent Nos. 1 to 3

AND

1. The State of Telangana
Represented by its Public Prosecutor
District Court Building, Sangareddy.

2. The Collector (CS), Sangareddy District
Integrated Collectorate
Sangareddy Town and District.

…..Respondents

3. The Deputy Tahsildar (CS), Zaheerabad
O/o DCSO Office, Integrated Collectorate at Sangareddy District.

4. The State of Telangana
Represented by SHO, P.S. Zaheerabad
Sangareddy District.

…..Respondents/Complainant

Aggrieved by the Orders dt. 06.12.2025 passed by the Collector and District Magistrate, Sangareddy

IN

E.C. Act Case No.CSA/365/2025

Between

1. The Deputy Tahsildar (CS), Zaheerabad.
O/o DCSO Office, Integrated Collectorate at Sangareddy District.

2. The State of Telangana
Represented by SHO, P.S. Zaheerabad
Sangareddy District.

…..Complainants

AND

1. Ghoghari Ismail Bhai Nathu Bhai
S/o Nathu Bhai Makanji Bhai Ghogari
Aged about 35 years, Occ: Owner of Ashok Leyland lorry
Beasrign No. GJ 27 TG 0019, R/o 3305, Mota Ghogharivada
Dhandhuka, Ahmedabad.

2. Bosiriya Abdul Bhai, S/o Mohammad Bhai, Aged: 58 years
Occ: Vehicle driver, R/o Rajka village, Gujarath State.

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Kodmur Kaleem Basha, S/o K.Abdul Gaffar
Aged about 55 years, Occ: Business
R/o 4/343/39/2, Telecom Nagar
Ramjal Road, Adoni, Kurnool District.

…..Respondents

This Criminal Appeal came up before me for final hearing on 18.06.2026 in the presence of Sri Somavarapu Satyanarayana, Counsel for the Appellants and of Sri B. Rajeshwar, the learned Additional Public Prosecutor for the Respondents 1 to 3, upon perusing the material on records, having heard both sides and having stood over for consideration, the Court made the following-

J U D G M E N T

1. This Criminal appeal is preferred by the appellants under Section 6-C of the Essential Commodities Act, 1955 r/w Section 421 of Bharatiya Nagarik Suraksha Sanhita, 2023 against the Order passed by the learned District Collector, Sangareddy in EC Act Case No.CSA/365/2025, dt.06.12.2025, passing an Order of (i) 100% confiscation of entire seized stock i.e., 295.20 quintals of PDS rice in favour of the Government; (ii) an amount of Rs.6,00,000/- (Rs.Six lakhs only) imposed as penalty i.e., 30% on vehicle on the value of vehicle bearing No.GJ 27 TG 0019; (iii) directed the District Supply Officer, Sangareddy to collect the challan amount of Rs.6,00,000/- (Rs.Six lakhs only) imposed as penalty, i.e., 30% on vehicle on the value of the vehicle on respondent for release of vehicle bearing No.GJ 27 TG 0019 and release the vehicle; and the Tahsildar, Zaheerabad is directed to dispose of the seized rice of 295.20 quintals through conducting open auction duly following the procedure and remit the same into Government Account and the respondents are hereby warned not to repeat such type of irregularities in future.

2. ***The Appellants filed Criminal Appeal challenging the impugned Order passed by the learned District Collector, Sangareddy on the following grounds*:-**

(i) The order is illegal, improper, incorrect and perverse to the material on record. The learned trial court without oral or documentary evidence, without examining the complainant imposed penalty of Rs.6,00,000/- and 100% rice confiscated in favour of the Government, is illegal. The learned trial court failed to give opportunity to the appellants herein for filing explanation and submitting arguments, which is against the principles of natural justice. In the charge only one charge is framed without mentioning which control order and what clause is contravened/violated by the appellants. As per the Essential Commodities Act, rice is not an essential commodity, as such the seizure itself is illegal and arbitrary. The impugned Order is passed by the District Collector, Sangareddy without issuing notice under Section 6-B of the Act, which is illegal, arbitrary, violative of natural justice. As per panchanama, there is no recital about lifting of rice samples in random, but the samples sent by the authorities to the Civil Supply Corporation, copy of test report is also not furnished to the appellants herein. Civil Supplies Corporation has no authority to conduct chemical/technical report and the competent authority is the Forensic Science Laboratory or State Food Laboratory. The Civil Supply Corporation is registered under the Companies Act, hence the Corporation does not have any competent permanent technicians to conduct chemical/technical analysis, as such the recital mentioned in the panchanama is void.

(ii) It is further case of the appellants that first Appellant herein filed WP before the Hon’ble High Court for the State of Telangana at Hyderabad, the same was disposed of, after receipt of such Orders, the first appellant complied Orders passed by the Hon'ble High Court. The 2nd appellant herein filed W.P.No.34133 of 2025, after serving notices to respondents, the said matter was listed on 18.11.2025 and GP for Civil Supplies appeared before the Hon'ble High Court and requested time for getting instructions and thereafter the said WP was posted on 27.11.2025, on that day the GP for respondents not placed any Orders or any other matters before the Hon'ble High Court and thereafter the said Writ Petition posted on 27.11.2025, the Hon'ble High Court was pleased to direct the respondents not to sell the seized stock. On dt.06.12.2025, the learned counsel for appellants filed petition before the District Collector, Sangareddy requesting to grant three weeks time for filing explanation and without disposing of the said application, the 2nd respondent passed Orders in EC Act case No.CSA/365/2025, which is illegal and unconstitutional.

(iii) It is further case of the appellants that unauthorized and high-handed action of seizure of lorry bearing No.GJ 27 TG 0019 together with 295.20 quintals of rice from the 2nd respondent, without any authority of law and jurisdiction. It is not a case of rice meant for public distribution system. Hence, the control order referred above has no applicability, therefore, the seizure of vehicle of the first appellant and rice of the 3rd appellant is without any authority of law and hence, the appeal is filed mainly on the following grounds:-

a) Rice and Paddy are not essential commodities as per the Schedule co-relating to Section 2A of the Essential commodities Act, hence the State Government has no authority of law to issue any Control Order under Section 3 of the Essential commodities Act in respect of the storage, transport and movement of paddy or rice by a businessman. Hence, the seizure of lorry together with rice of the appellants is totally without jurisdiction.

b) The control order issued by the State captioned as "Telangana Public Distribution System Control Order, 2016" itself is ultravires, since rice and paddy are not essential commodities under the Central Act, at any rate the control order would apply only to the public distribution of rice through the authorized fair price shops. Hence, the control order has no applicability to the storage, movement and transportation of rice by the agriculturist. Further, when the Central Act itself is not applicable to rice and paddy, the Control Order cannot supersede the Central Act. For the same reason, Section 6A and 6C of the Central Act are not applicable because rice is not an essential commodity. Hence, the seized stock of rice cannot be put to sale by any authorities under the Act or any Control Order. But since the illegal seizure, the first appellant deprived his rights, the said seizure is challenged as the same is without jurisdiction, as such the question of conducting any enquriy under Section 6A of the Act also would not arise.

(iv) It is further case of the appellants that there is no penalty clause in the said Control Order. In the said Control Order, no competent authority was specified as such 17(A) to 17(e) is not applicable. Hence, the action of the Respondents in seizing Lorry bearing No.GJ 27 TG 0019 together with 295.20 quintals of rice on 04.11.2025 and registering case against the appellants. It is the specific case of the appellants that the 3rd appellant doing business under the name and style of M/s.S.R.Trading Company with GST License to do business, as part and parcel of his business, he sold rice to Anand, Gujarat State, after confirmation he engaged first appellant lorry on hire basis, after completion of loading the 2nd appellant raised Invoice in favour of M/s. Somnath Rice Mill, Nani chokdi, Survey No.819, Near Vraj Indian Gas, Tarapur Road, Moraj, Moraj Bus Stop, Anand, Gujarat State vide Invoice No.NOV/25-26/10, dt.03.11.2025 and also generated E-way bill bearing No.1922 5522 5971, dt.03.11.2025 at 7.34 p.m. to transport the said rice to M/s. Somnath Rice Mill, Nani Chokdi, Survey No.819, Near Vraj Indian Gas, Tarapur road, Moraj, Moraj Bus Stop, Anand, Gujarat State, seized rice is transporting from Adoni, Andhra Pradesh to Anand, Gujrath, with bill and e-way bill as such contention of the 3rd and 4th respondents is not valid, the 2nd respondent has no power to pass Orders as the seized lorry and rice is transporting from Andhra Pradesh to Gujarath state, without having jurisdiction, the 2nd respondent passed orders.

3. ***The Respondents 1 to 3 filed Counter denying appeal grounds and the case of the respondents in brief is as follows***:-

(i) Basing on credible and reliable information regarding the illegal transportation of PDS rice at Huggelli Cross road, Zaheerabad Mandal, Sangareddy district, an inspection was carried out on 04.11.2025 by a Joint team comprising the Deputy Tahsildar (Enforcement), Munipally and officials of the Munipally Police Station. During the said inspection, 295.20 Quintals of rice were found being transported in vehicle No.GJ 27 TG 0019, upon questioning, the driver of the vehicle, Bosiriya Abdul Bhai, S/o Mohammad Bhai disclosed that the rice was being transporting from Hyderabad to the State of Gujarath, allegedly under the instructions of the vehicle owner, Gangorui Ismail Bhai, S/o Natha Bhai. The vehicle was intercepted and detained near Huggelli Cross road on NH-65 at Zaheerabad, while in transit. The seized stocks of rice and the vehicle were handed over to the custodians on the same day, i.e., seized rice to MLSP, Digwal and seized vehicle to SHO, Zaheerabad Rural PS respectively, under proper acknowledgment until further orders. Subsequently, a sample was drawn from the seized rice and sent for analysis. As per the Quality Certificate issued by the Technical Assistant, Office of the District Manager, TGSCSC Ltd., Sangareddy, the stock contains Fortified Rice Kernels (FRK) of 0.90% in the sample drawn from the seized stock. The Fortified rice (FRK) is meant for distribution to card-holders under the PDS as per the scheme of the Government of India.

(ii) It is further case of the respondents that Section 6-B notice was issued to the vehicle owner and the rice owner (i.e., the Writ Petitioner herein) vide Notice No.CSA/365/2025, dt.17.11.2025, directing them to appear before the District Collector on dt.29.11.2025 and show cause as to why the seized stock should not be confiscated in favour of the Government for violation of Clause 17(e) of the TSPDS Control Order, 2016. A letter was addressed to the Assistant Commissioner (ST), Sangareddy-2 Circle, Nizamabad Division, Sangareddy, has reported that as per their office records, an e-way Bill was generated for vehicle No.GJ 27 TG 0019 on 04.11.2025, and the commodity mentioned in the e-way bill is “Maize Corn” and not PDS rice.

(iii) It is further case of the respondents that the vehicle owner, Sri. Ghoghari Ismail Bhai Nathu Bhai, S/o Nathu Bhai Mkanji Bhai Ghogari filed W.P.No.34101 of 2025 on 10.11.2025 and the same was disposed of on dt.11.11.2025, directing the respondents to release the petitioner’s vehicle lorry bearing No.GJ 27 TG 0019, subject to the Petitioner furnishing a bank guarantee by way of fixed deposit for a sum of Rs.50,000/- in favour of Respondent No.2, and also furnishing an undertaking not to alienate or alter the vehicle. The release was made subject to the outcome of the confiscation proceedings under Section 6-A of the Act. It is further case of the respondents that Section 6-A case was called for hearing on dt.29.11.2025 in the Chambers of the District Collector, Sangareddy. The Appellant herein requested time and accordingly, case was posted for hearing on 06.12.2025. A fresh “Final Hearing Notice” was issued to the Petitioner herein on 29.11.2025 intimating about the hearing on 06.12.2025 at 10.30 a.m., and the same was sent by way of speed post and through WhatsApp text message. Despite receiving the notice, the petitioner nor the vehicle owner chose to attend the hearing held on dt.06.12.2025 at 10.30 a.m. As such, based on the merits, material, the report of ACTO, Sangareddy, the case was finalized and Orders were passed on 06.12.2025. Subsequently, on the same day, around 3.00 p.m., the counsel for appellants, Sri. Somavarapu Satyanarayana visited the office around 3.30 p.m. and insisted on filing Vakalath in the case despite being told about the hearing being completed in the morning itself.

(iv) It is further case of the respondents that the Petitioner produced Invoice No.NOV/25-26/10 and e-Way No.1922 5522 5971, both dated 03.11.2025, in an attempt to justify the transportation in question. However, upon verification, it was revealed that the commodity described therein is Maize (Corn), while the goods actually seized during the inspection was rice. As per the report furnished by the Assistant Commissioner (ST), Sangareddy, it is clearly established the petitioner has deliberately produced false and fabricated documents to support his claim. The verification demonstrates that the documents relied upon by the petitioner are not genuine. Hence, the bills submitted by the petitioner are devoid of authenticity and cannot be considered as valid.

(v) It is further case of the respondents that as per Clause 16 of the Telangana State Public Distribution Systems (Control) Order, 2016 vide GO.Ms.No.29, dt.19.08.2016, the 5th respondent (Deputy Tahsildar) has the power to enter, inspect, search and seize stocks and check vehicles where scheduled commodities pertaining to PDS or other schemes are found being transported without valid papers and report the same to the DCSO and Collector (CS). Further, the Division Bench of the Hon'ble High Court in the case of ***Elluru Chandra Obul Reddy Vs. Joint Collector, Kadapa***, clearly held that rice and paddy are essential commodities and that a dealer, miller, purchaser of paddy, or any person contravening the order made by the

Government in exercise of jurisdiction under Section 3 read with Section 5 of the Act, is liable to be prosecuted under the provisions of the Act.

(vi) It is further case of the respondents that another Division Bench of the Court Hon'ble Court in W.A.No.451 of 202, vide it's Judgment dt.21.07.2022 referred to Elluru Chandra Obul Reddy Judgment cited above regarding rice and paddy being Essential Commodities and refused to direct the release of seized goods. It is pertinent to mention that the counsel for the petitioner herein was also the counsel for appellant in the above Writ appeal. Aggrieved by the Judgment in WA.No.451 of 2022, a Special Leave (Civil) Diary No.9790 of 2024, which was dismissed vide Order dt.01.04.2024. The appeal preferred by the appellants is devoid of merits, and sought for dismissal of the same.

4. This Court heard the arguments on either side and perused the entire record, including the citations submitted on either side.

NOW THE POINT FOR DETERMINATION IS:-

Whether the impugned Order passed by the learned District Collector, Sangareddy is not factually and legally maintainable and it is liable to be set aside as prayed for by the appellants?

POINT:-

5. As seen from the record, the brief facts of the case are as follows:-

(i) On receipt of credible information on dt.04.11.2025, regarding illegal transportation of PDS rice near Huggelli Cross road on NH-65 at Zaheerabad Mandal, the Inspecting Team, i.e., Deputy Tahsildar (Enforcement), Vigilance & Enforcement Task Form Team-2, Hyderabad & Zaheerabad along with Police officials, Zaheerabad have summoned panchas while disclosing their identity and informed them about purpose of visit and requested them to act as mediators, for which they have agreed willingly. The Inspecting team has proceeded to the spot, i.e., near Huggelli Cross road on NH-65 at Zaheerabad Mandal and found one vehicle bearing No.GJ 27 TG 0019 in which 600 PDS rice bags, which are equal to 295.20 quintals and Bosiriya Abdul Bhai, S/o Mohammed Bhai was caught. On questioning, the said accused person Bosiriya Abdul Bhai regarding transportation of PDS rice, he stated that as per the instructions of the lorry owner, i.e., Gangori Ismail Bhai, S/o Natha Bhai, the rice is being transporting from Hyderabad to Gujarath State, in the meanwhile the same was caught near Huggelli cross road on NH-65, at Zaheerabad. A sample of rice was drawn from the seized rice and sent for technical analysis report and the Technical Assistant, Gr-III, TGSCSC Limited, Sangareddy has submitted analysis report stating that the seized rice contained 0.90% of FRK Kernels in Raw Rice – Grade A noticed, hence, it is evident that the seized stock is PDS rice.

(ii) In view of the above, the inspecting team strongly believed that the accused persons have violated Clause 17(e) of Telangana Public Distribution Orders, 2016 read with EC Act, 1955 by purchasing/storing/transporting/selling the PDS rice which are meant for down trodden people to meet their lively requirements and any act of diverting the PDS rice into black market is serious offence and this is nothing but cheating of the Government and as well as the public. Thereby, in the presence of the panchas, the inspecting team has seized the stocks of rice filled in weighing plastic bags available with the accused and handed over to the following custodians as shown below under proper acknowledgment till further orders received from competent authority:-

Sl.No.	Item	Worth (Rs.)	Custodian
1.	PDS Rice of 295.20 quintals (Rs.32/- per kg.)	Rs.9,44,640/-	MLSP, Digwal
2	Vehicle bearing No.GJ 27 TG 0019	Rs.20,00,000/-	SHO, Zaheerabad Rural
TOTAL		Rs.26,90,000/-	

(iii) Accordingly, an application was given to the SHO, Zaheerabad for filing a criminal case on the accused and accordingly, a criminal case was registered vide Crime No.134/2025 under Section 318(4) BNS, Section 7 of EC Act, dt.04.11.2025.

(iv) The Complainant has initiated an action under Section 6-A of the EC Act, 1955 against the accused persons for illegal storage/purchase/transporting in contravention of the provisions of the Clause 17(e) of Telangana State Public Distribution System (Control) Orders, 2016 read with EC Act, 1955. As per the said provision if any person is found to have purchased the rice supplied through PDS either from the card holder or the Fair Price shop dealer or any other source is the contravention, basing on the report, case was taken on record, Section 6-B Notice dt.17.11.2025 was issued, by framing charge against the appellants herein and passed impugned Order by the learned District Collector on dt.06.12.2025, which is now challenged before this Court.

6. The learned counsel for appellants submitted that without giving any opportunity to the aggrieved party, the learned District Collector confiscated the entire seized rice and vehicle, against the due procedure of law. He would further contend that without examining any witnesses and without hearing the aggrieved party, the learned District Collector passed Orders, which is against the principles of natural justice. He would further contend that "rice" or "paddy" are not essential commodities as the said terms were deleted by the Central Government from the definition of essential commodities since 12.02.2007, thus rice is not essential commodity from 12.02.20007 till date and the 3rd respondent without conducting enquiry and without lifting the samples from rice handed over to MLS Point basing on mere suspicion, without conducting proper enquiry. He would further contend that the respondent No.3 has no jurisdiction or power to seize the rice or vehicle as it was transporting from Adoni, Andhra Pradesh to Anand, Gujarath. If it is PDS rice, Telangana Government is empowered to seize, but there is no evidence to show that seized rice is PDS rice, further, there is no restriction if once rice is delivered to card holder/beneficiary. He would further contend that samples were not lifted out of 600 bags of seized rice. There is Bill and e-Way bill carried while transportation, despite of the same, it was seized by respondent No.3 without any authority. He would further contend that in spite of Orders from the Hon'ble High Court to release the vehicle, the learned District Collector imposed 30% penalty, without having any authority or jurisdiction and prayed to allow the appeal by setting aside the impugned order of the learned District Collector, Sangareddy.

7. Per contra, the learned Additional Public Prosecutor submitted that the learned District Collector, Sangareddy had followed the entire mandatory procedure in conducting proceedings under Section 6-A of the Essential Commodities Act. The seizure proceedings conducted by the Deputy Tahsildar/Respondent No.3 is in accordance with law. He would further contend that 6-B notice was issued to the appellants herein, after receiving notice, the appellants appeared before the learned District Collector, but failed to produce any documents in support of their contentions and even final hearing notice was also issued and after giving ample opportunity, the impugned order was passed. He would further contend that copy of alleged e-way bill was forwarded for verification and genuinity of the documents/e-way bill and as per the report furnished by the Assistant Commercial Tax Officer, Sangareddy-I Circle that the commodity mentioned in the e-way bill (1922 5522 5971) is Maize Corn and not PDS rice, which clearly established that the Petitioner has deliberately produced false and fabricated documents to support his claim, the verification demonstrates that the documents relied upon by the petitioner are not genuine, hence, the bills submitted by the petitioner are devoid of authenticity and cannot be considered as valid. He would further contend that there are no grounds made out by the appellants to interfere with the impugned Order passed by the learned District Collector, Sangareddy and sought for dismissal of the appeal.

8. The first and foremost contention on behalf of the appellants is that “rice” or “paddy” does not come under the definition of essential commodity and they are food stuffs, hence the provisions under the Essential Commodities Act are not applicable and the initiation of proceedings under Section 6-A of the Act are arbitrary and illegal. Per contra, it is the contention on behalf of the learned Additional Public Prosecutor that “rice” and “paddy” are within the meaning of Food Stuffs under Section 2(a)(v) of the Essential Commodities Act, 1955 which is Essential Commodity. The TS PDS (Control) Order, 2016 was issued under Section 3 read with Section 5 of EC Act, 1955 since the rice is essential commodity, the Enforcement Officer i.e., Civil Supplies Deputy Tahsildar having power to search and seize rice and the District collector having power to take up the matter under Section 6-A of EC Act, 1955. It is pertinent to mention here that in the case of ***Elluru Chandra Obul Reddy Vs. Joint Collector, Kadapa***[1], the Division Bench of the Hon’ble High Court for the State of AP has held ‘rice’ and ‘paddy’ to be essential commodities. Relevant portion of the said decision extracted here-under:-

> “…….The Government of Telangana, in exercise of jurisdiction under Section 3 read with Section 5 of the Act and in terms of the Order of the Ministry of Consumer Affairs, Food and Public Distribution,

1 **2008(6) ALT 538 (DB)**

Government of India GSR No.213(3) dated 20.03.2015, and in suppression of Andhra Pradehs State Public Distribution System (Control) Order, 2008, issued G.O.Ms.No.29 dated 19.08.2016 promulgating Control Order, 2016 where-under Clause 17(e) makes the purchase of rice supplied though PDS either from the card holder or the F.P. shop dealer or any other source, liable for criminal action and imposition of penalty as may be fixed by the competent authority. Therefore, the judgment of the Division Bench is not applicable to the cases, where the allegation of purchase of PDS rice from the card holders, is after introduction of Clause 17(e) to Control Order, 2016, and the said Judgment is applicable only to the cases, which fall prior to introduction of the said provision.

To sum up, it is to be seen that as held by the Division Bench (2 supra), 'rice' and 'paddy' are 'essential commodities' and though there is no requirement of obtaining license for restriction of movement of 'rice' and 'paddy', purchase of PDS rice from the card holder is made an offence under Clause 17(e) of the Control Order, 2016. Control Order, 2016 is promulgated by the Government of Telangana in exercise of power conferred under Section 3 read with Section 5 of the Act. As the allegation against petitioners is contravention of Clause 17(e) of the Control Order 2016, made under Section 3 of the Act, the rice is liable for seizure and confiscation under Section 6-A of the Act, after following the due procedure, and also liable for criminal action under Section 7 of the Act, which deals with penalties."….

9. The above-said case-law was referred in the Division Bench Judgment of the Hon'ble High Court for the State of Telangana in the case of **Guguloth Pandu Vs. The State of Telangana and others** in WA.No.451 of 2022, dt.21.07.2022 and held that 'rice' and 'paddy' are 'essential commodities' and confirmed the Order of the learned Single bench in W.P.No.809 of 2022, dt.06.01.2022. Being aggrieved thereby, Special Leave Petition (Civil) Diary No.9790 of 2024 was preferred against the Orders in WA.No.451 of 2022, dt.21.07.2022, and the same was dismissed by the Hon'ble Supreme Court by Orders dt.01.04.2024. In view of this settled legal position as discussed above, rice and paddy are essential commodities within the meaning of Section 2(a)(v) of the Essential commodities Act, 1955.

10. It is not in dispute that the first appellant herein filed Writ Petition vide WP.No.34101 of 2025 with a direction to the Respondents to forthwith release seized lorry bearing No.GJ 27 TG 0019 of the first appellant seized on dt.04.11.2025 on the ground that seized rice is not meant for Public Distribution System through fair price shops. The said WP.No.34101 of 2025 was disposed of vide Orders dt.11.11.2025, with a direction to the Respondents to release the petitioner's vehicle, i.e., Lorry bearing Registration No.GJ 27 TG 0019, subject to the Petitioner furnishing bank guarantee by way of fixed deposit for a sum of Rs.50,000/- (Rs.Fifty thousand only) in favour of the 2nd respondent and also furnishing undertaking that he will not alienate the subject vehicle or alter the nature or create any encumbrance on it. It was further directed by the Hon'ble High Court that the release of the vehicle shall be subject to the outcome of the confiscation proceedings under Section 6-A of the Essential Commodities Act, 1955. However, it is brought to the notice of this Court by way of counter in this appeal that the first appellant has not furnished third party surety, as per the Orders of the Hon'ble High Court.

11. It is also not in dispute that the 3rd appellant herein filed Writ Petition vide WP.No.34133 of 2025 on the file of Hon'ble High Court for the State of Telangana, with a relief to declare the seizure of rice and vehicle on dt.04.11.2025 done by the Deputy Tahsildar (CS), Zaheerabad Rural Division is illegal, arbitrary and without jurisdiction and consequently with a direction to the respondents to forthwith release the seized 600 bags (295.20 quintals) of rice to the Writ Petitioner and the said Writ Petition is pending on the file of Hon'ble High Court for the State of Telangana.

12. As per the impugned Order, the only charge framed by the learned District Collector is as follows:-

"Illegal transportation/storage/purchase of 295.20 Qunitals of PDS rice collected from the card holders and as well as mediators at low price, storing and selling to black market at higher prices for pecuniary profit by the respondents".

As per clause 17(e) of the Telangana State Public Distribution System (Control) Order, 2016 "*if any person is found to have purchased the rice supplied through PDS either from the cardholder or fair price shop dealer or any other source, he shall be liable for criminal action and imposition of penalty as may be fixed by the competent authority*." The learned counsel for appellants would contend that there is no legally admissible evidence on record to show that the appellants have purchased the PDS rice from card holders or Fair Price shop dealers or any other persons, and that there is also no mechanism under the Act or the Rules made thereunder to identify the PDS rice and therefore, the allegation is without any basis. In the case on hand, there is no authenticated evidence to prove that the seized rice is PDS rice said to have collected from the cardholders or fair price shop dealers or any other source. In order to prove that seized rice is PDS rice, the learned District Collector, Sangareddy relied upon Analysis Report given by Smt.G.Pravalika, Technical Assistant, Grade-III, TGSCSC Limited, Sangareddy. It is evident from her report that as sample contains 0.90% of FRK Kernels in Raw Rice – Grade A noticed, hence it might have been PDS rice. She is not sure whether the the seized rice sample is PDS rice or not. Merely basing on assumptions, she gave her opinion. There is no conclusive evidence submitted before the learned District Collector that the seized rice is PDS rice. Further, in batch of Writ petitions in the case of ***Desu Samrat Vs. The State of Telangana*** in W.P.No.23826 of 2009 & bath, decided on dt.24.12.2021, our Hon'ble High Court held as follows:-

"….***To sum up, it is to be seen that as held by the Division Bench (2 supra), 'rice' and 'paddy' are 'essential commodities' and though there is no requirement of obtaining license for doing business in rice and paddy, and there is also no restriction of movement of 'rice' and 'paddy', purchase of PDS rice from the card holder is made an offence under Clause 17(e) of the Control Order, 2016***…."

13. As discussed above, absolutely there is no authenticated evidence to prove that seized rice is PDS rice said to have collected from the cardholders or fair price shop dealers or any other source, in order to attract Clause 17(e) of the Control Order, 2016. Further, another important argument submitted by the learned counsel for appellants is that no notice was given to the appellants herein and without giving sufficient opportunity, the learned District Collector, Sangareddy passed impugned Order, which is liable to be set aside. Further, there is no evidence on record that notice under Section 6-B of the Essential Commodities Act, 1955 was served upon the appellants. It is settled law that notice under Section 6-B of the Act is mandatory. In the case of **Dommaraju Vinay Vs. The State of Andhra Pradesh**[2], it was held that statutory notice before confiscation of essential commodity is mandatory under Section 6B of the Essential Commodities Act. But in the case on hand, there is no compliance of such condition. Further, absolutely there is no evidence on record to prove that the seized rice is PDS rice. Further, no authenticated evidence is produced on behalf of the respondents authorities to prove that the rice was being transporting basing on the alleged fabricated e-way bill, as contended in Counter.

14. In view of my above discussion, this Court holds that the learned District Collector, Sangareddy erred in passing the Order without any authenticated evidence to prove that the seized rice is PDS rice and that the appellant has purchased the same from different ration card holders or fair shop dealers and selling the same in black market to others for higher prices to gain wrongfully. Hence, the impugned Order is liable to be set aside. Accordingly, the point in question is answered in favour of the appellants.

2 **2022 LiveLaw (AP) 50**

15. IN THE RESULT, this Criminal Appeal is allowed as follows:-

i) by setting aside the Order dt.06.12.2025 passed by the learned District Collector, Sangareddy in Essential Commodities Act in Case No.CSA/365/2025.

ii) The Respondent authorities are hereby directed to release the lorry bearing No.GJ 27 TG 0019 in favour of the first appellant herein under proper acknowledgment and receipt.

iii) The Respondent authorities are herein directed to release seized rice stock to the 3rd appellant herein under proper acknowledgment and receipt.

iv) If the rice is sold away in auction as per confiscation proceedings, the respondent authorities are hereby directed to return the sale proceeds to the 3rd appellant forthwith.

v) It is further directed to return the penalty amount of Rs.6,00,000/- (Rs.Six lakhs only) to the 1st appellant/owner of vehicle No.GJ 27 TG 0019, if such penalty amount is collected from him, as per the confiscation proceedings.

Typed to my dictation, corrected and pronounced by me in open Court on this the 20th day of July, 2026.

Sd/-
(Smt. K.Jayanthi)
I ADDL. DISTRICT & SESSIONS JUDGE
SANGAREDDY

APPENDIX OF EVIDENCE

WITNESSES EXAMINED FOR

APPELLANT	**RESPONDENTS**
NIL	NIL

EXHIBITS MARKED

APPELLANT	**RESPONDENTS**
NIL	NIL

Sd/-
(Smt. K.Jayanthi)
I ADDL. DISTRICT & SESSIONS JUDGE
SANGAREDDY