CASE NO.:
Appeal (civil) 6453 of 2001

PETITIONER:
I.T.C. LTD.

Vs.

RESPONDENT:
AGRICULTURAL PRODUCE MARKET COMMITTEE & ORS.

DATE OF JUDGMENT: 24/01/2002

BENCH:
CJI, G.B. PATTANAIK, Y.K. SABHARWAL, RUMA PAL & BRIJESH KUMAR

JUDGMENT:

WITH
Civil Appeal Nos. 540/1987, 541/1987, 3872/1990, 3024/1988, 3023/1988, 1535/1988, 1194/1988, 1394/1988, 1536/1988, 1980/1988, 1981/1988, 3715/1988, 2464/1988, 6619/1997, C.A. No. __________/2002 (arising out of SLP(C) No. 892/1985), W.P. (C) No. 8614/1982, C.A. Nos. 2088-2089/1999, C.A. Nos. __________/2002 (arising out of SLP(C) Nos. 27568-27570/1995)

BY THE COURT

In keeping with the conclusions of the majority, expressed in the judgments of Sabharwal, Ruma Pal and Brijesh Kumar, JJ., it is held that :

(1) ITC's case [1985 Supp. (1) SCC 476] was not correctly decided.

(2) The State legislatures are competent to enact legislation providing for the levy and collection of a market fee on the sale of tobacco in a market area. Consequently, the Market Acts enacted by the States are valid.

(3) The State legislations and the Tobacco Board Act, 1975, to the extent that they relate to the sale of tobacco in market areas, cannot co-exist and the former prevail over the latter.

The appeals and the writ petition are disposed of accordingly. No order as to costs.

....CJI.

....J.
(G.B. Pattanaik)

....J.
(Y.K. Sabharwal)

....J.
(Ruma Pal)

....J.
(Brijesh Kumar)

January 24, 2002.