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MANDIRA MILIND
SALGAONKAR

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SALGAONKAR
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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO.15469 OF 2022

Ashish Anilkumar Desai & Anr. .. Petitioners

Versus

Maharashtra Industry Development .. Respondents
Corporation & Ors.

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Mr.Girish Godbole, Senior Advocate with Mr.Sumit Sonare i/b
Mr.Prathamesh Bhargude for the Petitioners.

Ms.Shyamali Gadre with Ms.Mrunal Tavade i/b Little & Co. for
the Respondent/MIDC.

Mr.S.H.Kankal, A.G.P. for the State/Respondent.

**CORAM: BHARATI DANGRE &
ASHISH S. CHAVAN, JJ.**

DATE : 06th OCTOBER, 2026

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JUDGMENT (PER BHARATI DANGRE, J.)

1. The Petition filed by Ashish Anilkumar Desai, an individual and designated partner of M/s Bharati Life Sciences LLP, seek the following reliefs :-

“[A] That this Honourable Court be pleased to issue a writ mandamus or writ in the nature of mandamus or any other appropriate writ direction and order under Article 226 of the Constitution of India, 1950, quashing and setting aside the letter dated 7th November 2019 and thereby directing the Respondent Maharashtra Industrial Development Corporation to execute an agreement to lease in respect of the suit plot in favour of the Petitioner No.2 herein.

[B] That this Honourable Court be pleased to issue a writ mandamus or writ in the nature of mandamus or any other appropriate writ direction and order under Article 226 of the Constitution of India, 1950, quashing and setting aside the letters dated 28th May 2018 and 26th Feb 2019 vide which the Respondent

no. 1 had raised a demand towards alleged outstanding dues of Rs. 7,18,670/- towards service charges, water charges, annual lease rent and additional premium extension of time limit.

[CC] That this Honourable Court be pleased to issue a writ of mandamus or writ in the nature of mandamus or any other appropriate writ direction and order under Article 226 of the Constitution of India, 1950 directing the Respondents to extend the time limit granted to the Petitioner for the purpose of commencing and completion of the constructions work, from the date of entering into the Agreement of Lease, till such time as the Honourable Court may deem fit.”

By way of an interim relief, the Petition pray for a restraint order against the Respondents from acting in furtherance of the impugned communications.

2. We have heard learned senior counsel Mr.Godbole for the Petitioners and learned counsel Ms.Shyamali Gadre for Maharashtra Industry Development Corporation (for short, “MIDC”), whereas the State is represented by Mr.S.H.Kankal, the learned Government Advocate.

With the consent of the learned counsel for the respective parties, we deem it appropriate to issue ‘Rule’, which is made returnable forthwith.

3. The background facts in which the prayers in the Petition alongwith the amended reliefs can be appreciated would reveal that the Petitioner's father, Shri Anilkumar Desai, was allotted plot bearing number A-84 admeasuring about 11,325 sq.mtrs. situated at Kurkumbh Industrial area, in Taluka Daund, District Pune for industrial purpose. The said plot came to be allotted in the year 1998, by an agreement executed on 22/05/1998 on payment of premium of Rs.5,59,000/- by him.

On his demise on 02/11/2000, the Regional Officer of MIDC called upon Shri Ashish Desai, Petitioner No. 1, to furnish his father's Death Certificate and Succession Certificate, so as to accept him on record as a Successor of the licensee in respect of the said plot.

Accordingly, an application for Succession Certificate was filed by the mother of Petitioner No.1 by following the due procedure prescribed, and on 11/02/2005, she came to be admitted as Licensee on the said plot, which process consumed considerable length of time. Unfortunately, after the name of the mother of Petitioner No.1 was accepted as lessee, she demised on 17/12/2006.

Subsequent to her death, on initiating the necessary procedure, the said plot was transferred in the name of Ashish Desai (Petitioner No.1) by the communication dated 18/01/2011.

4. In the wake of the transfer of interest in the plot in favour of Shri Ashish Desai, an extension was sought for completion of the work, and when he addressed a communication, he was informed that the plot had accumulated arrears of service charges. Upon he raising a protest to the effect, that he had not received any demand, the letters were addressed to him informing that since no steps have been taken for development of the plot, it shall be treated as an open plot, and the consequences would follow. According to Petitioner No.1, despite the fact that a formal endorsement for extension of development was granted by the Respondents, and in its absence, no steps could have been taken, the MIDC insisted that the plot is liable to be declared as open.

5. On 24/06/2013, the Regional Officer addressed a notice to Mr.Ashish Desai informing that MIDC would be taking back the possession of the plot on 02/07/2013 and this constrained him to approach this court by filing Writ Petition No.11363 of 2013. The petition sought direction to the Respondent to hand over the possession of the suit plot to the Petitioner and for quashing and setting aside the notice/order dated 24/06/2013.

However, the Division Bench of this Court, dismissed the said writ petition, by observing that there was no illegality or arbitrariness on part of the Respondent to take action against the said plot, in the wake of the terms and conditions of the agreement dated 22/05/1998. It was also observed that the Petitioner was well aware of the terms and conditions of the agreement and the impugned action was found justiciable as it was found to be in public interest, as the plot could be allotted to a deserving entity/person.

6. This constrained the Petitioner to approach the Hon'ble Apex Court through a Special Leave Petition, which came to be decided on 16/11/2016.

Upon a statement being made on behalf of the appellant-Ashish Desai, that he is willing to pay the current rent in respect of the land in question, it was directed that MIDC shall raise a demand upon him at current rent i.e. the rate at which the MIDC is allotting plot to general public. Upon such a demand being received, the necessary payment shall be made, and thereafter, the Respondent- MIDC was directed to take appropriate steps. Paragraphs 6 and 7 of the order read to the following effect :-

“6. However, we make it clear that the appellant is directed to abide by all the terms and conditions of the agreement entered into by him at the time of allotment of the land in question and further condition (s), if any, to be imposed by the respondent in respect of the land allotted.

7. We further make it clear that we are passing this order giving a chance to the appellant to set up the industry, and no third party right(s) would be created by the appellant in any manner whatsoever.”

7. It is a specific case of Mr.Desai that in compliance of the said order, a demand was raised to the tune of Rs.59,45,625/- and the same was satisfied and the receipt of the said amount was duly acknowledged by Respondent No.1 vide its letter dated 21/03/2017, which clearly stated that the MIDC would be entering into an agreement of lease with Mr.Ashish Desai in respect of the suit plot.

It is also worth to note that subsequent to the payment of the aforesaid amount, the possession was handed over by passing a receipt on 22/05/2017, but the grievance of Petitioner No.1 is that no agreement of lease was executed, and this posed a difficulty for him, as Possession Receipt clearly stipulated that by itself it did not pass any legal title to the plot holder, and the legal entitlement would only flow upon execution of documents to that effect.

Mr.Ashish Desai, on 08/06/2017, made a request to execute an agreement of lease, but there was no response.

It is on 21/06/2017, a request came to be made by him to execute the agreement of lease in the name of M/s Bharati Life Sciences LLP, Petitioner No. 2, and by this communication, it was intimated to the Regional Officer that the registration procedure of the Firm-M/s Bharati Life Sciences LLP is already initiated with the Registrar of Companies and, therefore, the

agreement to lease for the plot shall be effected in the name of M/s Bharati Life Sciences LLP. The application was accompanied with; (1) certificate of incorporation, (2) LLP Form No.3 for filing of LLP agreement and (3) Challan. Thereafter, repeated correspondence was made with Respondent No.3-Regional Manager and ultimately, on 16/04/2018, the Managing Director of MIDC was requested to look into it.

However, the Regional Officer, on 28/05/2018, raised a demand of outstanding sum of Rs.4,51,740/- along with the late fee charges of Rs.2,66,930/- due and payable towards service charges, Annual lease rent, additional premium towards extension of time limit and outstanding dues towards water charges, thus totaling to a sum of Rs.7,18,670/-.

Petitioner No.1 continued to insist upon execution of the Lease Deed as per the earlier request forwarded by him and it is on 29/08/2018, he was informed that the original documents of the re-allotted plots were sent to the Legal Department and necessary action will be taken.

Even thereafter, reminder letters were forwarded for execution of the lease agreement, which received a response to the effect that the documents were pending with the Legal Department. However, it is by communication dated 26/02/2019, he was communicated as below:-

"We hereby would like to inform you that, your request dated 21/06/2017 for execution of primary agreement in the name of M/s.Bharati Lifesciences LLP & your request vide letter dated 01/06/2018 has been voided by the Corporation."

Instead, he was directed to make the necessary payment, clearing the outstanding dues.

8. Since there was considerable delay in executing the agreement of lease, though the possession of the plot was handed over to Petitioner No.1 on 22/05/2017, and the limitation period of four years, as stipulated in clause (3) of the order of 21/03/2017, was to come to an end in 2021, and this happened to be in the teeth of the order passed by the Apex Court, a contempt petition was filed by the Petitioner, which came to be dismissed on 29/07/2019. Thereafter, MIDC addressed communications to the Petitioner, asking him to deposit the outstanding amount of Rs.7,18,670/- and Mr. Desai adopted a stand that since the MIDC had not yet executed the agreement of lease, and he was not under an obligation to make the payment, and further, he made a grievance that his request for executing the Lease Deed in favour of M/s. Bharati Life Sciences LLP was rejected for no justifiable reason.

It is in this background, the present petition was instituted on 25/11/2019, challenging the communication by which the request of Petitioner No.1 to execute the Lease Deed of the plot in favor of Petitioner No.2 was rejected. Challenge was also raised to the demand letters that were raised reflecting outstanding dues under several heads, in absence of the agreement of lease being executed.

9. During the pendency of the Petition, with the leave of the Court, the Petition came to be amended on 03/03/2020, adding certain grounds with reference to the draft agreement of lease, which was shared by the petitioner, which prescribed time limit for commencement and completion of construction work i.e. six months from the date of agreement of lease and within

four years from the date of handing over of possession i.e. 22/05/2017. Since, Petitioner No.1 was not in a position to comply with the said stipulation, the Petition came to be amended requesting the Court to extend the time-line for execution of the agreement and prayer clause [CC] was added to that effect.

10. After considerable lapse of time, when Petition appeared before us on 08/06/2026, and a statement is made before us that the demand raised by the MIDC towards service charges, water charges etc. was satisfied by Petitioner No.1 and the Petition was restricted to the relief of execution of the agreement of lease in favor of Petitioner No.2, a Limited Liability Partnership, comprising Petitioner No.1 and his wife and even the amended Petition was pressed into service praying for extension of time.

MIDC sought time on more than one occasion and when the Writ Petition appeared before us on 22/06/2026, the counsel for MIDC insisted that the request of executing a lease in favor of the LLP i.e. Petitioner No.2 is not permissible in light of the order dated 16/11/2016 passed by the Apex Court. It is in these circumstances, we specifically noted thus :-

“ We have perused the said order to find that, though the Apex Court directed the Appellant to abide by all the terms and conditions of the agreement entered into at the time of allotment of land in question and further condition(s), if any, to be imposed by the Respondent in respect of the land allotted, with a view to give a chance to the Appellant to set up the industry, we do not find any embargo in not executing an agreement with the LLP, of which one component is Petitioner No.1, i.e., the Appellant before the Apex Court.

In para 7 of the order, the only restriction created is that no third-party right(s) would be created by the Appellant in any manner whatsoever.

2. Today, what is being sought on behalf of the Petitioner through learned senior counsel Mr. Godbole, is execution of the agreement of lease in favour of the LLP, of which the Petitioner No.1 himself is one component and his wife is the second.

Mr. Godbole has also agreed that both the components of the LLP shall tender separate affidavits to the MIDC clearly setting out that they shall continue to carry on the business in the name of the LLP on the land so allotted by MIDC and only in an exceptional case, either in case of the demise of either of them or any other circumstance of whatsoever nature, if at all they desire to have a change in the composition of the LLP, or if any new member is to be inducted, it shall not be done without prior approval of the MIDC.

3. We expect the said affidavit to be tendered in this Court as well to be furnished to the Regional Officer, MIDC, Baramati within a period of one week from today and, upon such affidavits being tendered, we expect the MIDC to execute the agreement with the LLP within a period of two weeks thereafter.

4. At this stage, we also record the statement of the learned senior counsel Mr. Godbole that the amount deposited with MIDC satisfying the demand raised under various heads and which he intended to be by way of no prejudice, shall be permitted to be appropriated by the MIDC upon the agreement being executed."

11. This order being passed by us, MIDC still did not proceed ahead and chose to raise a challenge to the said order before the Apex Court, by filing Special Leave Petition. The Apex Court, on 04/08/2026, however, passed the following order :-

"1. We do not find any good ground to entertain this petition. The special leave petition is, accordingly, dismissed.

2. Parties are at liberty to urge all the grounds before the jurisdictional High Court in the pending writ petition(s)."

12. It is in this background, we have heard learned senior counsel Mr. Godbole, in light of the specific stand of MIDC, which was reiterated through the affidavit filed by its Area Manager on 22/06/2026. In paragraph 4 of the said affidavit, once again the insistence of the Authority is upon the order of the Apex Court dated 16/11/2016 and the stand adopted is that the Apex Court made it clear that the appellant shall abide by all the terms and conditions of the agreement entered

into by him at the time of allotment of land in question, and shall abide by all the condition(s) imposed by the respondent in respect of the land allotted.

It is not disputed that the demand raised was satisfied by Mr. Desai, but it is the stand of the MIDC that when the Petitioner amended the Petition on 11/12/2019 and he made a payment without prejudice to the pending challenge, Petitioner No.1 adopted a stand that the execution of the agreement of lease should be in the name of Ashish Anilkumar Desai, Chief Promoter of proposed Bharati Lifesciences Pvt Ltd. and he never intended to have the lease executed in favor of Petitioner No.2.

The said communication, being placed on record alongwith the affidavit, is perused by us and we must record the contents thereof.

“Respected Sir,

1. As indicated in your order dt. 21.03.2019, I am ready to get the Agreement executed in my name “SHRI. ASHISH ANILKUMAR DESAI, CHIEF PROMOTER of Proposed BHARATI LIFESCIENCES PVT. LTD.”

2. Though the Demand of Rs.7,18,670/- is unjust & is challenged in High Court without prejudice to such pending challenge and with a view to ensure that there is no further complication, I am paying the same by Demand Draft No.033651 dt. 11.12.2019 drawn on HDFC Bank.

Please execute the requisite Agreement.”

13. MIDC continued to persist with its stand that the said request cannot be considered, as the Apex Court indicated that chance be given to the appellant to set up industry and that no third party right(s) would be created by him in any manner whatsoever and, therefore, the Legal Department of MIDC

opined that the agreement to be executed only in the name of Ashish Anilkumar Desai and not in the name of Ashish Anilkumar Desai, Chief Promoter of proposed Bharati Lifesciences Pvt Ltd.

14. The only justification for the MIDC to refuse the request of Mr.Desai for executing the agreement in the name of LLP, of which he alongwith his wife are the partners, is the order of the Apex Court. We have perused the said order carefully. On reading of the said order, we have noted that when MIDC took steps to cancel the allotment in favor of Mr. Desai and the High Court did not entertain him, before the Apex Court, a statement was made that he is ready to pay the current rate in respect of the land in question as a consideration for allotment of the land, and this request was accepted. Needless to state that the Apex Court indicated that the appellant shall be bound by all the terms and conditions of the agreement entered into by him at the time of allotment of the land in question as well as he shall feel himself bound by any other further condition(s), if any imposed by MIDC. This offer of Petitioner No.1 was accepted by the Apex Court, by clarifying that it intended to afford a chance to him to set up the industry and no third party rights shall be created in any manner whatsoever.

15. The specific case of Petitioner No.1 is that he alongwith his wife formed Bharati Life Sciences LLP as the partners and intended to carry out the industrial activity in the allotted plot. A request was made to execute the agreement in the

name of Bharati Life Sciences LLP, of which the Petitioner No.1 is one of the partners.

We do not see any reason for refusing the said request, as what the Hon'ble Apex Court indicated in its order is that the appellant shall abide by all the terms and conditions of the agreement and he shall not create any third party interest. Now, Petitioner No.1 is desirous of setting up an industry and avail the benefit of the allotment in his favor, but since now the business activity to be carried out by him is in the name of LLP of which he along with his wife are the only partners, we find no legal impediment in the MIDC executing the lease agreement in favor of Petitioner No.2-M/s.Bharati Life Sciences LLP and we direct Respondent Nos.1 to 3 to execute the agreement with M/s Bharti Life Sciences LLP, of which Petitioner No.1- Ashish Anilkumar Desai, is also a member/promoter.

In the wake of the aforesaid, since we find that for one or the other reason MIDC has been avoiding to take the steps by taking shelter of the order of the Apex Court, which we find to be completely unjustifiable, we direct Respondent Nos.1 to 3 to take immediate steps for execution of the agreement in the name of Petitioner No.2, which automatically has the presence of Petitioner No.1 as its partner. We direct the steps to be taken within period of six weeks from today.

16. Another request which deserves consideration is extension of time as prayed for by the amended Petition. Ms.Gadre had vehemently asserted that the time for carrying out the development work shall commence from the date when

the possession is handed over. We repeatedly asked her to point out the clause to that effect in the Maharashtra Industrial Development Corporation Disposal of Land Regulations 1975, but she is unable to point out any such clause. It is then her contention that in various agreements, such a stipulation is prescribed and we also asked her to point out to us such specific agreements, which shall be in accordance with Form C appended to the said Regulations, but she was unable to even place on record any such agreement. However, we could note from the tone and tenor of the Regulation and the format i.e. Form C, that a time-line is prescribed for carrying out construction/development activity, but it is not that MIDC is not within its power to grant extension, and as Ms.Gadre has indicated that, if the extension is granted, it shall be subject to payment of the necessary charges/fees at the end of the Corporation. Therefore, we can understand that the time-line of four years from the date of possession is not a hard and fast rule, as on an application made and on justifiable explanation being offered that the development work could not be completed within the stipulated time-line, an extension is permissible.

In the peculiar case, where we find that after the order of the Apex Court, MIDC for one or the other reason has been avoiding to execute the agreement with the Petitioner and Petitioner No.1 made a request to execute the agreement in favor of an LLP of which he is a part, the request has been rejected, and when we directed it to do so, the MIDC then deemed it appropriate to approach the Apex Court and this consumed time.

We, therefore, do not find any fault with the Petitioners and in such circumstances, since we have already issued a direction that an agreement shall be executed in the name of Petitioner No.2, with the presence of Petitioner No.1, we direct that the period of four years shall commence from the date of execution of the agreement. However, Mr. Godbole fairly submitted that as far as the period of lease of 95 years is concerned, MIDC is at liberty to count the said period from the date of handing over of possession i.e. from 2017.

17. With the aforesaid clarification that the agreement to be executed in the name of Petitioner No.2, with the presence of Petitioner No.1, we direct that the period of four years shall commence from the date of the agreement or any other date with the prospective effect as indicated in the agreement and needless to state that it is for the MIDC to consider any request coming from its lessee seeking extension of time, which shall deserve consideration on its own merits.

The Petition is made absolute in the aforestated terms.

(ASHISH S. CHAVAN, J.)

(BHARATI DANGRE, J.)