

Government of Bihar
Office of the Principal Secretary, Department of Industries

Dated 28.11.2018

Appeal Case No – 12/2017
District – Darbhanga

PRESENT :- K.K. Pathak, I.A.S.,
Principal Secretary

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M/s Jawahar Mini Modern Rice Mill, Darbhanga - Appellant
Vs.
MD, BIADA - Respondent

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Appearance:

For the Appellant
For the Respondent

: LA Saroj Kumar
: LA Devesh Shankaran

28.11.2018

This is an Appeal filed by the Appellant against the order of the MD dated 15th May 2006 vide which his allotment of plot was cancelled and his money forfeited.

The Appeal was filed in the year 2017. It seems that the Appellant had approached the Hon'ble High Court against the order of the cancellation. The Hon'ble High Court in CWJC No.10379/2014, vide order dated 04th August 2014 remanded the matter to the Appellate Authority giving the petitioner liberty to approach the Appellate Authority. It seems that the then Appellate Authority admitted the petition for hearing. However, the

matter could not be heard earlier. Finally, the matter was posted for hearing on today. Today, the Learned Advocate of Appellant was heard in great detail. The Learned Advocate of BIADA was also heard.

As per the learned Advocate for the Appellant, he is keen to start his unit which is a rice mill. He further mentioned that he is willing to deposit a bank guarantee of Rs. 1 Lakh and shall restart the business within 6 months if his plot is restored.

The Learned Advocate of the BIADA was also heard. As per the Learned Advocate, there are pending dues of Rs.123382/-. The plot was allotted to the Appellant in the year 1998 and possession was given in the year 1999. But he was using the Industrial Plot for residential purposes hence his allotment was cancelled. The Appellant is sitting on a prime industrial area and using it for residential purposes. Therefore, if the plot is to be restored, then a bank guarantee of Rs.15 Lakhs must be obtained from the Appellant for a period of at least two years.

Having heard both the parties and having perused the documents available on record, I find that the Appellant is keen to start his venture and hence, another opportunity must be given to him. But this opportunity must be backed up by some financial security on the part of the Appellant so that he lives up to his commitment to start his business and continue the operation.

That be the case, I am inclined to consider his case favourably but at the same time, precaution needs to be

taken to ensure that entrepreneurs like the Appellant do not sit on the valuable land resource and do nothing on it. It must be remembered that land is a scarce resource and BIADA have many more prospective entrepreneurs waiting in que for allotment.

Therefore, it is expected of the existing allottees that they should start their business in right earnest and if they are unable to continue the business, they should, in the interest of industrialisation, step aside and make way for new entrepreneurs who would bring with them fresh capital and better technology.

The above therefore, requires that the Appellant must be bound by a financial bond so that he should seriously work to restart and continue his business. Having said that, I hereby order that the allotment of plot be restored to the Appellant with following conditions:-

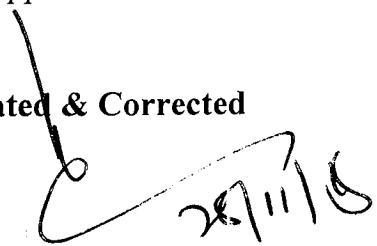
- i. Firstly, the Appellant should clear the pending dues of BIADA with interest.
- ii. Since the Appellant was using it for residential purposes, evidence of which is submitted by BIADA in terms of photographs, I find it appropriate to levy a financial penalty of Rs.25000 which the Appellant shall deposit immediately.
- iii. Thereafter, the Appellant should submit Bank Guarantee of Rs. 3 lakhs for a period of two years along with an Affidavit to BIADA that the Appellant will start the business within 3 months from the date of this order and shall

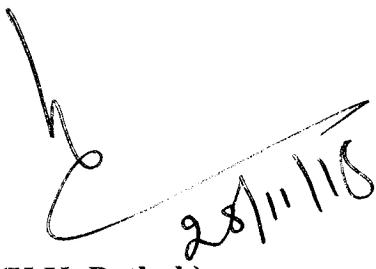
remain in continuous operations; and should he stop his operations or violate any other condition of the allotment letter/BIADA Act/BIADA Rules, the above Bank Guarantee shall be encashed by BIADA.

- iv. Once the above steps are completed and the Appellant submits the Bank Guarantee along with an Affidavit to BIADA, the MD shall restore the allotment to the Appellant.
- v. If the Appellant does not approach BIADA and fulfils condition No. i & ii above within 15 days from the date of this order, BIADA shall be free to take the possession of this land and re-allot it to any other entrepreneur as per its extant policies.

Appeal allowed with conditions.

Dictated & Corrected


(K.K. Pathak)
Principal Secretary,
Department of Industries,
Bihar


(K.K. Pathak)
Principal Secretary,
Department of Industries,
Bihar