



IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 27TH DAY OF OCTOBER, 2025



BEFORE

THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

WRIT PETITION NO. 107119 OF 2025 (APMC)

C/W

WRIT PETITION NO. 107123 OF 2025 (APMC)

IN W.P.NO.107119/2025
BETWEEN

JAI KISAN WHOLESALE VEGETABLE
MERCHANTS' ASSOCIATION,
OLD P.B. ROAD,
GANDHI NAGAR, BELAGAVI,
REP. BY ITS SECRETARY
SRI. KARIMSAB K. BAGWAN
AGED 69 YEARS,
OCC. BUSINESS,
R/O. MAHANTESH NAGAR,
BELAGAVI,
DIST. BELAGAVI-590001.

...PETITIONER

(BY SRI. PRAMOD N. KATHAVI., SENIOR COUNSEL
APPEARED FOR SRI. RAMACHANDRA A. MALI., ADVOCATE)

AND

- 1 . THE STATE OF KARNATAKA
REP. BY ITS SECRETARY,
DEPT. OF AGRICULTURE PRODUCE MARKETING,
M.S. BUILDING, BENGALURU-01
- 2 . THE DIRECTOR OF AGRICULTURE PRODUCE MARKETING





NC: 2025:KHC-D:14742
WP No. 107119 of 2025
C/W WP No. 107123 of 2025

- NO.16, 2ND RAJBHAVAN ROAD,
P.B. NO.5309, BENGALURU-01
- 3 . THE DY. DIRECTOR,
DEPT. OF AGRICULTURE PRODUCE MARKETING
BELAGAVI DISTRICT,
NEAR POLICE HEADQUARTERS,
SHIVAJI NAGAR, BELAGAVI-590001.
 - 4 . THE DY. COMMISSIONER
BELAGAVI,
DISTRICT BELAGAVI-590001.
 - 5 . THE SECRETARY,
AGRICULTURAL PRODUCE MARKETING COMMITTEE
KANGRALI KH ROAD,
BELAGAVI,
DIST. BELAGAVI-590001.
 - 6 . SRI. SIDAGOUDA MODAGI
AGED MAJOR,
OCC. BUSINESS,
STATE PRESIDENT,
BHARATIYA KRISHI SAMAJ,
NO.1B, 4059/4D, 2ND FLOOR,
PATIL BUILDING,
OPP. SARDARS HIGH SCHOOL,
BELAGAVI-590001.
 - 7 . BELAGAVI DISTRICT WHOLESALE VEGETABLE
MERCHANTS WELFARE SANGHA,
APMC MARKET YARD, BELAGAVI-590001.
 - 8 . SRI. CHUNAPPA PUJERI
AGED MAJOR,
OCC. NIL,
PRESIDENT KARNATAKA STATE RAYOT SANGH
HASIRU SENE,
BEHIND S.C. MOTORS,
AIRPORT ROAD,
BELAGAVI-590001.

.... RESPONDENTS

(BY SRI. GANGADHAR J.M. AAG AND
SRI. RAMESH B. CHIGARI., AGA FOR R1 TO R4;



SRI. P.N. HATTI., ADVOCATE FOR R5;
SRI. NITIN R. BOLABANDI., ADVOCATE FOR R6;
SRI. ANAND MANDAGI., SENIOR COUNSEL APPEARED FOR
SMT. SHOBHA H., ADVOCATE FOR C/R8;
NOTICE TO R7 IS DEFERRED)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO CALL FOR THE ENTIRE RECORDS IN THE IMPUGNED ORDER AND ISSUE A WRIT OF CERTIORARI OR ANY OTHER WRIT OR ORDER IN THE LIKE NATURE THEREBY QUASHING THE IMPUGNED ORDER DATED 15.09.2025 ISSUED IN NO.KRUMAE/NIYAVI/MISC/164/2021-22 (BHAG-IV) PASSED BY 2ND RESPONDENT HEREIN PRODUCED AT ANNEXURE-M AS THE SAME BEING TOTALLY ARBITRARY, ILLEGAL AND NOT SUSTAINABLE IN LAW IN THE INTEREST OF JUSTICE AND EQUITY AND ETC.

IN W.P.NO.107123/2025
BETWEEN

1. SHUBHAM P. TARALE,
AGE: 26 YEARS, OCC: BUSINESS,
R/O. H.NO.787, MAIN ROAD, AMBEWADI,
TALUK & DISTRICT: BELAGAVI 591 108.
2. SHANKAR Y. TARALE,
AGE: 52 YEARS, OCC: BUSINESS,
R/O. H.NO.651, MAIN ROAD, AMBEWADI,
TALUK & DISTRICT: BELAGAVI 591 108.
3. MOHAN L. MENASE,
AGE: 46 YEARS, OCC: BUSINESS,
R/O. PLOT 5476/8, 5TH CROSS,
SHASTRI NAGAR, BELAGAVI 590 001.
4. MAINODDIN K. BAGWAN,
AGE: 34 YEARS, OCC: BUSINESS,
R/O. CTS NO.7737/7A, SECTOR NO.12,
M.M. EXTENSION, BELAGAVI 590 016.
5. VASANT M. PATIL,
AGE: 43 YEARS, OCC: BUSINESS,
R/O. H.NO.55 MARUTI GALLI,
BELAGAVI 591 108.



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6. NINGANAGOUDA R. PATIL,
AGE: 53 YEARS, OCC: BUSINESS,
R/O. PLOT NO.31, CTS NO. 936,
CHANDRA MOULI LAYOUT, RUKMINI NAGAR,
BELAGAVI 590 016.
7. RAMESH S. TUKKAR,
AGE: 55 YEARS, OCC: AGRICULTURIST,
R/O. HUDLI, BELAGAVI 590 016.
8. NOORSAB K. BAGWAN,
AGE: 61 YEARS, OCC: AGRICULTURIST,
R/O. EWS 372, ASHOK NAGAR,
BELAGAVI 590 016.
9. PUNDALIK N. JADHAV,
AGE: 75 YEARS, OCC: AGRICULTURIST,
R/O. KANAWADI ROAD,
BELAGAVI 591 108.
10. LOVE A. PATIL,
AGE: 29 YEARS, OCC: AGRICULTURIST,
R/O. H. NO. 142, HORIGA, BELAGAVI 591 108.
11. BASANGOUDA R. PATIL,
AGE: 49 YEARS, OCC: AGRICULTURIST,
R/O. VTC KURAGOND, PO-HOLASUR,
BELAGAVI 591 118.
12. VEERANGOUDA R. PATIL,
AGE: 51 YEARS, OCC: AGRICULTURIST,
R/O. H NO. 116, GOUDAR ONI,
VTC- KURAGOND, PO- HOLASUR, BELAGAVI 591 118.

...PETITIONERS

(BY SRI. HARSHA DESAI., ADVOCATE)

AND

1. THE STATE OF KARNATAKA,
BY ITS SECRETARY TO THE



DEPARTMENT OF AGRICULTURAL MARKETING,
MS BUILDING, BENGALURU 560 001.

2. THE DEPUTY COMMISSIONER, BELAGAVI,
BELAGAVI 590 016.
3. THE DIRECTOR,
DEPARTMENT OF AGRICULTURAL PRODUCE MARKETING
COMMITTEE,
NO. 16, RAJ BHAVAN ROAD,
BENGALURU 560 001.
4. THE DEPUTY DIRECTOR,
DEPARTMENT OF AGRICULTURE PRODUCE
MARKETING COMMITTEE,
BELAGAVI DISTRICT, NEAR POLICE HEADQUARTERS,
SHIVAJI NAGAR, BELAGAVI 590 016.
5. THE SECRETARY,
AGRICULTURAL PRODUCE MARKETING COMMITTEE,
KANGRALI, KH ROAD, BELAGAVI 590 016.
6. JAI KISAN WHOLESALE VEGETABLE
MERCHANTS' ASSOCIATION,
OLD P.B. ROAD, GANDHINAGAR,
BELAGAVI 590 016.
REPRESENTED BY ITS SECRETARY.
7. BHARATIYA KRISHI SAMAJ,
NO. 1B, 4059/4D, 2ND FLOOR, PATIL BUILDING,
OPP. SARDARS HIGH SCHOOL, BELAGAVI 590 016,
REPRESENTED BY ITS PRESIDENT.
8. BELAGAVI DISTRICT WHOLESALE VEGETABLE
MERCHANTS' WELFARE SANGHA,
APMC MARKET YARD,
BELAGAVI 590 016.
9. KARNATAKA STATE RAYOT SANGH,
HASIRU SENE, BEHIND SC MOTORS,
AIRPORT ROAD, BELAGAVI 591 124,
REPRESENTED BY ITS PRESIDENT.

.... RESPONDENTS



NC: 2025:KHC-D:14742
WP No. 107119 of 2025
C/W WP No. 107123 of 2025

(BY SRI. GANGADHAR J.M. AAG AND
SRI. RAMESH B. CHIGARI., AGA FOR R1 TO R4;
SRI. P.N. HATTI., ADVOCATE FOR R5;
SRI. RAMACHANDRA A. MALI., ADVOCATE FOR R;
SRI. NITIN R. BOLABANDI., ADVOCATE FOR R7;
SMT. SHOBHA H., ADVOCATE FOR R9;
NOTICE TO R8 IS DEFERRED)

THIS WRIT PETITION IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT OF CERTIORARI QUASHING THE IMPUGNED ORDER DATED 15.09.2025 BEARING KRUMAE/NIYAVI/MISC/164/2021-22(BHAG-IV) PASSED BY RESPONDENT-3 HEREIN AS PER ANNEXURE-K. AND ETC.

THESE WRIT PETITIONS COMING ON FOR ORDERS AND HAVING BEEN RESERVED FOR ORDERS ON 25.09.2025, THIS DAY, THE COURT PRONOUNCED THE FOLLOWING:

CORAM: THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

CAV ORDER

(PER: THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ)

1. Petitioner in W.P. No. 107119/2025 is before this court

seeking for the following reliefs:

- i. Call for the entire records in the impugned Order and issue a writ of certiorari or any other writ or Order in the like nature thereby quashing the impugned order dtd. 15.9.2025 issued in No. o.KruMaE/NiYaVi/MISC/164/2021-22 (Bhag-IV) passed by 2nd respondent herein produced at Annex-M as the same being totally arbitrary, illegal and not sustainable in law in the interest of the justice and equity.*
- ii. Grant such other reliefs as this Hon'ble Court deems fit in the circumstances of the case even including the*



exemplary costs of this petition in the interest of justice and equity.

2. Petitioners in W.P. No.107123/2025 are before this court seeking for the following reliefs:

- i. Issue a writ of certiorari quashing the impugned Order dated 15.09.2025 bearing No.KruMaE/NiYaVi/MISC/ 164/2021-22 (Bhag-IV) passed Respondent No.3 herein as per ANNEXURE-K;*
- ii. Issue such other Writ/order/direction as deemed fit and necessary under the facts and circumstances of the case, including awarding exemplary costs, in the interest of justice.*

FACTS IN WP No.107119/2025:

3. The petitioner-Jai Kisan Wholesale Vegetable Merchants' Association claims that it was registered under the Karnataka Societies Registration Act, 1960 and was earlier known as the Belagavi Cantonment Wholesale Vegetable Merchants' Association, engaged in the business of dealing with notified agriculture produce of vegetables in survey Nos.677, 678, 679/1, 680/1, 686/1, 686/2, 696/1, 697/2, 698/1, and 698/2, PB Road,



Gandhinagar, Belagavi, under a due license received from the Director, APMC-Respondent No.2 herein.

4. Jai Kisan having been issued a license under Establishment and Operation of the private market yard after fulfilment of all legal and statutory norms and requirements as per the Karnataka Agriculture Produce Marketing (Regulation and Development) Act, 1966 [‘APMC Act’ for short] had established a private market yard over 10 acres of land wherein 245 shops were established. It is aggrieved by the Order dated 15.09.2025 issued by the Director, APMC, cancelling the aforesaid license that Jai Kisan is before this court.

5. Sri Pramod Katavi, Learned Senior counsel appearing for Jai Kisan- petitioner in WP No.107119 of 2025, would submit that,

5.1. Government order dated 11-12-2014, change of land use was allowed in respect of the aforesaid properties. Thereafter, the Deputy Commissioner issued conversion orders, subsequent to which



the petitioner obtained sanction and approval for the establishment of a private market yard. The buildings had been completed. A completion certificate was also obtained, and thereafter, Jai Kisan has been running the private wholesale vegetable market yard since 2021.

5.2. His submission is that respondent No.6, who claims to be a farmer, leader and president of a Farmers' Association called Bharatiya Krishi Samaj and respondent No.7, who is an Association of APMC Traders Welfare Association, have been objecting to the establishment of the private market yard on the ground that their business would be affected. They have been filing several false, frivolous complaints and litigations before the courts and authorities. They have falsely staged illegal protests trying to cause harm to the reputation of Jai Kisan. Illegal dharanas and protests have also been held by



them. Apart from these actions, a false PIL having been filed before this court, the same also came to be dismissed.

5.3. He submitted that there are nearly nine writ petitions which have been filed before this court, as well as a private complaint and miscellaneous appeal filed before other courts. A false complaint in Crime No.52/2022 has also been registered without any basis, which, when challenged in Criminal Petition No.102413 of 2022 came to be quashed.

5.4. His submission by referring to these number of matters is that Jai Kisan has been targeted by Respondents No. 6 and 7 to achieve the personal interest or benefit of Respondents No. 6 and 7. They have also prevailed upon the respondent authorities to act on their behalf in pursuance of which frivolous false notices have been issued to Jai Kisan. A complaint having been filed by



respondent No.6, Notices were issued on 2.04.2024, 6.04.2024 and 10.04.2024, which were replied to by Jai Kisan on 15.04.2024 and 16.04.2024. Another notice was issued by respondent No.4 on 21.06.2024 on the basis of a complaint dated 13.06.2024 submitted by respondent No.7 in respect of building permission. Respondents No.6 and 7 have also sought to hold Dharna in front of Jai Kisan market yard, threatening the commission of suicide if respondent No.3 fails to cancel the license issued to Jai Kisan.

5.5. His submission is that on the basis of this false complaint, respondent No.2- Director of APMC, has appointed an inquiry team on 29.07.2024, who is stated to have visited the shops, who had not issued any notices to the petitioner or any of the shop owners, but just visited the shops in the market and returned without recording any



statements of anyone or without preparing any report on the spot. He submits that, though no such report had been prepared, a unilateral report is said to have been submitted by the enquiry team, on which basis respondent No.2 issued a show cause notice on 14.02.2024, which was replied to by the petitioner on 20.02.2025, despite having received it on 19.02.2025. The respondent No.2, thereafter, has submitted a report on 12.06.2025. Respondent No.1, without issuing any notice to the petitioner- Jai Kisan, recommending the closure of the private market yard of the petitioner. This came to the knowledge of Jai Kisan only on perusal of the news articles published in newspapers.

- 5.6. He submits that the respondent authorities have created false documents, fabricated complaints, reports and records regarding the violation of the terms of the license and sought to initiate action



against the petitioner. His further submission is that the entire action taken against the petitioner is a false one, the petition is bereft of merits, there is no basis for the same, they have illegally initiated in an arbitrary manner. Hence, the Order cancelling the license of the petitioner is not sustainable, it is contrary to Article 14, as also 19(1)(g) of the Constitution of India. The respondents, No.6 and 7 have created false propaganda against the petitioner. Though the petitioner had an appeal remedy under Section 72 against the Order passed by the Director of Agriculture Marketing under Section 72D to the Karnataka Administrative Tribunal, the existence of such an appellate remedy is not a bar to present a repetition before this court since the imputed Order does not satisfy the requirements of Section 72(D).



5.7. He submits that an order could be challenged under Section 72E only if it is one which is passed in terms of clauses (a) to (f) of Subsection (1) of Section 72-D and for no other causes, the Order dated 15.09.2025 cancelling the license of Jai Kisan does not come within any of the instances enumerated in Clause (a) to (f) of Subsection (1) of Section 72-D and therefore, is not an order as regard which an appeal under Section 72-E could be filed. In terms of Section 76-E, an order which is appealed against is required to be for the reasons as enumerated under Clause (a) to (f) of Subsection (1) of Section 72-D. Thus, even in terms of Section 76 E, an appeal is not maintainable. The legality of the Order can, therefore, only be decided by this court.

5.8. He submits that the Order dated 15.09.2025 is arbitrary, violative of Article 19(1)(G), is a



colourable exercise of power, passed with an ulterior motive, including political motivation. The private market license dated 16.11.2021 has been issued under Section 72A of the Act, the power to cancel the same is also conferred on respondent No.2, by virtue of Section 72-D of the Act and it is only respondent No.2, who could exercise such power on the basis of material placed before him.

5.9. Initially, an inquiry report was submitted to respondent No.2, who had forwarded it to respondent No.1. Respondent No.1 had directed Respondent No.2 to cancel the license, the impugned Order has been passed by Respondent No.2 on the instructions of Respondent No. 1 and is not an independent order.

5.10. The submission, therefore, is that Respondent No.2 has abdicated the statutory power and responsibility and is not in discharge of the



powers vested with Respondent No.2. There is absolutely no objective assessment made by Respondent No.2 as regards the reasons why the license has to be cancelled. There is complete non-application of mind by Respondent No.2 in this regard, since Respondent No.2 has acted at the sole behest of Respondent No.1 or rather under the instruction of Respondent No.1.

5.11. There being a free economy in the country after the liberalisation, merely because certain persons complain about the running of the market yard of the petitioner and merely because the market yard of the APMC is not running properly, would not be a reason to direct the closure of the petitioner's market yard. APMC, being a government market, has not been able to compete with the private market; which does not mean that the State ought to intervene



on behalf of the APMC to cancel the license granted to the petitioner.

5.12. The impugned Order does not fall within any of the clauses of 72-D(1) of the Act. The Order does not disclose the true and correct reason or cause for the cancellation inasmuch as the same is political in nature. Principles of natural justice have been completely violated, inasmuch as no opportunity of being heard has been provided to the petitioner, all procedural safeguards required to be followed have been violated by Respondent No.2. There is neither a cause to invoke Section 72-D nor to pass any order under Section 72-D.

5.13. His submission is that the petitioner has not violated any of the provisions of the Act and as such, no action could have been taken by Respondent No.2 against the petitioner. He again reiterates that the petitioner has been targeted by the respondents on account of the petitioner



being able to establish a successful private market yard.

5.14. On the above grounds, he submits that the reliefs sought for are required to be granted.

Facts in WP 107123:

6. The petitioners No.1 to 6 claim to be agriculture produce traders operating under a valid license issued by respondent No.4, Deputy Director, APMC, claiming that they have invested lakhs of rupees in developing their business establishment and they are entirely dependent on respondent No.6 for carrying on their trade. Petitioners No. 7 to 12 claim to be farmers who cultivate vegetables and other notified agricultural produce and depend on the market facilities provided by Respondent No.6, Jai Kisan, for bringing and selling their produce. Jai Kisan is a society registered under the Provisions of the Karnataka Societies Registration Act, 1960, earlier known as Belgaum Cantonment



Wholesale Vegetable Merchants Association, engaged in the wholesale business of notified agricultural produce at Belgaum and obtained a license from the Director, APMC, to run a private market yard. By way of the impugned Order dated 15.09.2025 passed by respondent No.3, the private market yard of Jai Kisan, having been directed to be closed, the petitioners are before this court seeking for the aforesaid reliefs.

7. Sri.Harsh Desai, learned counsel appearing for the petitioners would submit that,

7.1. the action on part of Respond No. 3 to close the private market yard is completely illegal and bereft of merits. The private market yard comprises more than 245 shops where necessary infrastructures such as internal roads, drainage, parking, loading/unloading bays, office buildings and other facilities have been provided. Respondents No.7 and 8 have been opposing the establishment and operation of Jai Kisan from



the outset. There have been several writ petitions and public interest litigation which have been filed challenging the operation of Jai Kisan.

7.2. A Public Interest Litigation in WP No.21294 of 2022 having been filed by respondent No.7 challenging the building license accorded by the Belagavi City Corporation [**'BCC' for short**]in favour of Jai Kisan was dismissed by Order dated 10.01.2024, observing that it lacked merit. However, the Division Bench of this court had observed that there was bona fides on the part of Jai Kisan.

7.3. The challenge having been made by Respondent No.7 before the Hon'ble Apex Court in SLP (Civil) No. 19441 of 2024, which came to be dismissed on 08.07.2024, thereafter, Respondents No.7 and 8 had filed various complaints before the BCC, DLHS, etc. alleging violation of building plans, seeking for appointment of an



administrator, cancellation of change of land use order, cancellation of revenue entries, conversion orders, etc. Respondent No.3, by Order dated 10.01.2025 had also restrained Respondent No.6 from dealing with green ginger and garlic, which when challenged before this court in WP No. 100688/2025 came to be allowed by Order dated 12.03.2025.

7.4. On that basis, he submits that Jai Kisan has been unnecessarily targeted, resulting in disruption of business, causing economic hardship and a threat to the livelihood of the petitioners.

7.5. A joint meeting was convened between the District Administration, local representatives and other authorities on 1.01.2024, when the authorities insisted on Jai Kisan divesting 50% of the trade taking place in its private market yard, the same not having been agreed to by Jai kisan, Respondents No.3 to 5 had constituted an



enquiry team on 29.07.2024. The enquiry team did not visit the petitioners, nor was any enquiry carried out, but a report is said to have been submitted by the enquiry team.

7.6. Relying on the said report, a show cause notice dated 14.02.2025 came to be issued, which was replied on 22.02.2025 by Jai Kisan. The petitioners, though not party to any of the proceedings, are affected by any order passed against Jai Kisan and in that background, it is contended that the cancellation of the private market yard license of Jai Kisan vide Order dated 15.09.2025, causes harm and injury to the petitioners, entitling the petitioners to challenge the same.

8. Sri.Ananth Mandagi, learned Senior counsel for respondent No.8 in W.P. No.107119/2025 submits as under:



- 8.1. The licence granted in favour of Jai Kisan on 16.11.2021 was under Section 72A of the APMC Act, 1966 for a period of 10 years. From the year 2024, a series of serious complaints were filed by the Farmer Organisations, Trade Welfare Associations and individual farmers alleging that Jai Kisan was indulging in illegal commission collection adopting a so-called company rate system without options, failing to display prices, not maintaining records and even trading in unauthorised commodities, such as ginger and garlic.
- 8.2. It is in pursuance of those orders that an inspection was conducted in October 24 and subsequently in March, April, May and June 2025, which inspection reports indicate violations having been committed by Jai Kisan. It is in pursuance thereof that the Director of Agriculture Marketing had issued a show cause notice on



1.04.2025 towards which, Jai Kisan had replied on 22.02.2025. The Director being of the opinion that the reply was unsatisfactory and evasive, and being of the opinion that the sales were conducted under mutual agreements through to a contract rather than by way of auction, the Director passed a detailed order on 15.09.2025 cancelling the license under Section 72-D of the APMC Act. As a consequence, the Deputy Commissioner directed the closure of the private market.

8.3. It is further submitted that the Belagavi Urban Development Authority, by Order dated 25.08.2025 had also cancelled the land use permission, which is under challenge in a writ petition in WP No. 106342 of 2025. The submission made is that there is a slew of violations committed by Jai Kisan, which has resulted in the authorities taking action. Jai



Kisan has been functioning as if no law is applicable to it. It is for that reason that complaints have been filed by various persons before all concerned authorities, including as regards certain criminal offences where FIRs have been registered.

8.4. Jai Kisan has an alternative statutory remedy of an appeal under the Act. The Director, Agriculture Marketing, having the necessary jurisdiction to pass the orders under Section 72D, the said Order does not suffer on account of a lack of jurisdiction requiring this court to intercede by exercising its extraordinary jurisdiction.

8.5. Jai Kisan has to comply and confirm with the applicable statutory provisions of Section 72A and Section 72D introduced to ensure such compliance. If there are any violations, there is a duty cast on the State to take necessary action.



8.6. It is, therefore, submitted by Sri.Ananth Mandagi, that the action on the part of the State in cancelling the licence is proper and correct, the APMC market yard is a modern market yard, constructed over an extent of 80 acres, out of which 13 acres are earmarked exclusively for vegetable trading.

8.7. He submits that one of the basic requirements, a cold storage, has not been provided by Jai Kisan. Such a cold storage is available at the APMC market yard. His submission is that the intention of not providing a cold storage is completely malafide, inasmuch as when farmers visit Jai Kisan for sale of their produce, the price offered is lesser than that which the farmer is ready to sell at. The officers of Jai Kisan then ask the farmers to take back the farm produce. Being unable to do so, and also being unable to leave the produce in a cold storage, Jai Kisan prevails



upon the farmer to sell his produce at a lesser price than the market price and or the price at which the farmer was willing to sell.

8.8. Jai Kisan does not auction the farm produce amongst the buyers so as to enable the farmer to get the best price. Thus, on both accounts, the farmers suffer and it is for that reason that the farmers have been protesting against the operation of Jai Kisan.

8.9. His further submission is that Jai Kisan has been set up for the benefit of traders and not for the farmers. Jai Kisan had been adopting illegal and unlawful business practices requiring the farmers to sell to Jai Kisan and the traders to deal with the same in the private market yard by creating a private cartel, fixing rates and collecting illegal commissions.

8.10. He submits that there are serious financial irregularities committed by Jai Kisan, which has



resulted in misappropriation of funds, there being complaints filed in that regard. Jai Kisan has been involved in exploitative practices causing grave harm and injury to the farmers. The agitation against Jai Kisan is by the farmers, whereas the agitation in favour of Jai Kisan is by the traders. The farmers prefer to trade in APMC, which has provided cold storage areas, where the produce of the farmers can be stored and they get the best rate. He again submits that the petitioner as an alternative efficacious remedy in terms of an appeal and the present writ petition is not maintainable.

9. Sri.Gangadhar.J.M, learned Additional Advocate General, reiterates the submission of Sri.Ananth Mandagi, learned Senior Counsel for respondent No.8. Apart therefrom, he submits that,

9.1. Several complaints have been received by the Director, Agriculture Marketing, there are actions



required to be taken by the State. His submission is that the illegalities on part of the petitioner are affecting a large number of farmers, even the concerned ministers had sought to pacify the farmers, but the list of complaints against Jai Kisan only went on growing. It is for that reason that the inspection was conducted and verification was made as regards the allegations. Those allegations have been found to be true, necessary action has been initiated, cancelling the license and closing the market yard.

9.2. He submits that the petitioner has been approaching this court on a regular basis by filing writ petitions. However, none of these writ petitions are maintainable. The present writ petition is not maintainable on account of alternative efficacious remedy available to the petitioner in terms of an appeal. Without availing



the remedy of a statutory appeal, the present writ petition filed by the petitioner cannot be entertained and is required to be dismissed.

9.3. His submission is that all the allegations and all the averments made by the petitioners are as regards disputed questions of fact which cannot be ascertained in a writ proceedings. The only remedy that the petitioner has is of filing of a statutory appeal where these facts should be considered.

9.4. On the basis of the above grounds, he submits that the writ petition filed by both, Jai Kisan and that filed by Agriculture Produce Traders are required to be dismissed.

9.5. Heard Sri.Pramod Katavi, learned senior counsel for the Petitioner in W.P. No.107119/2025, Sri.Harsh Desai, learned counsel for the petitioner in W.P. No.107123/2025, Sri.Gangadhar J.M., learned Additional Advocate



General for the State and Sri.Ananth Mandagi,
learned senior counsel for Respondent No.8.
Perused papers.

10. The points that would arise for, consideration are,
 - i. **Whether the present writ petition is maintainable in view of Section 72E of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966?**
 - ii. **Whether the Order passed by the Director, Agriculture Marketing comes within the purview of Section 72D of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966, i.e., within the jurisdiction of the direct agriculture marketing?**
 - iii. **Whether a writ petition is maintainable?**
 - iv. **What Order?**

11. I answer the above points as under.

12. **ANSWER TO POINTS NO.1 AND 2: Whether the present writ petition is maintainable in view of Section 72E of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966? AND**

Whether the Order passed by the Director, Agriculture Marketing comes within the purview of Section 72D of the Karnataka Agricultural



Produce Marketing (Regulation and Development) Act, 1966, i.e., within the jurisdiction of the direct agriculture marketing?

12.1. Both these points being related to each other are taken up for consideration together.

12.2. Section 72D is reproduced hereunder for easy reference:

72D. power to cancel or suspend licence.- (1) *Subject to the provisions of sub-section (3), the Director of Agricultural Marketing or authorised officer who has issued licence under section 72C or section 72 (4) as the case may be, for the reasons to be communicated to the licence holder in writing, suspend or cancel, licence,-*

(a) if the licence has been obtained through willful misrepresentation or fraud; or

(b) if the holder of the licence or any servant or anyone acting on his behalf with his (licence holder's) expressed or implied permission, commits a breach of any of the terms or conditions or licence;

(c) if the holder of the licence himself or in combination with other licence holder commits any act or abstains from carrying on his normal business in the market area with the intention of wilfully obstructing, suspending or stopping the marketing of notified agricultural produce in the private market yard/sub market yard and in consequence whereof the marketing of any notified agricultural produce has been obstructed, suspended or stopped;

(d) if the holder of the licence has become an insolvent;



(e) if the holder of the licence incurs any disqualification, as may be prescribed; or

(f) if the holder of the licence is convicted of any offence under this Act then within one year of the conviction if the conviction is for the first time and within three years for subsequent conviction.

(2) Notwithstanding anything contained in sub-section (1), but subject to the provisions of sub-section (3), the Director of Agricultural Marketing may, for the reasons to be communicated in writing to the licence 502 APMC holder, by Order suspend or cancel his/its licence granted or renewed by the authorised officer:

Provided that no order under this sub-section shall be made without intimation to the authorised officer.

(3) No licence shall be suspended or cancelled under this section without giving a reasonable opportunity of being heard to its holder to show cause against such suspension or cancellation.

12.3. In terms of Subsection (1) of Section 72D, subject to provisions of Subsection (3) of 72D, the Director of Agriculture Marketing or authorised officer who has issued the license under Section 72C or Section 72(4), for the reasons to be communicated to the license holder, in writing, may suspend or cancel the license.



12.4. The reasons for the same being provided under Clause (a) to (f) of Subsection (1) of 72D, they being for license obtained by wilful representation of fraud, breach of the terms and conditions of the license, commission of any act or abstaining from commission of any act with the intention of wilfully obstructing, suspending or stopping the marketing of notified agricultural produce, if the holder of the license has become insolvent, if the holder of any license incurs any disqualification as prescribed, and or if the holder of the license is convicted for any offence under the Act within one year.

12.5. It is relying on this provision that Sri.Pramod Katavi, learned Senior counsel would submit that the complaints which have been received by the Director of Agriculture Marketing cannot be a ground for cancelling the license of Jai Kisan, and on that basis, he submits that the Order passed



by the Director of Agriculture Marketing does not come within the purview of Section 72D, and therefore an appeal will not be available under Section 72E.

12.6. I am unable to accept this argument for the simple reason that Clause (b) of Section 72D relates to the holder of the licence or any servant or anyone acting on his behalf with his (licence holder's) expressed or implied permission, commits a breach of any of the terms or conditions or licence;

12.7. Clause (b) of Section 72D relates to the holder of the licence himself or in combination with other licence holder commits any act or abstains from carrying on his normal business in the market area with the intention of wilfully obstructing, suspending or stopping the marketing of notified agricultural produce in the private market yard/sub market yard and in



consequence whereof the marketing of any notified agricultural produce has been obstructed, suspended or stopped; the license could be suspended or cancelled.

12.8. The allegations which have been made in the present matter are relating to cartelisation, non-auction being conducted, transaction being conducted on commission basis, the cold storage not having been provided, etc. are aspects which touch upon the license which has been granted to Jai Kisan.

12.9. These actions on part of Jai Kisan if established would amount to breach all the terms and conditions of the license. The Director of Agriculture Marketing has come to the conclusion that these allegations have been established. Thus, under Section 72D, the Director of Agriculture Marketing has the power to suspend



or cancel a license for the reasons stated in Clause (a) to (f) of Subsection (1) of Section 72D and if the Director of Agriculture Marketing comes to a conclusion that any of the actions on the part of Jai Kisan comes within the purview of the provisions, then the Director of Agriculture Marketing can suspend or cancel the license. Thus, jurisdictionally speaking, the Director of Agriculture Marketing has the jurisdiction to terminate, to suspend or cancel a license if the conditions are so satisfied.

12.10. The complaints which have been received are required to be acted upon by the Director of Agriculture Marketing inasmuch as the duty imposed on the said Director to safeguard the interest of all stakeholders in the system, which would include the complainants.

12.11. In furtherance of the complaints which have been received, inspections have been carried out on



various dates as indicated supra, more so in March, April, May, June, 2025. It is not a stray inspection on part of the official respondents but the facts and documents on record establish a consistent default on part of Jai Kisan. When such defaults are committed, the same would come both under Clause (b) and Clause (c) of Subsection (1) of Section 72D inasmuch as firstly there is a breach, secondly on account of the actions on part of Jai Kisan, the operation of the private market yard has been obstructed.

12.12. Insofar an appeal is concerned, Section 72E provides for any person aggrieved by an order of the director of agriculture marketing or authorised officer passed under Section 72C and Section 72D to prefer an appeal. Having come to a conclusion that the Order passed by the Director of Agriculture Marketing is within the ambit and jurisdiction of Section 72D, I am of



the considered opinion that the petitioner Jai Kisan and the others have an alternative efficacious remedy in terms of Clause (b) of Subsection (1) of Section 72E of an appeal to be filed before the Karnataka Appellate Tribunal.

12.13. When such an alternative efficacious remedy is available, this court would normally not entertain any proceeding by way of a writ petition, more so when there are disputed questions of fact. The respondents alleging that there are defaults and breaches committed by the petitioner, the petitioner contends that there is no such breach or default committed.

12.14. There being several documents on record, both parties would have to have an opportunity to defend their respective position. In that view of the matter, there being disputed questions of facts, a remedy of an appeal before the Karnataka Appellate Tribunal would be the proper



and effective remedy instead of a summary proceedings before this court.

12.15. Hence, I answer point No.1 by holding that the Order passed by the Director of Agriculture Marketing is within the purview of the Karnataka Appellate Tribunal in view of Section 72D of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966.

12.16. I answer point No.2 by holding that the Petitioners have an alternative efficacious remedy in terms of appeal under Section 72E of the Karnataka Agricultural Produce Marketing (Regulation and Development) Act, 1966.

13. ANSWER TO POINT NO.3: Whether a writ petition is maintainable?

13.1. In View of my answers to point Nos 1 and 2, I am of the considered opinion that it would not be proper for this court to examine the veracity and validity of the Order of the Director Agriculture Marketing. All these aspects would have to be



determined by the Karnataka Appellate Tribunal if an appeal is so filed. As indicated supra, this court cannot determine the validity of the allegations in a summary proceedings.

13.2. In that View of the matter, I answer point No.3 by holding that the veracity and validity of the Order passed by the Director of Agriculture Marketing is left open to be decided by the Karnataka Appellate Tribunal.

14. **ANSWER TO POINT NO.4. What Order?**

14.1. In View of my answers to point Nos. 1, 2 and 3, the petitioner having an alternative, efficacious remedy, both the above petitions are ***dismissed.***

SD/-
(SURAJ GOVINDARAJ)
JUDGE

LN
List No.: 19 Sl No.: 1