IN THE HIGH COURT FOR THE STATE OF TELANGANA THE HON'BLE MR. JUSTICE ALOK ARADHE , THE HON'BLE MR. JUSTICE ANIL KUMAR JUKANTI

WP NO. 34708 OF 2012 & WP NO. 36673 OF 2012 & WP NO. 39793 OF 2012 & WP NO. 5397 OF 2016

27.03.2024

Nuziveedu Seeds Limited and others, rep. by its Consultant Mr. S. Sartaj Mohammed Khan

... Petitioner

 \mathbf{v} .

Government of Andhra Pradesh, rep. by its Principal Secretary, Hyderabad, and others

... Respondent

Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007 — Constitutional validity/challenge — District Level Committee empowered to determine compensation for defective seeds — Petitioners alleged breach of separation of powers, contending adjudicatory function improperly conferred on an executive body and exclusion of seed manufacturers was arbitrary and discriminatory — Claimed violation of Article 14 — Held, conferring compensation assessment on Committee does not infringe core judicial functions — No breach of separation of powers or discriminatory treatment — Provisions valid — Petitions dismissed without costs.

Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 — Legislative competence — District Level Committee to grant compensation for defective seeds — Challenge on grounds of separation of powers and exclusion of seed manufacturers — Mechanism ensures timely resolution for 120-day cotton crop — Held, no violation of core judicial function or Article 14 — No infringement of due process — Petitions dismissed without costs.

Works of Defence Act, 1903 — Assessment of compensation by administrative bodies — §. 9 empowers Collector to deal with claims for compensation in respect of land affected by declarations under §. 3 — Similar provisions in other enactments indicate that executive authorities may assess compensation — No violation of judicial power or separation of powers — Petitions dismissed.

Manoeuvres, Field Firing and Artillery Practice Act, 1938 — Collector's power to assess compensation — Act entrusts administrative authority to determine compensation for damage or interference with rights arising from military manoeuvres — Delegation to an executive body does not infringe separation of powers — No constitutional invalidity found.

<u>Seaward Artillery Practice Act, 1949</u> — Payment of compensation for damage from seaward artillery practice — Collector empowered under §. 6

to assess damage and deputize revenue officers — Recognized as an administrative or executive function — No violation of separation of powers — Statutory practice of entrusting compensation determination to executive upheld.

FACTS. The petitioners, seed companies engaged in research, development, and sale of seeds, challenged provisions of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 and the associated Rules. They argued that the Act's price-fixing measures and the District Level Committee's authority to grant compensation for alleged seed defects affected their business interests and potentially violated constitutional principles. The District Level Committees, established by the State Government and led by the District Collector, investigated farmers' complaints about poor germination, pest susceptibility, or genetic impurity and awarded compensation. The petitioners sought relief from this Court to overturn the compensatory orders and questioned whether such an executive mechanism lawfully exercised adjudicatory powers. The State defended its legislation and emphasized protecting farmers, ensuring equitable seed pricing, and preventing inferior seed supply.

PRAYER. The petitioners in these writ petitions have assailed the validity of Section 5(1)(b) and Section 7 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 as well as the Rules 27, 28 and 29 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007 on the ground that the same are unconstitutional. The petitioners, in addition, have assailed the validity of the Order dated 03.10.2012 passed by the Chairman, District Level Committee granting compensation in favour of the farmers.

ISSUES OF LAW.

Whether the State legislature can regulate and fix cotton seed sale prices; whether conferring adjudicatory power to a District Level Committee violates separation of powers; whether the 2007 Act and its rules are arbitrary or discriminatory by excluding seed manufacturers' representation; whether granting compensation under the 2007 Act infringes due process or Article 14; whether a District Level Committee can lawfully exercise judicial or quasi-judicial authority.

SUMMARY. The petitioners, who manufacture and market cotton seeds, sought to invalidate legislation empowering a District Level Committee to award compensation to farmers for alleged seed defects. They argued that the statute and rules unconstitutionally entrusted judicial functions to an executive body, excluded seed manufacturers' representation, and violated separation of powers and equal protection. The State contended that the statute offered necessary protection to small and marginal farmers through timely, expert-led resolution of complaints. The court found no infringement of core judicial functions and held that delegating compensation assessment to the Committee was valid. The petitions were dismissed without costs.

HELD. The court dismissed the petitions, holding that the provisions do not breach

separation of powers and lawfully empower the District Level Committee to determine compensation. The petitions lacked merit and were dismissed without costs, and all pending applications were closed.

FINAL STATUS. Dismissed.

CASES REFERRED

A.K.Behera vs. Union of India [(2010) 11 SCC 322]

Associated Cement Companies Limited vs P.N.Sharma [1964 SCC OnLine SC 62 : AIR 1965 SC 1595]

Attorney-General for Australia vs Queen and the Boilermakers' Society of Australia [1957 AC 288]

Directorate of Enforcement, rep. by its Assistant Director vs. Karvy India Realty Limited [(2024 SCC OnLine TS 18)]

Durga Shankar Mehta vs Thakur Raghuraj Singh [(1955) 1 SCR 267]

Pareena Swarup vs. Union of India [(2008) 14 SCC 107]

State of Gujarat vs. Utility Users' Welfare Association [(2018) 6 SCC 21]

Union of India vs. Madras Bar Association [(2010) 11 SCC 1]

Waterside Workers' Federation of Australia vs Alexander (J.W.) Ltd. [(1918) 25 CLR 434]

COUNSELS

Mr. S.Niranjan Reddy (for Petitioners)

Mr. Mohammed Imran Khan (for respondents)

Judgment Pronounced on 27.03.2024