

(1976) 10 AHC CK 0040

In the Allahabad High Court

Case No : Civil Miscellaneous Writ No's. 1432, 1433, 1458, 1497, 1506 to 1508, 1523 to 1545, 1567 to 1571 and 1709 of 1963

Duley Singh

APPELLANT

Vs

The State of Uttar Pradesh and Others

RESPONDENT

Date of Decision : 20-10-1976

Acts Referred:

Constitution of India, 1950 — Article 226, 245, 246
Motor Vehicles Act, 1939 — Section 68D, 68D(1), 68D(3)
Uttar Pradesh Motor Vehicles (Special Provisions) Act, 1976 — Section 7

Citation : AIR 1977 All 251

Hon'ble Judges : R.M. Sahai, J;C.S.P. Singh, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

C.S.P. Singh, J.—This writ petition and the connected writ petitions have been filed by transport operators belonging mostly to the State of Rajasthan and some of them to Uttar Pradesh.

2. The State Transport Undertaking of Uttar Pradesh framed four schemes for four routes:--

(i) Mathura-Alwar,

(ii) Mathura-Kama-Kosi,

(iii) Agra-Dholpur,

(iv) Agra-Bharatpur,

The four notifications in respect of all the four schemes were published in the U. P. Gazette. Copies of the notifications were also sent to Rajasthan for being pasted on the notice board of the transport authorities in Rajasthan. Some of the private bus operators filed objections. After disposing of these objections, the schemes as finally approved by the State Government, were published in the U.

P. Gazette and notifications were also put up on the notice board of the transport authorities in Rajasthan. The schemes, though proposed by the State Transport Undertaking of Uttar Pradesh (hereinafter referred to as the "Undertaking"), received the concurrence of the State of Rajasthan. Put briefly, what the schemes did, was to exclude all private bus operators on the aforesaid routes. The schemes provided that only buses belonging to the undertakings of Uttar Pradesh and Rajasthan would ply their buses on the aforesaid routes. By subsequent notifications, the permits held by the petitioners were cancelled u/s 68-F of the Motor Vehicles Act (hereinafter referred to as the Act).

3. The validity of the notifications was challenged by means of these writ petitions on the conclusion that the State could not legally, by taking unilateral action provide transport services for a territory outside the limits of its own State. He also held that one State could not cancel the permits held by the bus operators of another State and that effective notice was not given to the bus operators of the Rajasthan as the notifications were published in the Gazette of Uttar Pradesh only. The notifications, as such, were quashed. Special appeals against the decision of the learned single Judge were filed which were heard and disposed of by a, Division Bench on the 9th December, 1971. The Division Bench allowed the special appeals filed by the State and held that the main schemes and the notifications were valid. It, however, remanded the case as the learned single Judge who had disposed of the petitions had not considered certain other aspects of the case and had disposed of the petitions on general grounds common to all the petitions. In view of the fact that the learned single Judge was not available the Division Bench directed that the writ petitions be heard by another Bench nominated by the Chief Justice for that purpose. The operators then preferred appeals in the Supreme Court. These appeals preferred by the operators failed. The Supreme Court appears to have disposed of these appeals by two decisions, one in Civil Appeals Nos. 737 to 745 of 1972 Ch. Khazan Singh and Others Vs. State of U.P. and Others, and the other being Civil Appeals Nos. 1119 to 1122 of 1973, decided on 10th September, 1974 = (reported in Bharatpur Motor Workers Co-operative Society Ltd. and Others Vs. State of Uttar Pradesh and Another, . The matter has now come up again for decision on the other points involved in the writ petitions.

4. Although we have been unable to compress the facts relating to this litigation in this short space, the petitions have remained pending in this court for the last 13 years and the schemes framed "have not yet been fully enforced.

5. Before we refer to the respective contentions of the parties, it is necessary to state some further facts. The petition, as originally filed, had impleaded the State of U. P., the -Regional Transport Authority, Agra and Joint Legal Remembrancer of the Government of Uttar Pradesh as respondents. Thereafter, by an amendment, the State of Rajasthan, the State Road Transport Corporation, Rajasthan, the State Transport Authority, Jaipur and Union of India were also added as parties and certain additional grounds were also incorporated in the writ petition. It also

transpires that the State of Rajasthan subsequently approved and implemented another scheme in respect of Bharatpur-Deeg-Kama-Pahari route and Alwar-Bharatpur routes, which are inter-State routes. As a result of the approval, two of these inter-State routes viz. Mathura-Deeg-Kama-Kosi and Alwar-Deeg-Mathura stood curtailed over a portion of fourteen miles from Deeg to Kama and a portion of 48 miles from Alwar to Deeg--Mr. R.M. Munshi, who has appeared on behalf of the State Road Transport Corporation has, apart from the arguments made in support of the scheme, framed by the State of Uttar Pradesh. contended in the alternative that as respects the portions of inter-State routes, which stand notified by the State of Rajasthan, the petitioners cannot claim any relief in respect thereof as those schemes have become final. Counsel for the petitioners, have, however stated that they do not propose to seek any relief in respect of portion of the inter-State route notified by the State of Rajasthan, and confined their attack to the scheme originally framed excluding those portions which have been subsequently notified as inter-State route by the State of Rajasthan. This being so, we do not think it necessary to go into the validity or otherwise of the scheme framed by the State of Rajasthan.

6. Counsel for the petitioners have contended that inasmuch as the route was an inter-State route, the same would become effective only after the approval of the Central Government. It is contended that the Central Government in granting approval exercises quasi-judicial function, and this being so, an opportunity should have been given by the Central Government to the petitioners-operator"s before approving the scheme and further that the order granting approval should give reasons for doing so. It was also contended that the scheme after approval of the Central Government should have been published in the Central Gazette, as it was an inter-State route and publication in the U. P. Gazette was not sufficient. It was also contended that the scheme was bad inasmuch as it was vague and did not give the number of services to be provided on the route i.e. by way of stating the maximum or minimum of services which would be available to the travelling public on the notified route.

7. In order to appreciate these contentions, it would be necessary to extract Section 63-D of the Act.

"68-D (1) Any person affected by the scheme published u/s 68-C, may, within thirty days from the date of the publication of the scheme in the Official Gazette, file objections thereto before the State Government.

(2) The State Government may, after considering the objections and after giving an opportunity to the objector or his representatives and the representatives of the State Transport Undertaking to be heard in the matter, if they so desire, approved or modify the scheme.

(3) The scheme as approved or modified under Sub-section (2) shall then be published in the Official Gazette by the State Government and the same shall thereupon become final and shall be called the approved scheme and the area or

route to which it relates shall be called the notified area or notified route;

Provided that no such scheme which relates to any inter-State route shall be deemed to be an approved scheme unless it has been published in the Official Gazette with the previous approval of the Central Government."

It will be seen that after the scheme is published in the Official Gazette the objections can be filed by the persons described u/s 63-D (1) before the State Government. Under Sub-section (2), the State Government after considering the objections and after giving an opportunity to the objectors and State Transport undertaking can either approve or modify the scheme. The approved or modified scheme, then, under Sub-section (3) is published in the Official Gazette by the State Government. However, in case the scheme relates to inter-State route, it does not become an approved scheme till such time that it has been published in the Official Gazette with the previous approval of the Central Government. There is no dispute that the Central Government granted approval of the scheme and it was published in the U. P. Gazette. The question is whether before granting approval to the inter-State scheme, the Central Government was bound to give an opportunity to the operators to put their case before it and also whether reasons should have been recorded by the Central Government before granting approval. The argument that an opportunity should have been given to the petitioner-objectors by the Central Government is based on a recourse to the principles of natural justice, for statute does not provide for any opportunity being given at the stage of the approval of the scheme by the Central Government.

It is well settled that the principles of natural justice, which require a person to be heard before a particular order is passed, can vary in form and content dependent upon the exigency of a matter and the particular statutory provision in respect whereof such right is claimed. It is also well settled that the principles of natural justice can be excluded by a statute. These principles are now so firmly established that it is not necessary to refer to the various decisions of the Supreme Court and the other courts to establish these propositions. We are concerned with Section 63-D in the present case. A perusal of Section 68-D (1) and (2) clearly indicates that the statute envisages filing of petitions and a hearing at the stage of Section 68-D (1) and (2). In case, the Legislature intended that an opportunity should be given to objectors by the Central Government before approving an inter-State route, we fail to understand why the Legislature did not make any provision for such an opportunity at that stage. It appears to us that inasmuch as Section 68-D (3) does not make any provision for a further hearing of the objectors at the -stage of approval, the right to be heard at this stage is by necessary implication excluded. Looking ,at the scheme of Section 68-D it does not appear that any principle of natural justice is violated by these provisions. The objectors have been given a right to file their objections before the State Government. The State Government then considers these objections and gives an opportunity to the objectors to support their objection

and thereafter passes an order.

In the case of inter-State route, it is obvious that the State Government has while seeking approval of the Central Government for an inter-State scheme, to send to the Central Government all the relevant papers i.e. the objections of the objectors and its order on the objections. This being so, the Central Government at the time when it approved of the scheme had before it the objections of the objectors and the order of the State Government on those objections. It is well settled that it is not necessary that an oral hearing should be afforded to a person at every stage of the proceeding. All that is required is that the procedure adopted should be fair in the circumstances of the case, (See: *Pearl-berg v. Varty* (Inspector of Taxes) 1972 WLR 534). In the present case inasmuch as the Central Government while approving the scheme had before it the view point of the objectors as also the view point of the State Government and was seized of the relevant records, we do not think that it was necessary for the Central Government to have afforded any further opportunity to the objectors by way of an oral hearing or filing of fresh objections before granting approval. As Section 68-D stands, we are satisfied that it substantially complies with the rule of natural justice by affording an opportunity to the objectors at the initial stage to have their say in the matter.

8. We may at this stage point out that it is doubtful as to whether the Central Government while granting approval of a scheme exercises quasi-judicial functions. It is, however, not necessary to decide this question as on the view that we take even if it be so, the provisions of Section 68-D ensure a fair opportunity to the objectors and as such, it cannot be said that there is any breach of the principles of natural justice when the Central Government grants approval without giving an opportunity to the objectors to be heard. This immediately brings us to the question as to whether it was necessary for the Central Government to have given reasons for granting approval.

9. The Act does not require any reasons to be given by the Central Government. The contention that reasons have to be given for the approval is based on the principle that the Central Government exercises a quasi-judicial function. We have already indicated that it is doubtful if it is so, but proceeding on the footing that while granting approval the Central Government exercises a quasi-judicial function, we are of the view that it is not incumbent on the Central Government to give any reasons. u/s 68-D it has been noticed that a scheme relating to an inter-State route becomes an approved scheme only when the Central Government grants approval. In case it does not grant approval then the scheme cannot be enforced. In cases where the Central Government grants approval, it is obvious that it agrees with the decision of the State Government in the matter. The State Government while disposing of objections has undoubtedly to give reasons for approving the scheme. When the Central Government grants approval it has to be taken that the reasons given by the State Government for sanctioning the scheme have the concurrence of the Central Government. The

result is that the order of the Central Government granting approval in substance incorporates or adopts the reasons given by the State Government for the scheme. On this view of the matter this contention must also fail.

10. The contention that the scheme should have been published in the Central Gazette also does not appeal to us. Section 68-D requires the publication of the scheme in the official gazette. The words "official gazette" occur in Sections 68-D (1) and 68-D (3). It cannot be contended that the words "official gazette" as occurring in Sub-section (1) of Section 68-D refer to the Central Gazette, for, looking at the phraseology of Section 68-D (1) and the fact that the scheme is initially published by the State Government, it is obvious that the words "official gazette" in Section 68-D (1) must have reference to the official gazette of the State which enunciates the scheme.

11. We now come to Section 68-D (3) of the Act and the proviso thereto. A bare perusal of Section 68-D (3) clearly indicates that the official gazette referred to therein is the official gazette of the State which publishes the scheme for the words are "shall then be published in the official gazette by the State Government". The approval of the Central Government is talked of in the proviso but all that the proviso does is that it lays down that unless the approval of the Central Government has been taken to the scheme it shall not be deemed to be an approved scheme. The proviso itself does not require publication of the approved scheme in the Central Gazette. It has been framed only for the purpose of enjoining on the State Government to obtain prior approval of the Central Government before the publication in the official gazette. The publication talked of in the proviso is the publication contemplated in the substantive part of Section 68-D (3) and that publication, as we have already seen is publication in the official gazette of the State Government, Thus this contention also fails.

12. We now come to the contention that the scheme was bad on account of vagueness as it does not give the number of services to be provided on the route. This contention finds support from a Division Bench decision of this Court in State of U.P. Vs. Shashi Kant Rai and Others, . However, the State of U. P. has enacted U. P. Act No. 27 of 1976, which has received Presidential assent. Sections 7 and 16 of the Act now do away with the necessity of specifying the minimum or maximum number of services to be provided on the route. Faced with this Act, counsel for the petitioners contended that the Act was extraterritorial in its application and, as such, was ultra vires. We proceed to consider this contention.

13. It would be profitable to quote Sections 7 and 16 of the Act before we consider this contention:--

"7. Specification of number of services not an essential requirement of Section 68-C or Section 68-D. Nothing contained in Section 63-C or Section 68-D of the principal Act shall be deemed to require or ever to have required a specification being made in an approved scheme of the number of services to be provided.

16. Notwithstanding any judgment, decree or order of any court, any scheme prepared or published u/s 68-C or approved or modified u/s 68-D of the principal Act or purporting to have been prepared, published, approved or modified shall not be deemed to be or have ever been invalid on the ground of the number of the services to be provided being not specified therein."

It will be noticed that Section 1 of the Act is retrospective in its operation and lays down that nothing in Section 68-C or Section 68-D would ever be treated as requiring a scheme to lay down the number of services. Section 16 of the Act is curative in nature and declares that a scheme prepared u/s 68-C or 68-D would not be deemed to be invalid on the ground that the number of services had not been provided in the scheme. In this case we are primarily concerned with Section 7, for Section 16 is only ancillary in the sense that after removal of the lacuna by Section 7 it only declares that the scheme will be valid notwithstanding any judgment of any court declaring it to be invalid on account of non-specification of the number of services. Now the power of the State of Uttar Pradesh to amend the Motor Vehicles Act cannot be doubted, in view of the pronouncement of the Supreme Court in *Sita Ram Sharma and Others Vs. State of Rajasthan and Others*, . In that case the Governor of Rajasthan had issued an Ordinance being the Motor Vehicles (Rajasthan Amendment) Ordinance, 1974 which added Section 68-CC to the Act. This new section was added by Section 4 of the Ordinance which declared that schemes prepared and published u/s 68-C by the General Manager of the State Road Transport Undertaking would be deemed to have been prepared and published by the State Road Transport Undertaking. It was held in that case that Chapter IV-A of the Motor Vehicles Act falls under Entries 35 and 42 of List III that is the concurrent List. It is not disputed that State Legislatures are empowered to legislate in respect of matters in List III. This being so, Section 7 in so far as it lays down that a scheme u/s 68-C or Section 68-D need not specify the number of services to be provided on the route, would be a matter falling under Entry 35 or Entry 42 of List III and would thus be a topic on which the State Legislature could legislate.

It is, however, contended that as the scheme relating to an inter-State route operates outside the territories of a State, the scheme framed must comply with the requirements of Section 68-C as originally enacted by the Parliament, and the State amendment, if any, could not validate a scheme in so far as it operates beyond its territories. In substance the argument is that the lacuna if any could be cured only in respect of schemes which were operative within the State. We are unable to accept this argument. Now if any extra-territoriality can be attributed to the scheme that is on account of the fact that after the scheme has been framed by the State of U. P. and approved by the Central Government, only buses of the State Road Transport authorities either of Uttar Pradesh or of Rajasthan can ply on the route and the other operators whether of the areas of Uttar Pradesh or Rajasthan are excluded.

Before we refer to the other cases cited at the Bar, it would be useful to refer to

two decisions of the Supreme Court where the principles relating to Laws which affect persons outside the State, have been laid down. In *The State of Bombay Vs. R.M.D. Chamarbaugwala*, a challenge was made to a legislation passed by the Bombay State Legislature. An Act known as Bombay Lotteries and Prize Competitions Control and Tax Act was challenged on the ground that it was extra-territorial in its operation, A newspaper "Sporting Star" was printed and published in Bangalore, and having wide circulation in the State of Bombay had invited entries for Crosswords puzzles, and for the purposes of its business had set up collection depots within the State to receive entry forms through local Collectors. The Bombay Act sought to tax these collections and also purported to control it by imposing certain conditions. Challenge was made to the Act on the ground that it was extra-territorial in its operation inasmuch as it sought to control and tax the business activities of the petitioners, who printed and published the newspaper outside the State of Bombay. Their Lordships held that if there was territorial nexus between the person sought to be charged and the State seeking to tax them, the taxing statute could be upheld. Sufficiency of the territorial connection in their Lordships' view involved a consideration of two elements, viz. (1) the connection must be real and not illusory and (2) the liability sought to be imposed must be pertinent to that connection. In the view of their Lordships inasmuch as the petitioners had set up collection depots in the State and appointed local collectors and invited entries in the State of Bombay there was sufficient territorial nexus for the legislation.

In the case of *The State of Bihar and Others Vs. Charusila Dasi*, an Act known as Bihar Hindu Religious Trusts Act was passed by the Bihar Legislature. By Section 3 of the said Act, the Act was made applicable to all public religious and Endowment Trusts which were situated in the State of Bihar and any part of whose property was in that State. A question arose as to whether the Act was bad on account of its having extra territorial operation in respect of trust properties situated outside the State of Bihar. It was held that the principles governing territorial nexus which were applied to Income Tax Legislation, sales-tax legislation and also tax on gambling were equally applicable to legislations in respect of public religious endowments. Their Lordships reiterated the principles laid down in *R.M.D. Chamarbaugwala's* case (supra) and held that inasmuch as the religious endowments in question were situated in Bihar and the trustees functioned there, the legislation was valid. In the present case the amendment operates upon the scheme which was framed by the State of U. P. i.e. within the territories of the State of Uttar Pradesh. No doubt as a result of the framing of the scheme not only operators of U. P. but also the operators of Rajasthan have been excluded from plying their buses on the inter-State route which falls within the State of U. P. but inasmuch as the operators who reside in Rajasthan also ply their buses within the State of U. P. on the part of the inter-State route inside U. P. this in our view constitutes sufficient territorial nexus for enabling the State of U. P. to pass the impugned legislation. The restriction imposed is also pertinent to the connection as it restricts the rights of operators to ply on the inter-State

route, a part of which falls in U. P; The mere fact that as a result of the scheme operators cannot also ply on the route which falls outside the State of Rajasthan would not render the scheme invalid as a large part of the route is comprised within the State of U. P.

Looked at from another point of view the legislation is not extra territorial. The Amending Act is primarily concerned with the particulars of a scheme framed by the State of U. P. It only lays down that a scheme framed by the State need not contain any particulars regarding the maximum or minimum number of services. It is really the scheme which affects operators residing outside U. P. and it is now well settled that the principle of extra-territoriality cannot appropriately be applied to schemes framed by a State under power conferred by a law enacted by the Parliament Ch. Khazan Singh and Others Vs. State of U.P. and Others, .

14. It will now be worthwhile to refer to the cases cited on behalf of the petitioners in support of their contention that the present amendment is extra-territorial in its operation.

15. The case of *Macleod v. Attorney-General (New South Wales)* (1891) AC 455 has no application to the facts of the present case. In that case, Macleod was married to one Mary Man-son in the colony of New South Wales and in her lifetime he married at St. Louis, in the State of Missouri in the United States of America, with one Mary Elizabeth Cameron. He was afterwards indicted, tried and convicted in the colony of New South Wales for the offence of bigamy under the 54th Section of the Criminal Law Amendment Act of 1883. It was held that inasmuch as the offence of bigamy was committed outside the territories of New South Wales conviction under the Criminal Laws Amendment Act, 1883 was invalid. In that case the offence of bigamy was committed outside the colony of New South Wales, and there was obviously no territorial nexus with the offence sought to be punished.

The case of *Welker v. Hewett* (1969) 43 ALJR 410 is also not apposite. The Road Maintenance (Contribution) Act, promulgated by the New South Wales legislature by Section 10-A provided that where the owner of a vehicle was a body corporate and that body corporate had failed to furnish any return or pay ,any charge required in respect of a New South Wales journey by that vehicle, each director, member of the governing body or manager of that body corporate would be personally liable to furnish the return and pay the charge. The appellants were directors of the Jupiter Transport Private Limited and were convicted for the breach of Section 10-A (2). The question that came up for consideration was whether the directors of the Company who were not residents of New South Wales could be convicted under those provisions. This law appears to "have been framed in exercise of the powers of New South Wales Legislature conferred on it by Parliament under the Constitution Act of 1902 to make laws for the peace, welfare and good government of New South Wales. Kitto J. referring to the judgment of Dixon J. in *Broken Hill South Ltd. v. Commissioner of Taxations N (S. W.)* (1937) 56 CLR 337 held that it was within the competence of the State

Legislature to make any fact, circumstances, occurrence or thing in or connected with the territory the occasion of the imposition upon any person concerned therein of a liability to taxation or any other liability. He held that the words "concerned therein" are of the essence of this proposition, for what is being described is a connexion between the person upon whom the liability is imposed and the State--a connection through the selected fact, circumstances, occurrence or thing and therefore a connection, one link of which is a concern, in "the sense of a personal implication or involvement in that fact, circumstances, occurrence or thing. It was held that inasmuch as by virtue of Section 10-A (2) the liability arose on account of the failure of the company to pay the charges, the penal provision could not be applied to directors who reside outside the territories of the New South Wales and had no actual connections with the failure to pay the charges. In the present case inasmuch as a part of the route falls within the State of U. P. and the Parliament has empowered the State to frame scheme for inter-State routes and as the operators from Rajasthan also ply on portions of the route which falls within the U. P. and as the item of legislation falls in the concurrent list, there is sufficient territorial nexus for passing a law which may affect operators outside the State of U. P.

The case of *Commr. of Stamp Duties v. Millar* (48 Comm WLR 618) is hardly in point. There death duty was sought to be imposed on a person who was not resident or domicile in the State of New-South Wales in respect of shares held by him of a company, which was incorporated outside the State but carried on business of mining within the State. The High Court of Australia held that the State of New South Wales had no legislative power to impose ,a death duty on such snares. The sole ground on which the State of New South Wales claimed to have the power to impose the tax was based on the fact that the company whose shares were held by the deceased, carried on its business of mining within the State. It is obvious that in such a case there will be no territorial nexus for the imposition of the duty, as what was being sought to be brought to tax was the value of the shares held by the deceased and not the mining activity of the Company. It is settled law that a shareholder does not have any property in the assets of the company i.e. its mining operations or other property. His interest is confined to the shares held by him and as the shares were of a company whose registered office was outside the State of New South Wales the legislature of New South Wales did not obviously have any power to pass a legislation imposing a death duty on such shares.

16. Two other cases, which are said to support the contention of the petitioners on this point now require consideration. They are:--

(1) *The State Vs. Narayandas Mangilal Dayame*, .

(2) *E.R. Samuel and Others Vs. State of Punjab and Others*, . In the Bombay case the Bombay Legislature had enacted the Bombay Prevention of Hindu Bigamous Marriages Act, 1945. By this Act any marriage contracted either within the State of Bombay or outside by the person who had domicile in the State was

bigamous marriage and the Act provided for punishment for such marriages. The accused in that case was married firstly in the State of Bombay and thereafter he contracted a second marriage at Bikaner. The question arose as to whether the Bombay Legislature had legislative power to punish an act which had been committed outside its territories. It was held that before such a law could be upheld there must be territorial nexus between the subject-matter and the State, inasmuch as the subject-matter of the Legislature was firstly marriage and secondly crime. The view was taken that as the marriage had been contracted outside Bombay and the crime, if any, by contracting the second marriage was also committed outside the State of Bombay, the Bombay Legislature could not punish the person in respect of second marriage contracted outside the State. The view was founded on the principle that crimes could only be punished in the locality where they were committed.

17. This principle cannot be appropriately applied to the present case. for, as we have seen, the Act primarily does nothing more than to incorporate a provision in the Motor Vehicles Act laying down the details which have to be specified in a scheme framed by the State and by the fact that operators of the State of Rajasthan also ply in the U. P. part of an inter-State route, sufficient territorial nexus exists as there is movement of vehicles in the State of U. P.

18. In *E.R. Samuel and Others Vs. State of Punjab and Others*, the State of Punjab sought to levy electricity duty in respect of electricity consumed within the territories of Himachal Pradesh, The duty was sought to be levied on the petitioners in that case on the ground that they were employees of the State of Punjab. It was held that the mere fact that the petitioners were employees of the State of Punjab did not constitute sufficient territorial nexus so as to empower the State of Punjab to impose the levy on the petitioners. This case does not further the case of the petitioners. The event had taken place outside the State of Punjab and the mere fact that they were employees of the State of Punjab obviously did not constitute sufficient territorial nexus between the tax imposed and the persons sought to be taxed.

19. On the view that we have taken it must, therefore, be held that the Amending Act is not ultra vires the legislative competence of the State of Uttar Pradesh.

20. Counsel has contended that the operators of the State of Rajasthan did not have sufficient notice and, as such, could not file their objection. It is not possible to consider this contention as in the special appeals arising out of the writ petitions decided by the learned single Judge this point was gone into and it has been held that the Rajasthan operators were fully aware of the scheme. This contention must also be rejected.

21. Mr. Munshi appearing for the respondents raised certain other contentions of a technical nature regarding maintainability of the writ petition. We think that on the view that we take on the merits it is futile to go into those contentions.

22. The petitions are accordingly dismissed with costs. The stay orders are discharged. This order will govern the connected Writ Petitions Nos. 1432, 1433, 1458, 1497, 1506, 1507, 1508, 1523 to 1545, 1567 to 1571 and 1709 of 1963.