

ITEM NO.1502

Virtual Court 1

SECTION III-A

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Civil Appeal No(s). 7508/2005

WEST U.P. SUGAR MILLS ASSOCIATION & ORS.**Appellant(s)****VERSUS****THE STATE OF UTTAR PRADESH & ORS.****Respondent(s)****WITH****C.A. No. 7509-7510/2005 (III-A)****CONMT.PET.(C) No. 169/2006 In C.A. No. 7508/2005 (III-A)****C.A. No. 150/2007 (III-A)****CONMT.PET.(C) No. 254/2007 In C.A. No. 7508/2005 (III-A)****CONMT.PET.(C) No. 253/2007 In C.A. No. 7508/2005 (III-A)****C.A. No. 2664/2007 (III-A)****C.A. No. 4026/2009 (III-A)****C.A. No. 4014-4023/2009 (III-A)****C.A. No. 4024/2009 (III-A)****C.A. No. 4025/2009 (III-A)****C.A. No. 3911-3912/2009 (III-A)****C.A. No. 3925/2009 (III-A)****C.A. No. 3996-3997/2009 (X)****SLP(C) No. 18681/2008 (XI)****SLP(C) No. 19183/2008 (XI)****SLP(C) No. 20206/2008 (XI)****SLP(C) No. 20205/2008 (XI)****SLP(C) No. 21576-21581/2008 (XI)****SLP(C) No. 21585-21587/2008 (XI)**

SLP(C) No. 23202/2008 (XI)

SLP(C) No. 26026/2008 (X)

CONMT.PET.(C) No. 263-264/2008 In C.A. No. 3996-3997/2009 (X)

CONMT.PET.(C) No. 267-268/2008 In C.A. No. 3996-3997/2009 (X)

CONMT.PET.(C) No. 265-266/2008 In C.A. No. 3996-3997/2009 (X)

C.A. No. 4764/2009 (III-A)

T.C.(C) No. 96/2013 (XVI-A)

Date : 22-04-2020 These matters were called on for pronouncement of Judgment today.

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Hon'ble Mr. Justice M. R. Shah pronounced the reportable Judgment of the Bench comprising Hon'ble Mr. Justice Arun Mishra, Hon'ble Ms. Justice Indira Banerjee, Hon'ble Mr. Justice Vineet Saran, His Lordship and Hon'ble Mr. Justice Aniruddha Bose.

The operative portion of the Judgment is reproduced as under :-

"23. Thus, it is held that the view taken by the Constitution Bench of this Court in the subsequent decision in the case of U.P. Coop. Cane Unions Federations (supra) is the correct law. There is no conflict between the two decisions of this Court in the case of Tika Ramji and in the case of U.P. Coop. Cane Unions Federations and therefore, there is no necessity to refer the matter to the larger Bench consisting of seven Judges. Therefore, our final conclusions are as under:

a. By virtue of Entries 33 and 34 List III of seventh Schedule, both the Central Government as well as the State Government have the power to fix the price of sugarcane. The Central Government having

exercised the power and fixed the "minimum price", the State Government cannot fix the "minimum price" of sugarcane. However, at the same time, it is always open for the State Government to fix the "advised price" which is always higher than the "minimum price", in view of the relevant provisions of the Sugarcane (Control) Order, 1966, which has been issued in exercise of powers under Section 16 of the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953;

- b. The Sugarcane (Control) Order, 1966 which has been issued under Section 16 of the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953 confers power upon the State Government to fix the remunerative/advised price at which sugarcane can be bought or sold which shall always be higher than the minimum price fixed by the Central Government;*
- c. Section 16 of the U.P. Sugarcane (Regulation of Supply and Purchase) Act, 1953 is not repugnant to Section 3(2)(c) of the Essential Commodities Act, 1955 and Clause 3 of the Sugarcane (Control) Order, 1966 as, as observed hereinabove, the price which is fixed by the Central Government is the "minimum price" and the price which is fixed by the State Government is the "advised price" which is always higher than the "minimum price" fixed by the Central Government and therefore, there is no conflict. It is only in a case where the "advised price" fixed by the State Government is lower than the "minimum price" fixed by the Central Government, the provisions of the Central enactments will prevail and the "minimum price" fixed by the Central Government would prevail. So*

long as the "advised price" fixed by the State Government is higher than the "minimum price" fixed by the Central Government, the same cannot be said to be void under Article 254 of the Constitution of India.

d. The view taken by the Constitution Bench of this Court in the case of U.P. Cooperative Cane Unions Federations vs. West U.P. Sugar Mills Association and Others is the correct law.

24. The Reference is answered accordingly. Now the Registry to notify all these matters before the Court taking up such matters forthwith, for disposal."

(JAYANT KUMAR ARORA)
COURT MASTER

(JAGDISH CHANDER)
ASSISTANT REGISTRAR

(Signed reportable Judgment is placed on the file)