

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.15638 of 2017

1. M/s Padma Laxmi Sree Rice Mill Pvt. Ltd. through its Managing Director, Sri Sanjay Ghosh, Situated at Vill- Godhiya Chaman, Bhagwanpur, District- Vaishali.
2. Sri Sanjay Ghosh, S/o Sri Chittaranjan Ghosh, Permanent R/o Vill- Bolpur, Shantiniketan Road, Bolpur, Birbhum-731204 West Bengal, Presently at Village- Ibrahimpur, P.O.P.S.- Saraiya, District- Muzaffarpur.

... .. Petitioner/s

Versus

1. The State Of Bihar through the Chief Secretary, Government of Bihar, Patna
2. The Principal Secretary, Industry Department, Government of Bihar, Patna.
3. The Director, Food Processing Department of Industries, Government of Bihar, Patna.
4. The Director, Technical Development, Department of Industries, Government of Bihar, Patna.
5. The Director, Food Processing Directorate, Industry Department, Government of Bihar, Patna.
6. The Deputy Director, Food Processing Directorate, Industry Department, Government of Bihar, Patna.
7. The Industrial Department Commissioner, Industry Department, Government of Bihar, Patna.
8. The Collector, Muzaffarpur.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr. Rajiv Ranjan Kr. Pandey, Advocate
For the Respondent/s	:	Mr. Abbas Haider, SC 6

CORAM: HONOURABLE JUSTICE SMT. G. ANUPAMA CHAKRAVARTHY

ORAL JUDGMENT

Date : 30-07-2025

1. The petitioners have filed the Writ
petition for the following reliefs:



“A) A writ in the nature of Mandamus directing the respondents authorities to release grant of Rs. 500 Lakhs i. e. 35% of total project cost in terms of Scheme of integrated Development of Food Processing Sector enunciated by State Government for promotion of food processing unit,

B) For issuance of other writ/writs order/orders, direction / directions for which the petitioner is found entitle to.

2. The Learned counsel for the petitioner submitted that the petitioner has a legitimate expectation, based on the approval of its Detailed Project Report vide Annexure-4 and the assurances received, that the incentive/grant would be released. The petitioner therefore prays for appropriate directions to the State Government to disburse the grant under the scheme as stated in relief portion.

3. A counter affidavit was filed on behalf of Respondent No. 7 stating therein that, in accordance with Notification No. 128 dated



16.01.2006, admissible benefits under the scheme are granted only upon approval by the "Competent Authority." No subsidy or financial incentive can be released unless such approval is duly obtained. It is further contended that the Integrated Development of Food Processing Sector Scheme prescribes a structured and mandatory procedure for disbursement of subsidy, which includes: (i) Approval of the project by the Competent Authority, (ii) Execution of an agreement between the promoter and the Government, (iii) Opening of a Trust and Retention Account for Special Purpose Vehicles or a No Lien Account for individual promoters in a Scheduled Bank, (iv) Joint site inspection and preparation of a status report, (v) Recommendation by the Project Management Agency (PMA) based on the inspection report (vi) Final approval by the Departmental Minister and the Principal Secretary, Industries Department, (vi) Issuance of office order by the Director, Food Processing, Industries Department, Government of Bihar and (vii) release of subsidy in three



installments of 20%, 40%, and 40%, subject to the fulfillment of conditions specified in Letter No. 387 dated 26.05.2015 and Letter No. 951 dated 22.09.2014.

4. The Learned counsel for the respondent further contended that the State Government has had adverse experiences in the past in disbursing subsidies to rice millers, including several instances of irregularities and fraudulent conduct, leading to numerous criminal and certificate cases involving the Bihar State Food and Civil Supplies Corporation. In light of this, the State now follows a stricter verification and approval mechanism before releasing any subsidy amount.

5. It is categorically stated by the Learned counsel for the respondent that in the present case, the approval of the Competent Authority has not been granted, and therefore, the petitioner's expectation of subsidy disbursement is premature and misplaced. Based on the procedure outlined and the lack of necessary approvals, it is submitted that the petitioner is not entitled to the subsidy



amount claimed. The petitioner's claim is anticipatory and not in accordance with the statutory process and scheme guidelines.

6. Heard the Learned counsel for the petitioner as well as the Learned counsel for the respondents.

7. At this juncture, the Learned counsel for the petitioner seeks indulgence of this Court to grant liberty to file the representation before the competent authority and to direct the said authority to pass necessary orders duly taking into account the case of the petitioner.

8. Without going into merits of the case, the petitioner is directed to file a representation before the competent authority, within thirty days from the date of receipt of this order. In turn, the competent authority shall consider the representation of the petitioner and pass an appropriate orders in accordance with law within three months from the date of filing such representation.

9. With the aforesaid observations and



directions the Writ petition is disposed of.

10. Interlocutory Application(s), if any,
shall stand disposed of.

(G. Anupama Chakravarthy, J)

Spd/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	22.08.2025
Transmission Date	

