

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.18077 of 2011

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Prinston Pharmaceutical Through Its Proprietor Janoranjana Prasad Sinha
Son Of Late Ramashray Prasad Resident Of Mohalla- Laxmi Narain Nagar,
P.O.- R.K. Ashram, P.S.- Mithanpura, District- Muzaffarpur

.... Petitioner/s

Versus

1. The State Of Bihar
2. The Principal Secretary, Industries Department, Government Of Bihar, Patna
3. The Chairman, Bihar Industrial Area Development Authority, Udyog Bhavan, East Gandhi Maidan, Patna
4. The Managing Director, Bihar Industrial Area Development Authority, Udyog Bhavan, East Gandhi Maidan, Patna
5. The Secretary, Bihar Industrial Area Development Authority, Udyog Bhavan, East Gandhi Maidan, Patna
6. The Executive Director, Bihar Industrial Area Development Authority, Regional Office, Muzaffarpur

.... Respondent/s

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Appearance :

For the Petitioner/s : Mr. Prashant Sinha

For the Respondent/s : Mr. Lalit Kishor AAG-1

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CORAM: HONOURABLE MR. JUSTICE KISHORE KUMAR
MANDAL
ORAL ORDER

3 29-09-2015 Heard Mr. Prashant Sinha for the petitioner and Ms Binita Singh for the respondent-Bihar Industrial Area Development Authority (for short 'the BIADA').

The petitioner being an industrial unit was engaged in production of pharmaceutical products and was allotted a piece of land by the respondent-BIADA. Since after allotment of land the unit remained dormant, the respondent-BIADA issued notice to it. On a consideration of materials on record, the appropriate/competent authority of the respondent-BIADA by an



order dated 30.08.2007 cancelled the allotment of land made in favour of the petitioner. Aggrieved thereby, the petitioner filed an appeal vide Appeal No. 06/11. The appellate authority after considering the materials on record rejected the appeal by an order dated 23.08.2011 (Annexure-9). Aggrieved by these two orders, the present writ petition has been filed.

Mr. Sinha has submitted that there is/are materials to indicate that the unit was not dormant and was in production although not in full swing. The respondents have however disputed the aforesaid submission of the petitioner.

It appears from the pleadings on record that a title suit was also filed by the petitioner when the Unit was put on notice which is pending before the learned trial court. Whether a land leased out to a unit can be cancelled by the respondent-BIADA became the subject matter of the dispute in CWJC No. 7352 of 2007(Deepak Paints Pvt. Ltd. & Anr Vs. the State of Bihar). The said matter was ultimately decided by a division bench in LPA No. 353 of 2008.

Mr. Sinha submits that the present writ petition be disposed of in terms in which LPA No. 353 of 2008 was disposed of.

Counsel for the respondent stated that the title suit

having been filed by the petitioner, the relief should not be granted to him as two parallel proceedings at the instance of the petitioner have been initiated.

Counsel for the petitioner however points out that in the pending title suit the main relief has been prayed against the Bihar State Financial Corporation. The relief, if any, against the BIADA shall be withdrawn by him which pertains to cancellation of the plot of land in favour of the petitioner by the respondent-BIADA.

On a consideration of submissions made at Bar, in my view, the present writ petition deserves to be disposed of in terms in which LPA No. 353 of 2008 was disposed of the operative part/portion whereof are extracted herienbelow:-

“Under these circumstances, we dispose of the appeals by modifying the order passed by the learned single Judge to the following effect:

(A) The orders of cancellation of leases or allotment of the land to the respondents herein shall stand set aside, but they are given six months time from today either to establish the industries, wherever they are not established, or to revive the industries, if they were already established, but have become sick.

(B) If any of the respondents, i.e. the writ petitioners, intend to go for diversification, any application in that behalf shall be made within two months from today. The concerned authority shall take decision in one month thereafter. If permission for diversification is granted, reasonable time shall be granted by the concerned

authority, for establishment or modification.

(C) In default, i.e. if industry is not established or the closed one is not revived within the stipulated time, it shall be open to the authorities to resume the land for further allotment by inviting applications from the intending entrepreneurs, but not through individual allotments.

Such of the respondents who have either established the industries or have restarted the closed ones during the pendency of these appeals need not take any steps.

If any factors intervene for delayed commencement of production, it shall be open for the entrepreneurs to seek extension of time from the concerned authority.”

I order accordingly.

(Kishore Kumar Mandal, J)

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