

(1977) 01 SC CK 0017

In the Supreme Court Of India

Case No : ?Appeal Civil 875 of 1975

The Mahabir Beopar Mandal Ltd.

APPELLANT

Vs

The Forward Markets Commission

RESPONDENT

Date of Decision : 13-01-1977

Acts Referred:

Forward Contracts (Regulation) Act, 1952 — Section 14A, 14B, 15, 16, 17

Citation : AIR 1977 SC 1562 : (1977) 1 SCC 729 : (1977) 2 SCR 604 : (1977) 9 UJ 150

Hon'ble Judges : A. N. Ray, C.J;M. Hameedullah Beg, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

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

2. 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 u/s 14-A and Section 14-B on the commodities in respect of which business can be carried on by persons who apply for registration.

3. This Court in Mrs. Tehmi P. Sidhwa and Others Vs. Shib Banerjee and Sons Pvt. Ltd. and Another, 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 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.

4. 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.

5. Another contention was advanced before us that with regard to the recognized 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.

6. 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.