

Order of 12 July 2006

ITEM NO.4

COURT NO.5

SECTION PIL/XVI

SUPREME COURT OF INDIA
RECORD OF PROCEEDINGS

WRIT PETITION (C) NO(s). 196 OF 2001

PEOPLE'S UNION FOR CIVIL LIBERTIES

Petitioner(s)

VERSUS

UNION OF INDIA & ORS.

Respondent(s)

(With appln(s) for interim directions and directions and permission and permission to place addl. Documents on record and intervention and c/delay and modification of Court's order dated 07.10.2004 and ex-Parte stay and necessary directions)

WITH SLP(C) NO. 17906 of 2003

(With application for c/delay in filing SLP and permission to place addl. Documents on record and exemption from filing OT and directions and office report)

Date: 12/07/2006 This Petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE ARIJIT PASAYAT

HON'BLE MR. JUSTICE S.H. KAPADIA

For Petitioner(s) Mr. Colin Gonsalves, Sr.Adv.

Mr. Vipin M. Benjamin,Adv.

Ms. Poja Sharma,Adv.

Mr. Anup Srivastava,Adv.

Ms. Jyoti Mendiratta,Adv.

Mr. Praveen Jain,Adv.

For Respondent(s) Mr. T.S. Doabia, Sr.Adv.

Ms. Sunita Sharma,Adv.

Ms. Sandhya Goswami,Adv.

Mr. V.K. Verma,Adv.

Ms. Sushma Suri,Adv.

Mr. D.S. Mahra,Adv.

Dr. R.G. Padia, Sr.Adv.

Mr. T. Mahipal,Adv.

Mr. Pradeep Misra,Adv.

Mr. R.F. Nariman, Sr.Adv.

Mr. Ravindra K. Adsure,Adv.

Mr. Prabha Shankar Mishra, Sr.Adv.

Mr. Amit Pawan,Adv.

Mr. Irshad Ahmad,Adv.
Mr. Manjit Singh,Adv.
Mr. Harikesh Singh,Adv.
Mr. T.V. George,Adv.
Mr. Anil Shrivastav,Adv.
Ms. Hemantika Wahi,Adv.
Ms. Sadhana Sandhu,Adv.
Mr. Ashok Bhan,Adv.
Mr. S. Wasim A. Qadri,Adv.
Mrs. Anil Katiyar,Adv.
Mr. U. Hazarika,Adv.
Ms. Sumita Hazarika,Adv.
Ms. Pinky Anand,Adv.
Mr. Gopal Prasad,Adv.
Mr. Sarup Singh,Adv.
Mr. R.K. Pandey,Adv.
Mr. Arun K. Sinha,Adv.
Ms. A. Subhashini,Adv.
Ms. Sunita Sharma,Adv.
Mr. D.S. Mahra,Adv.
Mr. Tara Chandra Sharma,Adv.
Ms. Neelam Sharma,Adv.
Mr. Gopal Singh,Adv.
Mr. Ritu Raj Biswas,Adv.
Mr. Riku Sharma,Adv.
Mr. J.S. Attri,Adv.
Ms. Shivani Thakur,Adv.
Mr. A. Mariarputham,Adv.
Mrs. Aruna Mathur,Adv.
Ms. Mini N. Nair,Adv.

for M/s. Arputham Aruna & Co.

Mr. K.N. Madhusoodhanan,Adv.
Mr. R. Sathish,Adv.
Mr. Uday B. Dube,Adv.
Mr. Anand Grover,Adv.
Mr. Kuldip Singh,Adv.
Ms. Rachana Srivastava,Adv.
Ms. Suparna Srivastava,Adv.
Ms. Pooja Mattani,Adv.
Mr. Rajesh Srivastava,Adv.
Ms. Kamini Jaiswal,Adv.
Mrs. Shomila Bakshi,Adv.
Mrs. Rani Mishra,Adv.
Mr. Rajesh Tyagi,Adv.
Dr. Aparna Bhardwaj,Adv.
Mr. KH Nobin Singh,Adv.
Mr. V.G. Pragasam,Adv.
Mr. S. Vallinayagam,Adv.
Mr. Jana Kalyan Das,Adv.
Mr. Aruneshwar Gupta,Adv.
Mr. Anis Suhrawardy,Adv.

Mr. B.B. Singh,Adv.
Ms. Indra Sawhney,Adv.
Mr. R.K. Maheshwari,Adv.
Mr. R. Sathish,Adv.
Mr. S.V. Deshpande,Adv.
Mr. K.V. Mohan,Adv.
Mr. Ranjan Mukherjee,Adv.
Mr. V.G. Pragasam,Adv.
Mrs. D. Bharathi Reddy,Adv.
Mr. B.S. Banthia,Adv.
Mr. Mukesh K. Giri,Adv.
Mr. Ramesh Babu M.R.,Adv.
Mr. Prakash Shrivastava ,Adv.
Mr. Prashant Kumar,Adv.
Mr. Sanjay R. Hegde,Adv.
Mr. Vishwajit Singh,Adv.
Mr. Gopal Singh,Adv.

UPON hearing counsel the Court made the following

O R D E R

W.P.(C) NO.196 OF 2001

Delay condoned.

For intervention is allowed.

After having heard learned counsel for the parties, we find that there is practically no monitoring over the sums allotted for the Public Distribution System (in short PDS) by the Central Government, and its utilisation. The amount involved, we are told, is in the neighbourhood of Rupees Thirty Thousand Crores annually.

Certain suggestions have been given by Mr. Colin Gonsalves, learned senior counsel, as to the modalities to be adopted in such cases. At the present stage, we feel it would be necessary to constitute a Central Vigilance Committee, headed by a retired Judge of this Court to be assisted by Dr. M.C. Saxena, the Commissioner earlier appointed by this Court. We request Mr. Justice D.P. Wadhwa to head the Committee.

The Committee shall look into the maladies which are affecting the proper functioning of the system, and also suggest remedial measures. For this purpose, the Committee shall, amongst other things, focus on: -

- a) The mode of appointment of the dealers,
- b) The ideal commission or the rates payable to the dealers, and
 - c) Modalities as to how the Committees already in place, can function better.
 - d) Modes as to how there can be transparency in allotment of the food stock to be sold at the shops.

While dealing with the question of the mode of appointment, the Committee shall also suggest as to a transparent mode in the selection of the dealers. The Committee shall also indicate as to how more effective action can be taken on the report of the Vigilance Committees already appointed. It goes without saying that the same shall be in addition to the legal remedies available to any

citizen in setting law into motion. We request the Committee to give its report within a period of four months so that further instructions/directions can be given.

The Committee would invite suggestions from general public, organizations and would consider the suggestions, if any received, in the proper perspective.

We are giving this unusual direction in view of the almost accepted fact that large scale corruption is involved and there is hardly any remedial step taken to put an end to this. The ultimate victim is the poor citizen who is deprived of his legitimate entitlement of food grains. The Public Distribution System is intended to ensure that a citizen gets the food grains at a reasonable price keeping in view his economic standards.

The expenses including honorarium to the Chairman and the Member Convener and other financial involvements of the Committee shall be borne by the Food Ministry of the Central Government. The honorarium shall be same as the pay and allowances of a sitting Judge of this Court and a Joint Secretary of the Union of India. The necessary infrastructure shall be provided by the concerned Ministry within three weeks from today. This direction is initially given for the Government of Delhi to be followed on All India basis.

List the matter after the Report is filed.

I.A. NOS.34, 35, 40 AND 49

List on 27th July, 2006.

I.A. NOS.58 AND 59

Mr. Ravindra K. Adsure, learned counsel accepts notice on behalf of the State of Maharashtra. Response, if any, shall be filed before the next date of hearing, i.e., 27th July, 2006.

I.A. NOS.60 AND 61

Learned counsel for the State of Maharashtra waives notice. However, it is stated that an affidavit indicating the factual position shall be placed on record before the next date., i.e. 27th July, 2006.

S.L.P.(C) NO.17906 OF 2003

Delay condoned.

We find that the grievance made in this petition can be considered by the authorities in the light of orders to be passed in the connected matters, if occasion so arises. This special leave petition is, accordingly, disposed of.

(Neena Verma)
Court Master

(Vijay Aggarwal)
Court Master