

PETITIONER:
MAHABIR BEOPAR MANDAL LTD

Vs.

RESPONDENT:
FORWARD MARKET COMMISSION

DATE OF JUDGMENT 13/01/1977

BENCH:
RAY, A.N. (CJ)
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RAY, A.N. (CJ)
BEG, M. HAMEEDULLAH

CITATION:
1977 AIR 1562 1977 SCR (2) 604
1977 SCC (1) 729

ACT:
Forward Contract (Regulation) Act 1952--Secs. 14A, 14B--
Forward Market-- Commission--Power to impose conditions.

HEADNOTE:
The appellants contended that the Forward Market Commission under the Forward Contract (Regulation) Act 1952 cannot impose conditions under sections 14A and 14B on the commodities in respect of which business can be carried out by persons who apply for registration. Secondly, the provisions contained in s. 4 of the Act do not confer power on the Commission to impose conditions. Thirdly, in respect of recognised associations, the Commission had no power to impose conditions with regard to commodities in which they deal.
Dismissing the appeal,
HELD: All the 3 conditions raised in the present appeal are covered against the appellant by the decision of this Court in the case of Union India v. M/s Rajdhani Grain and Jaggery Exchange Ltd. reported in [1975], Supp, SCR 1. [605 B-F]

JUDGMENT:
CIVIL APPELLATE JURISDICTION: Civil Appeal No. 873 of 1975..
(From the Judgment and Order dated 11-11-1974 of the Allahabad. High Court in Civil Misc. Writ Petition No. 6976/74)
AND
Civil Appeal No. 1748 of 1975.
(Appeal by Special Leave from the Judgment and Order dated 8-11-1974 of the Allahabad High Court in Civil Misc. Writ Petition No. 6932/74).
AND
Civil Appeal No. 1425 of 1974.
(From the Judgment and Order dated 1-9-1972 of the Allahabad. High Court in Special Appeal No. 8/66).
A.N. Parekh, for the appellants in CA 1748/75.
Yogeshwar Prasad, for the appellants in CA 873/75.
D.N. Misra for the appellant in CA 1425/74.
L.N. Sinha, Solicitor General, S.N. Prasad (In CA 873/75)

and Girish Chandra, for the respondents iii all the appeals. The Judgment of the Court was delivered by

RAY, C.J. Civil Appeals Nos. 873 and 1425 are by certificate under Article 133(1) of the Constitution of India and Civil Appeal No. 1748 is by special leave.

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(Ray, C.J.)

These appeals turn on the question whether the Commission described as the Forward Market Commission under the Forward Contract (Regulation) Act, 1952, can impose conditions under section 14-A and Section 14-B on the commodities in respect of which business can be carried on by persons who apply for registration.

This Court in Union of India & Anr. v. M/s. Rajdhani Grains and Jaggery Exchange Ltd. & Ors. (1975 Supp. S.C.R.1) dealt with this specific question and came to the conclusion that the specification of the commodities in respect of which the business can be carried on is a condition concerned with the regulation and control of the business relating to forward contracts. It is idle to suggest that the Commission in granting certificate of registration to carry on business will not be competent to specify the commodities in which the persons asking for registration will deal.

Another contention was raised before us that the provisions contained in Section 4 of the Forward Contract (Regulation) Act-1952 do not confer power on the Commission to impose conditions. This contention is also repelled by the decision of this Court to which reference has already been made. It has been held in that case that the Commission alone is vested with power to impose conditions in regard to commodities in respect of which forward contracts can be entered into by a particular association. Sections 15 to 18 of the Act do not clash with the power of the Commission to impose conditions in respect of commodities in which business of forward contract can be carried on.

Another contention was advanced before us that with regard to the recognised associations the Commission had no power to impose conditions with regard to commodities in which they deal. This contention is also answered by the decision of this Court (supra). Further the provisions contained in Chapter III-A specifically deal with registration of all associations concerned with regulation and control of forward contracts and the power of the Commission to grant or refuse such certificate of registration.

All contentions advanced by the appellants are already answered' by the decision of this Court (supra) and the observations made herein. The appeals are therefore dismissed. There will be no order as to costs.

P.H.P.

Appeals dismissed.

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