

**HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

MONDAY, THE ELEVENTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY FOUR

PRESENT

**THE HONOURABLE THE CHIEF JUSTICE ALOK ARADHE
AND
THE HONOURABLE SRI JUSTICE J. SREENIVAS RAO**

WRIT APPEAL NO: 777 OF 2024

Writ Appeal under clause 15 of the Letters Patent Preferred Against the Order Dated 20/03/2024 in I.A.No.3 of 2024 and W.P.No.1060 of 2024 on the file of the High Court.

Between:

Telangana Oil Fed Aswaraopeta Zone Oil Palm Growers Society, (Regd.No. 168/2022) Rep. by its President Sri Uma Maheswara Reddy Thumburu S/o Pratap Reddy, Aged about 51 years, Occ. Agriculture R/o H.No. 2-82, Sadashivunipalem Village Sathupally Mandal, Khammam District – 507303.

.....APPELLANT/PETITIONER

AND

1. The State of Telangana, Rep. by its Principal Secretary, Agriculture and Cooperation Department 3rd Floor, Telangana Secretariat, Hyderabad - 500022.
2. The Commissioner of Horticulture Department Agriculture and Cooperation Department, 3rd Floor, Telangana Secretariat, Hyderabad - 500022.
3. Telangana State Cooperative Oilseeds Growers Federation Ltd, Rep. by its Managing Director 9th Floor, Parisrama Bhavan, Fateh Maidan Road Basheerbagh, Hyderabad - 500004.
4. District Collector, Khammam District, Integrated District Offices Complex Khammam, Telangana.
5. District Collector, Bhadradi Kothagudem District Integrated District Offices Complex Palvancha, Telangana.
6. District Agricultural Officer, Khammam District Khammam, Telangana.
7. District Horticulture and Sericulture Officer, Khammam District Khammam, Telangana.
8. The State of Telangana, Rep. by its Principal Secretary Home Department, Telangana Secretariat, Hyderabad - 500022.

9. Smt. Nandigamma Rajitha, W/o Suryaprakash, Age. Not known, Occ. Agriculture R/o Gopavaram Village, Near State Bank of India Complex Musunuru Mandal, Eluru District, Andhra Pradesh - 521207.

.....RESPONDENTS

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to allow the writ appeal by suspend the order dated 20/03/2024 in W.P.No.1060 of 2024.

Counsel for Appellant : SRI CH. SATYA SADHAN

**Counsel for Respondent Nos.1, 2, 6 & 7 : Ms. MOHANA REDDY,
GP FOR AGRICULTURE AND COOPERATION DEPARTMENT**

**Counsel for Respondent No.3 :
SRI R.N.HEMENDRANATH REDDY, SENIOR COUNSEL REPRESENTING
SRI LOHIT SANNAPANENI**

**Counsel for Respondent Nos.4 & 5 : SRI MURALIDHAR REDDY KATRAM,
G.P FOR REVENUE**

Counsel for Respondent No.8 : G.P FOR HOME

Counsel for Respondent No.9 : SRI NARAM NAGESWARA RAO

The Court made the following JUDGMENT : -

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

AND

THE HON'BLE SRI JUSTICE J.SREENIVAS RAO

WRIT APPEAL No.777 of 2024

JUDGMENT: *(Per the Hon'ble Sri Justice J. Sreenivas Rao)*

This intra court appeal has been filed by the appellant aggrieved by the order passed by the learned Single Judge in dismissing Writ Petition No.1060 of 2024 dated 20.03.2024.

2. Heard Mr. Ch. Satya Sadhan, learned counsel for the appellant, Ms. B. Mohana Reddy, learned Government Pleader for Agriculture and Cooperation Department for respondent Nos.1, 2 and 7, Mr. R.N.Hemendranath Reddy, learned senior counsel representing Mr. Lohit Sannapaneni, learned counsel for respondent No.3, Mr. Muralidhar Reddy Katram, learned Government Pleader for Revenue for respondent Nos.4 and 5 and Mr.Naram Nageswara Rao, learned counsel for respondent No.9.

3. **Brief facts of the case:**

3.1. The appellant is Telangana Oil Fed Aswaraopeta Zone Oil Palm Growers Society and it comprises of 1500 members, who are oil palm growers and farmers in Aswaraopeta zone jurisdiction of respondent No.3 Federation. It is averred that Section 11 of the Telangana Oil Palm (Regulation of Production and Processing) Act, 1993 (hereinafter referred to as 'the Act') mandates that where a particular area is declared as factory zone, the oil palm growers in that area shall supply the Fresh Fruit Bunches (FFBs) from oil palm plantations grown in that area only to the factory to whom the factory zone is attached and to none else. Respondent No.3 Federation has declared Aswaraopeta factory zone and specified Aswaraopeta and Apparaopeta factories belonging to itself and members of the appellant Society are supplying FFBs as per the criteria specified. Respondent No.3 Federation has paid an amount of Rs.32 Crores to respondent No 9 towards supply of around 32,000 MT of FFBs of oil palm during the period from January 2020 to October 2021 and the same is contrary to the provisions of

the Act. The appellant Society submitted a representation on 30.12.2021 to respondent No.1 to conduct enquiry and take appropriate action.

3.2. It is further averred that the appellant Society has submitted an application on 18.10.2023 under Right to Information Act, 2005, to furnish the copy of the audit report from respondent No.4 submitted by respondent No.5. In spite of the same, the respondent authorities have not furnished the same. At that stage, the appellant Society filed Writ Petition No.1060 of 2024.

3.3. Respondent No.3 filed counter-affidavit denying the averments made by the appellant Society *inter alia* contending that respondent No.3 Federation is a Cooperative Society registered under the provisions of the Telangana Cooperative Societies Act, 1964, namely, the Telangana State Cooperative Oilseeds Growers Federation Limited. As per the provisions of the Act, the State Government has declared an area as factory zone for the purpose of supply of oil palm FFBS grown in that zone to the factory to which that zone is

attached. The Act further provides that the occupier/owner of the factory has to pay the oil palm growers for the oil palm FFBs supplied to the factory in terms of minimum price as fixed by the State Government. It is stated that after bifurcation of erstwhile combined State of Andhra Pradesh into State of Andhra Pradesh and State of Telangana, the private oil palm companies situated in Andhra Pradesh have devised a malicious strategy to lure oil palm growers/farmers situated in border districts of Khammam and Bhadradi Kothagudem purchased oil palm FFBs from them in order to ensure that their factories operate at a full capacity with maximum output. It is further stated that respondent No.3 Federation on several occasions has requested the Andhra Pradesh Private Oil Palm Companies to stop their malicious and nefarious scheme by procuring oil palm FFBs from Telangana Oil Palm Growers/Farmers. In spite of the same, the Andhra Pradesh Private Oil Palm Companies continued to procure oil palm FFBs from oil palm growers/farmers situated in the border Districts and by virtue of the same, the State of Telangana operate at losses. Therefore,

respondent No.3 Federation has adopted a similar strategy to that of the Andhra Pradesh Private Oil Palm Companies and engaged few traders to procure oil palm FFBs from oil palm growers/farmers from border districts of Telangana as well as Andhra Pradesh, with a sole intention to prevent Andhra Pradesh Private Oil Palm Companies from procuring oil palm FFBs from the oil palm growers/farmers of Telangana and to help the oil palm factories that are managed by respondent No.3 Federation to run at their maximum efficiency. In that process, respondent No.3 Federation engaged respondent No.9 to procure oil palm FFBs from the oil palm growers/farmers of Andhra Pradesh, who were selling their oil palm FFBs to Andhra Pradesh Private Oil Palm Companies, to protect the interests and to prevent the oil palm factories situated in Telangana from running into losses because of non-availability of sufficient oil palm FFBs for their utilization and it was a pure commercial and business decision taken in response to the actions of the Andhra Pradesh Private Oil Companies and it no way affects the oil palm growers/farmers of Telganana. By virtue of counter

action measure of respondent No.3 Federation, the appellant Society did not cause any loss to any oil palm growers/farmers in Telangana, much less to the members of the appellant Society. The action of respondent No.3 engaging traders is no way caused loss to oil palm growers/farmers of Telangana, as their produce was being only indirectly procured by respondent No.3 Federation through the traders engaged by it, such as respondent No.9 for the Telangana Oil Palm Factories managed by it, thereby successfully preventing Andhra Pradesh Private Oil Palm Companies from engaging in cross border procurement of oil palm FFBs.

3.4. Learned Single Judge after considering the contentions of the respective parties dismissed the writ petition. Aggrieved by the same, the appellant Society filed the present writ appeal.

4. Submissions of learned counsel for the appellant Society:

4.1. Learned counsel for the appellant Society submitted only one ground that respondent No.3 Federation has

engaged the services of respondent No.9 to procure the oil palm FFBs from the State of Andhra Pradesh and paid amounts, which is contrary to the provisions of sub-section (2) of Section 11 of the Act and learned Single Judge without considering the same dismissed the writ petition.

5. Submissions of learned counsel for respondent No.3:

5.1. Learned senior counsel supported the impugned order passed by the learned Single Judge.

Analysis:

6. This Court considered the rival submissions made by the respective parties and perused the material available on record. The main grievance of the appellant Society is that respondent No.3 engaged respondent No.9 to procure oil palm FFBs, which is contrary to the provisions of sub-section (2) of Section 11 of the Act and paid substantial amount and the official respondents have not taken any action, in spite of repeated representations made by the appellant Society. Whereas, the contention of the learned senior counsel for

respondent No.3 that as per the provisions of the Act, the State Government declared particular areas as factory zone for the purpose of supply of fresh oil palm FFBs grown in that area zone to the factory to which that zone is attached and the occupier/owner of the factory has to pay the oil palm growers for the oil palm FFBs supplied to the factory in terms of minimum price as fixed by the State Government and after bifurcation of the combined State of Andhra Pradesh into State of Andhra Pradesh and the State of Telangana, the private oil palm companies situated in Andhra Pradesh have devised a malicious strategy to lure oil palm growers/farmers situated in the border Districts of Khammam and Bhadrachalam and purchased oil palm FFBs from them in order to ensure that their factories operate at a full capacity with maximum output. The Andhra Pradesh Private Oil Palm Companies engaged few traders to collect oil palm FFBs from the oil palm growers/farmers in the State of Telangana by paying the traders some additional amount, transportation charges, payment for moisture loss during transit, etc., and due to the

same, the factories of respondent No.3 Federation has sustained huge loss and in spite of repeated requests made by respondent No.3, the Andhra Pradesh Private Oil Palm Companies have not stopped their malicious and nefarious scheme of procuring oil palm FFBs from Telangana Oil Palm Growers/Farmers. Accordingly, respondent No.3 Federation has taken a similar strategy adopted by the Andhra Pradesh Private Oil Palm Companies and engaged few traders including respondent No.9 to procure oil palm FFBs from the border districts of Telangana and Andhra Pradesh with a sole intention to help the oil palm factories that are managed by respondent No.3 Federation to run at their maximum efficiency.

7. It is pertinent to mention herein that the appellant Society has not made any allegation that the notified factories of respondent No.3 are not purchasing the oil palm FFBs from the members of the appellant Society nor paying the price as fixed by the Government.

8. Insofar as the other allegation of the appellant Society that respondent No.3 Federation has not filed audit report in spite of submitting representation dated 18.10.2023 under Right to Information Act, 2005, and filed I.A.No.3 of 2024 in Writ Petition No.1060 of 2024 is concerned, the appellant Society is having remedy of filing appeal under the provisions of the said Act and the learned Single Judge has rightly dismissed the said application.

9. The claim of the appellant Society is that though they submitted representation on 30.12.2011 stating that respondent No.3 Federation paid huge amount of Rs.32 Crores to respondent No.9 for supply of 32,000 MT of oil palm FFBs between January 2020 and October 2021, the official respondents have not taken any action. It is pertinent to mention here that the appellant Society filed Writ Petition in the month of January, 2024 questioning the action of the respondents in not taking action pertaining to the transaction period 2020-2021 and the appellant Society has not explained any reason for the delay of more than three years in filing the Writ Petition.

10. The appellant Society has not pleaded that respondent No.3 Federation failed to buy the oil palm FFBs from the growers in the factory zone as per the price fixed by the State Government. It is pertinent to mention here that respondent No.3 specifically admitted that the notified factories are purchasing the oil palm FFBs from the growers and paying the amounts in terms of minimum price as fixed by the State Government and respondent No.3 Federation has engaged the services of respondent No.9 to procure the oil palm FFBs from the oil palm growers/farmers of Telangana, who were selling their oil palm FFBs to the Andhra Pradesh Private Oil Palm Companies, only to protect the interest and to prevent the oil palm factories situated in Telangana from running into losses because of non-availability of sufficient oil palm FFBs for their utilization. Hence, this Court does not find any ground to interfere with the impugned order passed by the learned Single Judge while exercising the powers conferred under Section 15 of the Letter Patent.

11. For the foregoing reasons, the writ appeal is dismissed without costs.

Miscellaneous applications pending, if any, shall stand closed.

Sd/- K. SHYLESHI
DEPUTY REGISTRAR

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SECTION OFFICER /

To

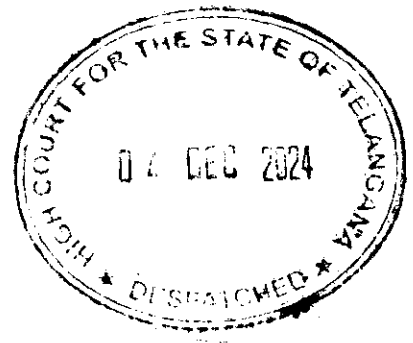
1. One CC to SRI CH.SATYA SADHAN, Advocate [OPUC]
2. Two CCs to Ms. MOHANA REDDY, GP for Agriculture and Cooperation Department, High Court for the State of Telangana at Hyderabad. [OUT]
3. One CC to SRI LOHIT SANNAPANENI, Advocate (OPUC)
4. Two CCs to SRI MURALIDHAR REDDY KATRAM, G.P for REVENUE, High Court for the State of Telangana at Hyderabad. [OUT]
5. Two CCs to GP for HOME, High Court for the State of Telangana at Hyderabad. [OUT]
6. One CC to SRI NARAM NAGESWARA RAO, Advocate (OPUC)
7. Two CD Copies

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HIGH COURT

DATED:11/11/2024



JUDGMENT

WA.No.777 of 2024

**DISMISSING THE W.A.
WITHOUT COSTS.**

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