IN THE HIGH COURT OF KARNATAKA AT BENGALURU DATED THIS THE 25TH DAY OF OCTOBER, 2024 BEFORE

THE HON'BLE MR. JUSTICE K. V. ARAVIND WRIT PETITION No. 31329/2017(GM-RES)

BETWEEN:

- 1. M/S KARNATAKA STATE CERTIFIED SEED PRODUCERS' ASSOCIATION (R) (KARNATAKA RAJYA PRAMANITA BEEJOTPADAKARA FORUM(R)) HAVING ITS OFFICE AT 118/1C, 34 &39, M.C. COMPLEX, 1ST FLOOR, 2ND CROSS, B.T. LAYOUT, DAVANAGERE 577001. REPRESENTED BY ITS PRESIDENT DR. S. CHANDRASHEKARAPPA, AGED 78 YEARS, S/O S. MAHESHWARAPPA.
- 2. M/S AGRO SEEDS CORPORATION, PROPRIETARY CONCERN, REPTD. BY ITS PROPRIETOR, DR. S. CHANDRASHEKARAPPA, AGED 78 YEARS, S/O S. MAHESHWARAPPA No.118/C, 34 & 39, M.C. COMPLEX, 1ST FLOOR, 2ND CROSS, B.T. LAYOUT, DAVANAGERE 577001.
- 3. M/S PRAGATHI SEEDS DEVELOPMENT CORPORATION, PROPRIETARY CONCERN, REPTD. BY PROPRIETOR, SRI. NAGARAJ.S.C., AGED 38 YEARS, S/O S. CHANDRASHEKARAPPA, No.619, M.C. LAYOUT, NEAR BETHURU HALLA BRIDGE,

JAGALURU ROAD, DAVANAGERE 577001.

- 4. M/S SHEKAR AGRO INDUSTRIES, REGD. PARTNERSHIP FIRM, REPTD. BY ITS AUTHORIZED PARTNER, SRI. M.K. CHANDRASHEKARAPPA, AGED 66 YEARS, S/O M.K. SHIVALINGAPPA No.2, GODOWN OLD DC OFFICE, NEAR WHOLESALE VEGETABLE MARKET, DAVANAGERE 577002.
- 5. M/S PANCHAMI SEEDS CORPORATION, REGD. PARTNERSHIP FIRM, REPTD. BY ITS AUTHORIZED PARTNER, SRI. S.K. SHAMBHULINGAPPA, AGED 42 YEARS, S/O LATE SHIVAPPA, No.110/104C, BEHIND LIC OFFICE, K.R. ROAD, DAVANAGERE 577001.
- 6. M/S PARAMANANDA SEEDS INDUSTRIES PROPRIETARY CONCERN, REPTD. BY PROPRIETOR, SRI. M. DODDAPPA, AGED 55 YEARS, S/O MALLAPPA PLOT No.28, ANAGHAWADI INDUSTRIAL AREA, HARIHARA, DAVANAGERE 577601.
- 7. M/S SANGAM SEEDS CORPORATION, PROPRIETARY CONCERN, REPTD. BY PROPRIETOR, SRI. SRINIVASA RAO YERAMATI, AGED 40 YEARS, S/O PAPA RAO YERAMATI, MAGANAHALLI KODI CAMP, DAVANAGERE 577589.

- 8. M/S SUMANAHA AGRITECH SERVICES, PROPRIETARY CONCERN, REPTD. BY PROPRIETOR, SRI. MALLIKARJUN D. MATH, AGED 50 YEARS, S/O DUNDAYYA V. MATH No.697/20, K.R. ROAD, DAVANAGERE 577001.
- 9. M/S SIMHADRI AGRO SEEDS
 PROPRIETARY CONCERN,
 REPTD. BY PROPRIETOR,
 SRI. K.S. SREEDHARA MURTHY,
 AGED 50 YEARS,
 S/O LATE SHIVANNA,
 No.149, SIRAPURAM NARAYANAPPA,
 NEAR KOTE TEMLPLE,
 MAZID ROAD, K.R. PURAM,
 BENGALURU 560 036.
- 10 . M/S VENKATESHWARA HYBRID SEEDS, PROPRIETARY CONCERN, REPTD. BY PROPRIETOR, SRI. R. VENKATESH, AGED 54 YEARS, S/O SRI. RUDREGOWDA, No.188/1, RAMA VILAS ROAD, MYSORE 570024. MYSORE DISTRICT.

...PETITIONERS

(BY SRI R. S. HEGDE, ADVOCATE)

AND:

1. THE STATE OF KARNATAKA, REP. BY ITS SECRETRY TO GOVERNMENT, DEPARTMENT OF AGRICULTURE, GOVERNMENT OF KARNATAKA, M.S. BUILDINGS, DR. AMBEDKAR ROAD, BENGALURU 560 001.

- 2. THE COMMISSIONER OF AGRICULTURE DEPARTMENT OF AGRICULTURE, GOVERNMENT OF KARNATAKA, SESHADRI ROAD, BENGALURU 560 001.
- 3. THE DIRECTOR OF AGRICUTURE, DEPARTMENT OF AGRICULTURE, GOVERNMENT OF KARNATAKA, SESHADRI ROAD, BENGALURU 560 001.

...RESPONDENTS

(BY SRI S.H. RAGHAVENDRA, AGA)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE IMPUGNED GOVERNMENT ORDER DATED 22.3.2017 VIDE ANNEXURE-F ISSUED BY R-1. DIRECT THE RESPONDENTS TO FOLLOW THE PROCEDURE CONTEMPLATED UNDER CHAPTER II OF KARNATAKA TRANSPARENCY IN PUBLIC PROCUREMENTS ACT, 1999 [KARNATAKA ACT No.29 OF 2000), INVITING TENDERS BY ISSUANCE OF TENDER NOTIFICATIONS FOR PROCUREMENT OF ALL KINDS OF CERTIFIED SEEDS AND TRUTHFULLY LABELED SEEDS [TL SEEDS] FOR THE REQUIREMENT OF RESPONDENTS.

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED FOR ORDERS, COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT PRONOUNCED THE FOLLOWING:

- 5 -

CORAM: HON'BLE MR. JUSTICE K. V. ARAVIND

C.A.V. ORDER

Heard Sri R S Hegde, learned counsel for the petitioners and Sri S H Raghavendra, learned Additional Government Advocate for the respondents.

- 2. The instant writ petition challenging the Government Order No.Kra.E.110.Kra.Ra.Go 2016, Bengaluru, dated 22.03.2017 Annexure F.
- 3. Petitioner No.1 is a registered association having registered private seed purchasers/suppliers in the State of Karnataka as its members dealing with certified and truthfully labelled seeds (TL seeds). It is pleaded that petitioner No.1-Association has 111 members. Petitioner Nos.2 to 10 are proprietary/partnership concerns carrying on business in seed purchasers and dealers.
- 4. Sri R S Hegde, learned counsel for the petitioners, would submit that the impugned Government order exempting applicability of the Karnataka Transparency in Public Procurements Act, 1999 (for short, 'Act of 1999') on procurement of TL seeds from government agencies is illegal.

- 4.1 He would submit that the petitioners are in the business of production, processing and marketing of TL seeds with the necessary license. He further stated that the production, processing, and marketing of TL seeds would involve huge investments at various stages. The decision of the respondents to purchase TL seeds only from government agencies is not only illegal but would also deprive the petitioners of carrying on their business.
- 4.2 Learned counsel would submit that the Government agencies lack the competence to supply the required TL seeds for agricultural cultivation. Due to this, there would be a significant shortage of TL seeds, which would not only hamper agricultural activities but also deprive the farmers of timely supply and cultivation.
- 5. Sri S H Raghavendra, learned Additional Government Advocate appearing for the respondents, submits that the impugned order was issued with a larger object of supplying quality seeds on a timely basis and with a affordable price to the farmers. He submits that as the supply of TL seeds is to be achieved within a short period during the monsoon season, the agricultural department has to maintain a sufficient stock of the seeds. The entire decision to exempt the application of the Act

of 1999 is in the larger interest of the farmers and not with any commercial interest.

- 5.1 Learned Additional Government Advocate further submits that a total 15.73 lakh quintals of seeds are required. The Memorandum of Understanding (MoU) with the Government undertakings for supply of TL seeds is only to supply 6.93 lakh quintals and 8.08 lakh quintals are open for tendering and sales. In this process, the petitioners would be entitled to compete, providing them with a fair opportunity to participate in the procurement of TL seeds of the required quantity.
- 6. Considered the submissions of learned counsel on both sides and perused the writ petition papers.
- 7. The impugned order is dated 22.03.2017. The Government order exempting applicability of the Act of 1999 as per Section 4(g) is for three years. The effect of Government order has exhausted if self due to the efflux of time. The grievance raised in this petition is rendered infructuous.
- 8. Learned counsel for the petitioners, in the course of the hearing, vehemently contended that similar Government orders are being issued time and again immediately after the expiry of the period. Due to such a reissue, the petitioners continued to

be deprived of fair opportunities to participate in procuring TL seeds of the required quantity. Learned counsel prays to adjudicate the legality of the impugned Government order.

- 9. The perusal of the preamble and the reasons for issuing Government orders are fourfold,
 - i) to supply quality certified seeds,
 - ii) timely supply and to meet the demand,
 - iii) price control, and
 - iv) to maintain coordination with the Government agencies to ensure sufficient stock is maintained.
- 10. Testing the above reasons on the correctness of invoking Section 4(g) of the Act of 1999, the decision in the Government Order dated 22.03.2027 cannot be held to be arbitrary or biased. There is no doubt that the petitioners would be entitled to carry on free trade and to compete in the business. However, while considering the petitioners' right to carry on the business, the object/purpose sought to be achieved through the Government order needs preference. The steps taken by the Government to supply quality seeds for a reasonable price in a time-bound manner would prevail over the rights of the petitioners to carry on their business.

- 11. The petitioners' huge investments in the business are of little consequence if compared with the reasons in the impugned order.
- The Court is not inclined to find fault with the Government 12. order having regard to the grounds urged by the petitioners. The primary ground of the petitioners is huge investments, lack of business opportunities and incompetence of the State to meet the demand of TL seeds. The above aspect is dealt with by the State in its statement of objections. It is stated that the total quantity of seeds of different crops required in the State is 15.73 lakh guintals. Out of the total required, MoU is entered with the Government agencies for supply of 6.93 lakh guintals of seeds and the balance of 8.08 lakh quintals of seeds is open for tendering and the petitioners are entitled to participate in the tender process. It is further stated that the total area registered for certification of seeds is 18188.4 hectares. The private seed agencies have only 4008.4 Hectares and the remaining 14180.00 Hectares are with the Government agencies. This figure would dispel the petitioners' contention on the competence of state agencies in producing and supplying certified seeds.

13. Having regard to the object and the reasons stated in the Government Order to achieve the qualitative, quantitative and affordable certified seeds and the object of attaining timely supply of seeds to the farmers, the Court is not convinced to hold that the exemption as provided in the Government Order is impermissible in law.

14. In the backdrop of the above facts and the reasoning, the Court is not inclined to entertain the petition. Accordingly, writ petition is dismissed.

In view of the disposal of the main petition, pending interlocutory applications, if any, stand disposed of as not surviving.

Sd/-(K. V. ARAVIND) JUDGE

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