

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). 2396-2397 OF 2002

CHHOTANAGPUR ROPE WORKS

Appellant (s)

VERSUS

STATE OF BIHAR & ANR.

Respondent(s)

(With appln(s) for stay and office report)

Date: 20/07/2010 These Appeals were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE MARKANDEY KATJU  
HON'BLE MR. JUSTICE T.S. THAKUR

For Appellant(s) Mr. Shashi B. Upadhyay, Sr. Adv.  
Mr. V. Shivnath, Sr. Adv.  
Mr. Pawan Upadhyay, Adv.  
Ms. Kumud L. Das, Adv.  
Ms. Sharmila Upadhyay, Adv.

For Respondent(s) Mr. S.B. Sanyal, Sr. Adv.  
Mr. Sunil Roy, Adv.  
  
Mr. Saurav Kirpal, Adv. For  
Mr. Gopal Singh, Adv.

UPON hearing counsel the Court made the following  
O R D E R

The Appeals are allowed.

( Rajesh Dham )  
Court Master

( Indu Satija )  
Court Master

(signed order is placed on the file)  
IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

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O R D E R

Heard the learned counsel for the parties.

These Appeals, by special leave, have been filed against the impugned judgment of the Division Bench of the High Court of Patna, Bench at Ranchi, dated 17.02.1995.

The facts have already been set out in the impugned judgment. Hence, we are not repeating them here.

The short question that arises in these cases is whether "jute rope" or "jute core rope" is "agricultural produce" within the meaning of the definition of "agricultural produce" under Section 2(1)(a) of the Bihar Agricultural Produce Markets Act, 1960 (Act XVI of 1960)

(hereinafter referred to as 'the Act').

By reversing the findings of the learned single Judge, the Division Bench of the High Court has held that "jute rope" or "jute core rope" is "agricultural produce".

We are of the opinion that the judgment of the Division Bench of the High Court cannot be sustained.

Initially, Section 2(1)(a) of the Act defined "agricultural produce" in the following terms :-

"Section 2(1)(a) : "agricultural produce" includes all produce, whether processed or non-processed of agriculture, horticulture, animal husbandry and forest specified in the Schedule;"

Subsequently, in the year 1982, that definition of "agriculture produce" was substituted by the following definition :-

"Agriculture produce" means produce whether processed or non-processed, manufactured or not, of Agriculture, Horticulture, Plantation, Animal Husbandry, Forest, Sericulture, Pisciculture (includes live stock or poultry) as specified in the Schedule."

We are of the view that both under the initial

definition and in the amended definition also, it is necessary for a commodity to be in the Schedule to the Act if it is to be included within the definition of "agriculture produce".

We may note that item VII (Fibres) of the Schedule to the Act, among other items, mentions "Jute", "Gunny Bags" and "Sutli". Gunny bag is an item which is the result of manufacture and it does not, by itself, grow on the agriculture field. Thus, even those agriculture produce which are the result of manufacture which were sought to be brought within the definition of "agriculture produce" by legal fiction were placed in the Schedule to the Act. It follows that manufactured or processed items which are not in the Schedule to the Act are not to be treated as "agriculture produce" for the purposes of the Act.

Mr. S.B. Sanyal, the learned Senior Advocate appearing for respondent No. 2 herein, submits that in the new definition of "agriculture produce" the words "as specified in the Schedule" govern only the words "live stock or poultry". With respect, we do not agree with this contention. We are of the opinion that they cover the entire items mentioned in the definition of "agriculture produce".

Mr. Sanyal further submits that "Sutli" is a "rope". We are not inclined to agree. "Rope" is a thick article, whereas "Sutli" is very thin. Thus, we reject that contention urged by Mr. Sanyal.

For the reasons abovestated, the impugned judgment of the Division Bench of the High Court is set aside and the judgment of the learned single Judge is restored.

The Appeals are allowed accordingly. No costs.

.....J.  
(MARKANDEY KATJU)

.....J.  
(T.S. THAKUR)

NEW DELHI  
JULY 20, 2010.