

File No.: R-11017/07 (3-27)2025-OMB/CRCS
Office of Cooperative Ombudsman
Ministry of Cooperation
Government of India

9th Floor, Tower-E, World Trade Centre,
Nauroji Nagar, Delhi-110029
22nd April 2025

**Hearing in the matter of Shri Rakesh Gupta Vs. Kendriya Bhandar before the
Cooperative Ombudsman**

Shri Rakesh Gupta

Complainant

Kendriya Bhandar

Respondent

ORDER

Shri Rakesh Gupta (Complainant/Appellant), after restoration of his membership by Hon'ble High Court of Delhi vide its order dated 11th December 2024, has filed a number of complaints/appeals before the Cooperative Ombudsman against Kendriya Bhandar, as detailed hereunder:

1. Appellant in his appeal dated 28th January 2025 against Kendriya Bhandar has stated that he vide his notice of 28th December 2024 under Section 106 of the MSCS Act 2002, has sought details from the Society regarding total value of rice exports to Bangladesh and profits earned in 2023; tenders of over ₹100 Crore bagged by different regions of the Society during the last three years, policies on minimum profit margins for high-value tenders; whether regional offices require Board clearance to participate in such tenders, action taken against them for failure in obtaining clearance; agreement with Veterans India on Kendriya Bhandar store franchises for ex-servicemen, commission paid; amounts recoverable from ex-servicemen franchisees; and details of ex-servicemen, who joined Kendriya Bhandar in 2012-13 and various allowances paid to them.

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2. Appellant in his appeal dated 10th February 2025 against the Society, has stated that he vide his notice dated 07th January 2025, under section 106 of MSCS Act, 2002, has asked for details of tenders invited and terms & conditions for engagement of advocates/ Senior advocates/ law firms; names, addresses of those engaged, details of cases defended in various courts and fees paid to them.
3. Complainant in his complaint dated 10th January 2025 against the Society has stated that he vide notice dated 13th December 2024 under Section 108 of the MSCS Act, 2002 has requested for details regarding the 'Bharat Atta' including the quantity of wheat allocated under the Open Market Sale Scheme and its sale under the 'Bharat Atta' brand during Phase-I, copies of agreements with e-commerce and retail partners, as well as names and details of millers, retailers, and organizations that responded to Kendriya Bhandar's circular along with inspections reports, data of sale through retail stores and mobile vans, selection criteria etc.
4. Complainant in his complaint dated 13th January 2025 against the Society has stated that he vide his notice dated 14th December 2024, made under section 108 of MSCS Act 2002, has sought from the Society complete details of 'specified bank notes' deposited in bank and exchanged for sale made during November 2016 to December 2016 by their retail consumer & grocery store, Netaji Nagar, Delhi.
5. Complainant in his complaint dated 13th January 2025 has stated that he vide his notice dated 14th December 2024, made under section 108 of the MSCS Act 2002, has sought from the Society details of terms & conditions for allotment of 'Bharat Atta' wheat in Phase – I to M/s Tirupati Food Products; agreement/contract/capacity etc. of the firm.
6. Complainant in his complaint dated 13th January 2025 has stated that he vide his notice dated 15th December 2024, made under section 108 of the MSCS Act 2002, has sought from the Society details of terms & conditions for allotment of 'Bharat Atta' wheat in Phase – I to M/s Vidya Flour Mill ; agreement/contract/capacity etc. of the firm.




7. Complainant in his complaint dated 13th January 2025 has stated that vide his notice dated 13th December 2024 under section 108 of MSCS Act, 2002 has sought from the Society details of quantum of chana whole lifted by the Society, their authorised millers/agents/representatives etc. from godowns of FCI under Phase – II of 'Bharat Chana Dal', mills selected for milling 'whole chana' into 'chana dal', selection criteria, operational capacity of each miller, sale by the Society through its retail stores, mobile vans and regional offices in various states.
8. Complainant in his complaint dated 13th January 2025 has stated that he vide his notice dated 13th December 2024, made under section 108 of MSCS Act, 2002 has sought from the Society details of recruitment for the post of Deputy Manager along with details of total regular employees and hired employees, sourcing agencies working in Kendriya Bhandar and also total number of sweet boxes purchased for distribution on Diwali in 2024 with bill & relevant details.
9. Complainant in his complaint dated 20th January 2025 has stated that he vide his notice dated 14th December 2024, made under section 108 of the MSCS Act 2002, has sought from the Society various information, including copies of the resignations submitted by two officials of Kendriya Bhandar in the light of directives of the Department of Telecommunications (DoT); details of remuneration paid to the directors and chairman to attend meetings; remuneration and other facilities/ gifts etc. provided to delegates to attend Annual General Body Meeting; details of steps taken to conduct elections to fill up the vacant posts of chairperson, two directors and two delegates; copies of the agenda and minutes of the Board and Executive Meetings held during last three years, etc.
10. Complainant in his complaint dated 20th January 2025 has stated that he vide his notice dated 18th December 2024, made under section 108 of MSCS Act, 2002, has sought from the Society details of 'Bharat Dal' allocated to & sold by their retail stores and through mobile vans in Delhi under Phase-II both through digital & cash payment modes along with details of mobile vans & tenders etc. He also inquired whether proper bills have been issued to customers, if so, details thereof along with a sample of said bills.



11. Complainant in his complaint dated 20th January 2025 has stated that he vide notice dated 04th January 2025, made under section 108 of MSCS Act, 2002, has sought CCTV footage of 01st January 2025 of Kendriya Bhandar's Head Office, covering entrance & exit gates, from time of arrival to departure of Shri Pawan Kumar-ex-chairman and copy of gate pass issued to him for entering in the premises of the Society.
12. Complainant in his complaint dated 20th January 2025 has stated that he vide his notice dated 18th December 2025, made under section 108 of MSCS Act 2002, has requested the Society to provide him copy of the balance sheet with annexures; bifurcation of miscellaneous expenses shown in the balance sheet for the year 2023-24, details of expenses incurred on conducting Board and Executive Committee meetings held during 2018-19 to 2022-23 etc.
13. Complainant in his complaint dated 21st January 2025 has stated that he vide his notice dated 21st December 2024, made under section 108 of MSCS Act, 2002, has asked the Society to provide him copies of the Standard Operating Procedure for 'Bharat Rice' (Phase-I) issued by the government to Kendriya Bhandar; directions issued by their board of directors in pursuance of SOP; agreements/contracts signed with e-commerce/retail networks for selling 'Bharat Rice'; quantum of rice sold by Society's retail stores & mobile vans in various states, details of 'Bharat Rice' allocated to M/s Vidya Food & Feed Mill and M/s Tirupati Food Products along with other details of these firms.
14. Complainant in his complaint dated 23rd January 2025 has stated that he vide his notice dated 05th January 2025, made under section 108 of MSCS Act, 2002, has sought from the Society details of sugar companies from which the Society had been purchasing sugar during last five years together with year wise details and reasons for not procuring bulk sugar through open tender etc.
15. Complainant in his complaint dated 01st February 2025 has stated that he vide his notice dated 16th January 2025, made under section 108 of MSCS Act, 2002 has sought from the Society information regarding handling of wheat by various millers under 'Bharat Atta' scheme, quantity of Bharat Atta purchased between 01st December 2023 to 15th January 2025 by their retail outlets in Delhi/New Delhi and storage capacity of each store.

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16. Complainant in his complaint dated 01st February 2025 has stated that he vide his notice dated 13th January 2025, made under section 108 of MSCS Act, 2002 has sought from the Society details of ex-servicemen appointed in Kendriya Bhandar as Asst. Secretary during 2011-12 and 2012-13, to whom an amount of Rs.86000/- had been paid towards conveyance, transportation, packing allowance etc.
17. Complainant in his complaint dated 10th February 2025 has stated that he vide his notice dated 14th January 2025, made under Section 108 of the MSCS Act, 2002, has sought from the Society copies of directions issued by DOPT to initiate process for filling post of Managing Director on regular basis; order regarding formation of committee to examine recommendations of the Special Audit Report along with complete file; details of duties and functions assigned to consultant (O&D) along with other information pertaining to him, names & addresses of advocates/senior advocates/law firms engaged by Kendriya Bhandar along with details of tenders invited for their empanelment, terms & conditions and court cases defended by the Society in different courts..
18. Complainant in his complaint dated 10th February 2025 has stated that he vide his notice dated 14th January 2025, made under section 108 of MSCS Act, 2002 has sought from the Society details of fees paid to the advocates/senior advocates/law firm by the Society during last three years and details of travel expenses of Consultant (O&D).
19. Complainant in his complaint dated 17th February 2025 has stated that he vide his notice dated 27th January 2025, made under section 108 of MSCS Act, 2002 has sought from the Society details of quantity of wheat purchased by Kendriya Bhandar from Food Corporation of India for Bharat Atta on reserve price of Rs.2150/- per quintal along with various other details thereof.
20. Complainant in his complaint dated 17th February 2025 has stated that he vide his notice dated 26th January 2025, made under section 108 of MSCS Act, 2002 has sought from the Society details of millers, who lifted wheat from FCI godowns during 01st July 2024 to 25th January.2025 for milling and quantum of wheat lifted by each miller along with details of Bharat Atta sold by Kendriya Bhandar @Rs.300/- per 10 kg bag.



21. Complainant in his complaint dated 17th February 2025 has stated that he vide his notice dated 24th January 2025, made under section 108 of MSCS Act, 2002 has sought date wise details of Society's retail stores, which have purchased Bharat Atta @ Rs.400/- and more besides some other information including details of 10 kg Bharat Atta bags supplied to Kendriya Bhandar by M/s Tirupati Food Products, M/s Vidya Flour Mill and M/s Yash Enterprises.
22. Complainant in his complaint dated 17th February 2025 has stated that he vide his notice dated 13th January 2025, made under section 108 of MSCS Act, 2002 has sought from the Society information of the total value of 1 Lakh tonnes of non-basmati par-boiled rice to Government of Bangladesh & quantum of profit earned, tenders bagged during last three years by different regional centres, copy of agreement between the Society and Veterans India for opening of Kendriya Bhandar stores by ex-servicemen & commission paid and money to be recovered from such ex-servicemen.
23. Complainant in his complaint dated 29th March 2025, received via email, has stated that he vide his notice dated 18th February 2025, made under section 108 of MSCS Act, 2002, has asked the Society to provide copies of appointment letter issued to Shri Mukesh Kumar by Kendriya Bhandar, application filed by him for claiming conveyance, transportation of baggage, packing allowance etc. from Assam to Delhi together with enclosures, bank statement showing payment of about Rs.86000/- to him.
24. Complainant in his complaint dated 29th March 2025, received through email, has stated that he vide his notice dated 09th March 2025, made under section 108 of MSCS Act, 2002, has asked the Society to provide details of 'Bharat Atta' purchased & sold during last ten days along with copies of 'store issue notes', CCTV footage of Pushpa Bhawan Retail Store, report of Pushpa Bhawan Retail Store's inspection conducted on 06-07th March, 2025 and action taken by Society's management to prevent alleged malpractices in purchase & sale of Bharat Atta.
25. Shri Rakesh Gupta in his complaints/appeals to the Cooperative Ombudsman has also informed that the Society has refused to provide any information on his above requests and in their reply to him, have cited following reasons for not giving the information:



- (i) General Body is the ultimate authority as per section 38 (2) of MSCS Act 2002 and the General Body in its meeting held on 29th September 2024 has unanimously and categorically resolved and directed management that there is no need to reply to his email/correspondence and there is no need to succumb to his pressure tactics.
- (ii) In accordance with the Information Technology (Amendment) Act, 2023, no information, personal and commercial, can be given to any person whosoever without the consent of the Data Principal unless it is exempted by the said act.
- (iii) Hon'ble Supreme Court in its judgement, dated 13th November 2019 in Civil Appeal No. 10044 of 2010 has categorically held that personal information of any individual cannot be shared with third party.
- (iv) Complainant is a regular employee of government of NCT of Delhi and has been creating nuisance deliberately and interfering in day-to-day affairs of the Society with mala fide intentions.

26. Following the refusal by the respondent Society to provide any information to him, complainant filed complaints/ appeals before Cooperative Ombudsman against the Society.

27. Notices were issued by the office of Cooperative Ombudsman to Kendriya Bhandar seeking their response to complaints/appeals.

28. In response to notices issued by the office of the Cooperative Ombudsman, respondent Society has justified their action for not supplying information to the complainant and have reiterated reasons given to Shri Rakesh Gupta, complainant, for not providing information as detailed in para 25 (i) to (iv) of this order.

Further, the respondent Society has also stated that the question of supplying/inspecting/furnishing of information/documents to Shri Rakesh Gupta is sub-judice in the Hon'ble High Court of Delhi in Civil Writ Petition No. 14629 of 2021. They have sought dismissal of complaints on this ground alone.



29. The complainant and respondent were summoned for a hearing on 03rd March 2025 on the limited issue as to whether providing information to the complainant is sub judice or not. Shri Rakesh Gupta, complainant and Shri K. K. Sharma Consultant - (O&D) from the respondent Society attended the hearing. Shri K.K. Sharma presented an authority letter dated 01st March 2025 from the chairman to represent the Society in the hearing.

30. Complainant stated that in view of order dated 11th December 2024 of Hon'ble High Court of Delhi, his membership of Kendriya Bhandar is not under suspension and he as a member has a statutory right to inspect books of accounts. Shri K. K. Sharma -Consultant (O&D) – submitted on behalf of the respondent Society that Shri Rakesh Gupta has filed Writ Petition no.14629 of 2021 in the High Court of Delhi, wherein question of supplying/inspecting/furnishing of information/documents to Shri Rakesh Gupta is sub-judice.

Both parties also submitted their written submissions dated 03rd March 2025 in the matter.

31. On perusal of facts and available records, following aspects emerge:

- (i) Shri Rakesh Gupta, complainant, has filed a series of complaints/appeals against Kendriya Bhandar under section 108 and 106 respectively of MSCS Act, 2002.
- (ii) Complainant/appellant in his complaints/appeals has stated that Hon'ble High Court of Delhi vide its order dated 11th December 2024 has terminated suspension of his membership and complainant being a member of Kendriya Bhandar has a statutory right to inspect its books of accounts etc. in terms of section 108 of MSCS Act, 2002.
- (iii) As per provisions of the MSCS Act, 2002, it is mandatory that a Multi-State Cooperative Society shall produce all such books of account and other books and papers etc. for the inspection by its members.

Multi State Cooperative Society is bound to function in accordance with provisions of MSCS Act, 2002 & Rules thereunder and bye laws of the society.



- (iv) Respondent Society has stonewalled providing information to the applicant citing a resolution of its General Body, reliance on provisions of IT (Amendment) Act, 2023, etc.
- (v) Hon'ble High Court of Delhi vide Order dated 11th December 2024 has restored membership of Shri Rakesh Gupta. However, the issue of providing information under section 108 of the MSCS Act, in an earlier matter, filed before the Hon'ble High Court of Delhi through Writ Petition No.14629/2021 is still pending.
- (vi) Pursuant to the provisions outlined in Rule 30G (2)(a) of MSCS Rules, 2002, no complaint shall be filed, nor shall any appeal be preferred to the Cooperative Ombudsman on an issue that has been or is currently the subject of any proceeding, appeal, revision, reference, or writ before any Authority, Tribunal, Court, or the Central Registrar.

32. After due consideration of the documents submitted, representations made and the relevant provisions of law, the matter is hereby disposed off as follows:

- (i) Issue of providing information under section 108 of MSCS Act, 2002 is pending before Hon'ble High Court of Delhi for adjudication in Writ Petition (Civil) No.14629/2021 and hence the matter is sub judice.
- (ii) Therefore, complaints/appeals of Shri Rakesh Gupta cannot be considered at this stage.




(Alok Agarwal)
Cooperative Ombudsman

Copy to:

1. Shri Rakesh Gupta, Sector - 8/1246, R.K. Puram, New Delhi- 110 022
2. Chairman, (Kendriya Bhandar, E-Wing, First Floor, Pushpa Bhawan, Madan Giri Road, New Delhi – 110 062