

Topic: Inter-Relation Between Article 19(1) (G) And 301

Name of the Case: Dist. Collector, Hyderabad v. Ibrahim, AIR 1970 SC 1275

Bench: Chief Justice M. Hidayatullah, Justice J.C. Shah, Justice K.S. Hegde, Justice A.N. Grover, Justice A.N. Ray, Justice I.D. Dua

Fact of the Case: The respondents are dealer in sugar and other commodities and carry on business in city of Hyderabad and Secunderabad. The State Government allocated quota for sugar received from Central Government for distribution in different areas and nominated licenses or dealers to take delivery of the allotted quotas from the factories.

In December 1964, the State Government ordered that the sugar quota allocated to “the twin city’s of Hyderabad and Secunderabad” be given in its entirety to the Greater Hyderabad Consumer Central Co-operative Store, Hyderabad. On the account the respondent who held the license under the Andhra Pradesh sugar licensing order for distribution of sugar and were also recognised dealer under the Sugar Control Order, 1963, whereby an executive fiat prevented from carrying on their business in sugar.

Judgment: The Supreme Court has observed that while Article 19 (1) (g) deals with the rights of individual, Article 301 provides safeguards for caring the trade as a whole is distinguished from an individual's right to do the same. This view, however, is hardly tenable. Article 301 is based on Section 92 of the Australian constitution which has been held to comprise right of individual as well, and the same should be the position in India. In the actual practice, this view has never been enforced and individuals have challenged legislation on the ground of its effect on their right to carry on trade and commerce. The Supreme Court has denounced the theory that Article 301 guarantees freedom “in the abstract and not of the individuals”.