within the State, they had already subjected to market-fee at the time of the transaction of purchase and sale in the State, while the goods imported from outside the State were not so subjected to market-fee within the State prior to their import and were to be so subjected for the first time on being brought in for processing.

34. For the reasons aforesaid, we hold that such of the dealers as bring in agricultural produce in a given market area from outside the State for processing and not for manufacturing are liable to pay market-fee in terms of section 23 of the Act.

35. In view of our aforesaid findings, the dealer-petitioners who bring in raw-wool for manufacturing wollen yarn and blankets (Civil Writ Nos. 1010, 1323, 1373, 1379, 4984, 5170, 5178 to 5181, 5265, 5332, 5914, of 1974; 1320, 6605, 6834, 6835, 6841, 6842, 7041, 7449 of 1975; 121 of 1976; 1842, 1907, 1908, 1951, 1952, 1955 to 1959, 1962, 2020, 2021, 2085 and 2263 of 1979) or the oil-seeds for manufacturing oil (in the case of intervener in Civil Writ No. 2344 of 1979) or gram (Civil Writ No. 5575 of 1974) or poultry feed (Civil Writ No. 1836 of 1979) would be beyond the purview of section 23 of the Act and would, therefore, be not liable to pay any market-fee in regard to the agricultural produce brought in by them in the market area for the aforesaid manufacturing purposes. Hence, the writ petitions filed by such dealers are allowed and it is further ordered that the market-fee already paid shall be refunded by the Market Committee to the petitioners. The other writ petitions bearing Nos. 5378 and 6886 of 1974 and 284 of 1975 (relating to processing of paddy into rice) are dismissed. However, we leave the parties to bear their own costs.

Prem Chand Jain, J—*I agree.*

N.K.S.

Before Sukhdev Singh Kang, J.

MAKHAN SINGH and others,—*Petitioners.*

versus

HARYANA GOVERNMENT and others,—*Respondents.*

Civil Writ No. 305 *of* 1968.

August 21, 1979.

Police Act (V *of* 1861)—*Section* 15—*Proclamation issued notifying a village in a disturbed state—Such proclamation—Whether*

should contain reasons—Inhabitants of the village—Whether have a right to be heard before the issuance of the notification—Principles of natural justice—Whether applicable.

Held, that where the notification under section 15 of the Police Act 1861 does not reveal any grounds or reasons for reaching the conclusions for issuing the proclamation notifying a village in a disturbed state but simply reproduces the language of the statute and if it is not clear as to in what manner the village is in a disturbed state, it suffers from the vice of arbitrariness and is liable to be struck down on this score alone. Vast powers have been given to the authorities by section 15 of the Act. By their very nature, these powers have to be exercised after due deliberation and with circumspection. These powers cannot be exercised arbitrarily. There is no appeal or any other remedy against this order and it results in imposing a heavy financial liability on the villagers. One of the ways to check the arbitrariness is that the authority exercising the power must support its conclusions with cogent and relevant reasons. If no reason whatsoever is given, the notification under section 15 of the Act suffers from the vice of arbitrariness. **(Para 2).**

Held, that before issuing a notification under section 15 of the Act the residents of the village have to be given an opportunity to convince the concerned authorities that there was no need for increasing the number of the police. If the inhabitants are given an opportunity, they can convince the authorities that there was no need to post the punitive police force in the village. The principles of natural justice are all pervasive and the language of section 15 or for that matter the whole of the Police Act does not exclude in terms or by necessary intendment their application. **(Para 3).**

Petition under Articles 226 and 227 of the Constitution of India praying that this Hon'ble Court in exercise of the power under Articles 226 and 227 of the Constitution of India be pleased to :—

(a) *issue an appropriate writ, direction or order and thereby quash the order passed by the Government of Haryana,—* vide *notification dated 22nd September,* 1967, *Annexure 'A' ;*

(b) *declare that the said notification is illegal,* ultra vires *and without jurisdiction and void and ineffective ; and*

(c) *prohibit the respondents from recovering any amount on account of the cost of the additional police from the petitioners ;*

(d) *allow the costs of the petition.*

Arun Mehra, Advocate, *for the Petitioner.*

B. R. Premi, Advocate, *for A.G.*

JUDGMENT

Sukhdev Singh Kang, J.

Makhan Singh and 86 others residents of village Ruksana, Tehsil Kaithal, District Karnal, have filed this petition under Articles 226/227 of the Constitution of India, for the issuance of a writ of **certiorari** quashing the notification dated September 22, 1967, copy of which is appended to this petition as Annexure 'A'.

2. The petitioners are residents and law abiding citizens of village Ruksana, Tehsil Kaithal, District Karnal. Makhan Singh, petitioner is the Sarpanch of the village and petitioners No. 2, 3 and 4 are the members of the Panchayat. Petitioner No. 5 is the *Lambardar* of the village. There were certain civil cases and criminal litigation between Makhan Singh, petitioner on the one hand and Mansa Singh and Kundan Singh, petitioners on the other hand, regarding some agricultural land in the village which led to proceedings under sections 107/151, Criminal Procedure Code, and other cases. However, in the months of July-August on the intervention of the village Panchayat and other respectables of the village, the differences between the two parties were settled, and two criminal cases were actually compromised in Court. However, the Station House Officer and some senior police officers were annoyed with the residents of the village. At their instance a notification dated September 22, 1967, has been issued under section 15 of the Police Act. The relevant extract from the same is reproduced as under :—

> "Under the provisions of section 15 of the Police Act V of 1861, the Govrenor of the Haryana is pleased to declare that the area comprising village Ruksana in the jurisdiction of Police Station Assandh, district Karnal, is in a disturbed state and because of the misconduct of the inhabitants of the aforesaid area, it is expedient to increase the number of police."

Through this notification it has been declared that the village of the petitioners is in a disturbed state and the villagers are guilty of misconduct and for that reason it was expedient to increase the

number of police. At this stage, it will be useful to reproduce section 15 of the Police Act.

"15. Quartering of additional police in disturbed or dangerous districts :—

(1) It shall be lawful for the State Government by proclamation to be notified in the Official Gazette, and in such other manner as the State Government shall direct, to declare that any area subject to its authority has been found to be in a disturbed or dangerous state, or that, from the conduct of the inhabitants of such area or of any class or section of them, it is expedient to increase the number of police.

(2) It shall thereupon be lawful for the Inspector-General of Police or other officer authorized by the State Government in this behalf, with the sanction of the State Government, to employ any police force in addition to the ordinary fixed complement to be quartered in the area specified in such proclamation as aforesaid.

(3) Subject to the provisions of sub-section (5) of this section, the cost of such additional police force shall be borne by the inhabitant of such area described in the proclamation.

(4) The Magistrate of the district, after such enquiry as he may deem necessary, shall apportion such cost among the inhabitants who are, as aforesaid, liable to bear the same and who shall not have been exempted under the next succeeding sub-section. Such apportionment shall be made according to the Magistrate's judgment of the respective means within such area of such inhabitants.

(5) It shall be lawful for the State Government by order to exempt any persons or class or section of such inhabitants from liability to bear any portion of such cost.

(6) Every proclamation issued under sub-section (1) of this section shall state the period for which it is to remain in force, but it may be withdrawn at any time or continued from time to time for a further period or periods as the State Government may in each case think fit to direct."

The notification does not reveal any grounds or reasons for reaching the conclusions for passing the impugned order. It simply reproduces the language of the statute. It is not clear as to in what manner the village is in a disturbed state. It is also not mentioned that the villagers are guilty of which acts of omission or commission which had been termed as misconduct. Vast powers have been given to the authorities by section 15 of the Act. By their very nature, these powers have to be exercised after due deliberation and with circumspection. These powers cannot be exercised arbitrarily. There is no appeal or any other remedy against this order. The order results in imposing a heavy financial liability on the villagers, including the petitioners. According to the petitioners, they shall have to pay about Rs. 60,000. This plea has been admitted by the State in the written statement. One of the ways to check the evil of abitrariness is that the authority exercising the power must support its conclusions with congent and relevant reasons. In the present case, no reason whatsoever has been given. So the order suffers from the vice of arbitrariness and is liable to be struck down on this score alone.

3. Before passing this order, the petitioners or other residents of the village had been given no opportunity to convince the concerned authorities that there was no need for increasing the number of the police. In the return, it has been said that there are two factions in the village led by Makhan Singh and Mansa Singh. Now both Makhan Singh and Mansa Singh have jointly filed this petition. No criminal case had been registered in the year 1967. The order has been passed on September 22, 1967. It shows that the village was perfectly peaceful during these nine months of 1967. It is also averred that two criminal cases had been compromised. Even in the year 1966 also, only four cases were registered. Two of them related to the illicit arms, one to the Excise Act and the fourth under section 506, Indian Penal Code. There was no case involving violence. So, if the petitioners had been given an opportunity, they would have convinced the authorities that there was no need to post the punitive police force in the village. The principles of natural justice are all pervasive. The language of section 15 or for that matter the whole of the Police Act does not exclude in terms or by necessary intendment the application of the principles of natural justice. On this scored also the order is liable to be struck down.

4. For the reasons given above, I accept this petition and quash the notification dated September 22, 1967. There shall be no order as to costs.

S.C.K.

Before B. S. Dhillon and J. V. Gupta, JJ.

BHOLA SINGH,—*Petitioner.*

versus

LACHHMAN DASS,—*Respondent.*

Civil Revision No. 2225 of 1978.

September 3, 1979.

Haryana Relief of Agricultural Indebtedness Act (18 *of* 1976)—*Sections* 2(*f*) & (*g*), 5, 8 *and* 19—*Proceedings not initiated before the Debt Settlement Officer—Suit for the recovery of an alleged debt filed in a Civil Court—Jurisdiction of the court—Whether barred—Section* 19—*Scope of—Objection regarding jurisdiction of the Civil Court if raised—Procedure to be followed by such court—Stated.*

Held, that before the jurisdiction of the Civil Court is barred under section 19 of the Haryana Relief of Agricultural Indebtedness Act, 1976, it will have to decide whether the debt will be deemed to have been duly discharged under the provisions of the Act or while executing a decree passed by a Civil Court, whether the judgment-debtor is a debtor as contemplated under section 2(g) thereof. If a court, after giving the parties an opportunity to lead evidence, comes to the conclusion that either the person is a debtor or the debt will be deemed to have been discharged under the provisions of the Act, then it will stay its hands to proceed with the matter further. The Act nowhere provides that it is the sole jurisdiction of the Debt Settlement Officer to decide these matters under the Act. Of course, any decision given by him on these matters shall be final and will not be called in question in any court but in the absence of any such decision, the Civil Court, will be competent to go into the matter to decide these matters, i.e. whether the debt will be deemed to have been duly discharged under the provisions of the Act or the person against whom a decree passed by a Civil Court is being executed is a debtor or not. The Act nowhere provides that these matters can only be