

Supreme Court of India

Raghu Seeds & Farms And Others vs Union Of India And Others on 3 November, 1993

Equivalent citations: 1994 AIR 533, 1994 SCC (1) 278

Author: Y Dayal

Bench: Yogeshwar Dayal (J)

PETITIONER:

RAGHU SEEDS & FARMS AND OTHERS

Vs.

RESPONDENT:

UNION OF INDIA AND OTHERS

DATE OF JUDGMENT 03/11/1993

BENCH:

YOGESHWAR DAYAL (J)

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YOGESHWAR DAYAL (J)

KULDIP SINGH (J)

CITATION:

1994 AIR 533

1994 SCC (1) 278

JT 1993 (6) 385

1993 SCALE (4) 300

ACT:

HEADNOTE:

JUDGMENT:

The Judgment of the Court was delivered by YOGESHWAR DAYAL, J.- By Transferred Case Nos. 4, 5 and 48 of 1986 and Writ Petition (Civil) Nos. 15337-15338 of 1984 the petitioners herein have challenged the constitutional validity of the Seeds (Control) Order, 1983 purported to have been issued in exercise of the powers conferred by Section 3 of the Essential Commodities Act, 1955 (hereinafter referred to as 'the Act') as being unconstitutional, ultra vires and void. The petitioners have also challenged the declaration of seeds of food-crops and seeds of fruits and vegetables as the essential commodities by the Government of India, Ministry of Civil Supplies contained in the order dated February 24, 1983 also issued under the Act.

2. Section 2 of the Act is the definitions section and inter alia clause (a) thereof defines "essential commodity". The relevant part of clause (a) reads as follows : "(a) 'essential commodity' means any of the following classes of commodities-

(i) cattle fodder, including oil cakes and other concentrates;

(ii) coal, including coke and other derivatives;

(iii) component parts and accessories of automobiles;

(iv) cotton and woollen textiles; (iv-a) drugs;

Explanation.-In this sub-clause 'drug' has the meaning assigned to it in clause (b) of Section 3 of the Drugs and Cosmetics Act, 1940 (23 of 1940);

(v) foodstuffs, including edible oilseeds and oils;

(vi) to (x)

(xi) any other class of commodity which the Central Government may, by notified order, declare to be an essential commodity for the purposes of this Act, being a commodity with respect to which Parliament has power to make laws by virtue of Entry 33 in List III in the Seventh Schedule to the Constitution;"

3. By the impugned notified order dated February 24, 1983 the Central Government in exercise of the powers conferred by sub-clause (xi) of clause (a) of Section 2 of the Act declared the following seeds used for sowing or planting (including seedlings and tubers, bulbs, rhizomes, roots, cuttings and all types of grafts and other vegetatively propagated material of food-crops or cattle fodder) to be essential commodities for the purpose of the said Act, namely-

"(i) Seeds of food-crops and seeds of fruits and vegetables;

(ii) Seeds of cattle fodder and

(iii) Jute seed;"

4. After issuing the said notified order declaring inter alia the seeds of food-crops and seeds of fruits and vegetables as essential commodities the Central Government issued the impugned Seeds (Control) Order, 1983 purported to be in exercise of the powers conferred by Section 3 of the Act. It inter alia contemplates that the persons carrying on business of selling, exporting or importing seeds to obtain licence. It also inter alia provides for grant and/or refusal of the licence; renewal of the licence and various ancillary provisions for suspension, cancellation of licence and submissions of various returns including provision of punishment for violation of the Seeds (Control) Order, 1983.

5. The basic question involved in these matters is the validity of the notified order dated February 24, 1983 whereby inter alia seeds of food-crops and seeds of fruits and vegetables have been declared as essential commodities for the purposes of the Act. The validity of the notified order inter

alia is challenged on the ground that the seeds of food-crops and seeds of fruits and vegetables are not class of commodities which could be declared by the Central Government as essential commodities for the purposes of the Act. The argument is that it is so because such a commodity is not a commodity in respect of which the Parliament has powers to make law by virtue of Entry 33 of List III of the Seventh Schedule to the Constitution of India. Entry 33 of List III of the Seventh Schedule to the Constitution of India reads as follows:

"33. Trade and commerce in, and the production, supply and distribution of,-

(a)

(b) Foodstuffs, including edible oilseeds and oils;

(c) to (e)

6. It is clear that the aforesaid Entry 33 deals with not merely trade and commerce in, but also the production, supply and distribution of, various products and articles mentioned in clauses (a) to (e) thereof. Clause (b) of Entry 33 mentions 'foodstuffs' as a class of commodity which includes edible oilseeds and oils. The main thing to be noticed is that the entry deals with not merely trade and commerce in foodstuffs but also in relation thereof in production, supply and distribution as well. Once it is clear that Entry 33 also deals with production, it is obvious that the seeds are a vital commodity having direct connection with the production of the foodstuffs to which it relates. Therefore, seeds of foodstuffs is an item which has direct bearing with the production of the foodstuffs and consequently it is competent for the Parliament as well as States to make laws in relation to seeds of foodstuffs. Surely seeds of food-crops and seeds of fruits and vegetables relate to foodstuffs.

7. The various entries in the three lists are fields of legislation. [See Calcutta Gas Company (Proprietary) Ltd. v. State of W. B. 1 and Harakchand Ratanchand Banthia v. Union of India<sup>2</sup>]

8. Again it is well established that the language of the various entries should be given the widest scope of which their meaning is fairly capable.

9. Therefore there is no doubt that the notified order dated February 24, 1983 was intra vires the powers conferred by sub-clause (xi) of clause (a) of Section 2 of the Act. Once the said notified order becomes valid, the Seeds (Control) Order, 1983 is within the power of the Central Government under Section 3 of the Act.

10. These petitions, therefore, fail and are dismissed with costs.