

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

RECORD OF PROCEEDINGS

CIVIL APPEAL NO(s). 8725 OF 2003

MODERN FOOD INDUSTRIES PATNA

Appellant (s)

VERSUS

UNION OF INDIA & ORS.

Respondent(s)

Date: 15/12/2005 This Appeal was called on for hearing today.

CORAM :

HON'BLE MRS. JUSTICE RUMA PAL

HON'BLE MR. JUSTICE B.N. SRIKRISHNA

For Appellant(s)

Mr. M.P.Jha,Adv.

Mr. Ram Ekbal Roy,adv.

Mr. H.Jha,adv.

Mr. Anil K. Chopra,Adv.

For Respondent(s)

Mr. R.Mohan, ASG.

Mrs. Indira Sawhney,Adv.

Mrs Anil Katiyar,Adv.

Mr.Gopal Singh,Adv.

Mr. B.B. Singh ,Adv

Mr. Manish Mohan,Adv.

Mr. B.M.Prasad,adv.

Ms. Anita Mohaan,Adv.

Mr. Ray Vikram Nath,adv.

Mr. Ugra Shankar Prasad ,Adv

Mr. Ajay K. Agrawal ,Adv

Ms. Alka Agrawal,adv.

Ms. Anamika Agrawal,adv.

UPON hearing counsel the Court made the following

O R D E R

The appeal is disposed of.

[SUMAN WADHWA]

[MADHU SAXENA]

COURT MASTER

COURT MASTER

Signed order is placed on the file.

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 8725 OF 2003

Modern Food Industries Patna .. Appellant

vs.

Union of India & Ors.

.. Respondent

O R D E R

On a writ petition filed by the respondent No.2 herein, by the impugned order the Court directed issuance of notice to the respondents. The appellant was the respondent No.11 in the writ petition. The complaint in the writ petition related to mishandling of public funds. The prayer was for the CBI to hold an enquiry in the matter in view of the Comptroller and Auditor General of India's report.

It appears from the impugned order that the High Court, without hearing the parties affected on the basis of the Comptroller and Auditor General's report, called

upon the CBI to enquire into the matter in detail, the manner in which funds had been mishandled and details of who were responsible for causing loss of public funds and grants, without the public funds benefiting the people for whom the funds were meant. We do not want to go into the merits of the order passed by the High Court. We are of the view that the High Court should not have passed an order virtually disposing of the writ petition at an interim stage without hearing the parties affected.

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We note that in the meanwhile the respondents have filed affidavits.

It is stated by learned counsel appearing on behalf of the State authorities that they had already initiated proceedings to hold an investigation into the matter. We make it clear that by vacating the order dated 17.1.2001, we do not intend nor do we in any way affect the State's power to initiate and continue with such investigation as it might in accordance with law. The impugned order is set aside to the extent it directs the CBI to investigate into the matter only on the ground that it was passed without hearing the appellant. The writ petition is still pending before the High Court. It is requested that the High Court may dispose of the matter as expeditiously as is conveniently possible.

The appeal is disposed of.

.....J.
(RUMA PAL)

.....J.
(B.N.SRIKRISHNA)

New Delhi;
December 15, 2005.