

Forward Contracts (Regulation) Act, 1952

Section 7 - Withdrawal of recognition If the Central Government is of opinion that any recognition granted to an association

Section 5, it may grant recognition to the association in such form and subject to such conditions as may be prescribed or specified, and shall specify in such recognition the goods or classes of goods with respect to which [forward contracts] may be entered into between members of such association or through or with any such member. (2) Before granting recognition under sub-section (1), the Central Government may, by order direct,-- (a) that there shall be no limitation on the number of members of the association or that there shall be such limitation on the number of members as may be specified; (b) that the association shall provide for the appointment by the Central Government of a person, whether a member of the association or not, as its representative on, and of not more than three persons representing interests not directly represented through membership of the association as member or members of, the governing body of such association, and may require the association to incorporate in its rules any such direction and the conditions, if any, accompanying it. (3) No rules of a recognised association shall be amended except with the approval of the Central Government. (4) Every grant of recognition under this section shall be published in the Gazette of India and also in the Official Gazette of the State in which the principal office of the recognised association is situated, and such recognition shall have effect as from the date of its publication in the Gazette of India.

1 . For recognised Associations see footnote to Section 5. Section 7 - Withdrawal of recognition If the Central Government is of opinion that any recognition granted to an association under the provisions of this Act should in the interest of the trade or in the public interest, be withdrawn, the Central Government may, after giving a reasonable opportunity to the association to be heard in the matter withdraw, by notification in the Official Gazette, the recognition granted to the said association : Provided that no such withdrawal shall affect the validity of any contract entered into or made before the date of the notification, and the Central Government may make such provision as it deems fit in the notification of withdrawal or in any subsequent notification similarly published for the due performance of any contracts outstanding on that date.