

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

Dated 06.11.2018

Appeal Case No – 52/2015
District – Bhagalpur

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

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M/s Lovely Furniture House, Bhagalpur - Appellant
Vs.
MD, BIADA - Respondent

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Appearance:

For the Appellant
For the Respondent

: LA Ranjan Kumar Singh
: LA Pankaj Kumar Sinha

06.11.2018

This is an Appeal filed by the Appellant against the order of the MD dated 13th October 2011 and by another order dated 23rd November 2015 vide which his allotment of plot was cancelled and his money forfeited.

The Appeal was filed in the year 2015. However, the matter could not be heard earlier. Finally, the matter was posted for hearing today. Today, the Learned Advocate of Appellant was heard in great detail. The Learned Advocate of BIADA was also heard. It seems that the Appellant's plot has been

previously cancelled also. On 4th April 2013, the then Principal Secretary quashed the cancellation order of MD, BIADA dated 13th October 2011 and remanded the matter back to the MD, BIADA. Thereafter, MD, BIADA again heard the matter and cancelled the allotment again on 23rd November 2015.

From the perusal of the cancellation order of the MD dated 23rd November 2015, it seems that the Appellant has been earlier permitted to start a furniture workshop. However, at the later stage, the unit was converted on the request of the Appellant to run a flour mill. Then, the Appellant further requested to convert the unit into a manufacturing unit for plastic rope etc.

I note with concern that the Applicant neither started the furniture business, nor the flour mill and therefore, the MD rightly cancelled his third request for starting a plastic rope unit.

Today, during the course of hearing, he said that he is keen to start the work of flour mill and he wants to set up a mini flour mill within 6 months. He also mentioned that he is willing to give a bank guarantee of Rs.1 lakh.

The Learned Advocate of the BIADA was also heard. As per the Learned Advocate, there are no pending dues. The Appellant is sitting on an industrial area located right on the national highway and hence

on the hooks. It seems that the Appellant is merrily hanging on to the land for speculative purposes.

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 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 immediately deposit a penalty of Rs. 1 Lakh in BIADA for reasons noted above.
- ii. Thereafter, the Appellant should submit Bank Guarantee of Rs. 5 lakhs for a

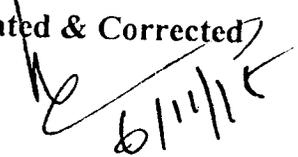
period of two years along with an Affidavit to BIADA that the Appellant will start the business within 4 months from the date of this order and shall remain in continuous operations; and should he stop his operations or violate any other condition of the allotment letter/BIADA Act/BIADA Rules, the above Bank Guarantee shall be encashed by BIADA.

- iii. He should also submit an affidavit that now he will start a flour mill and shall never approach BIADA for transfer of plot or change of business or for any request which may be used by him as a delaying tactics.
- 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)

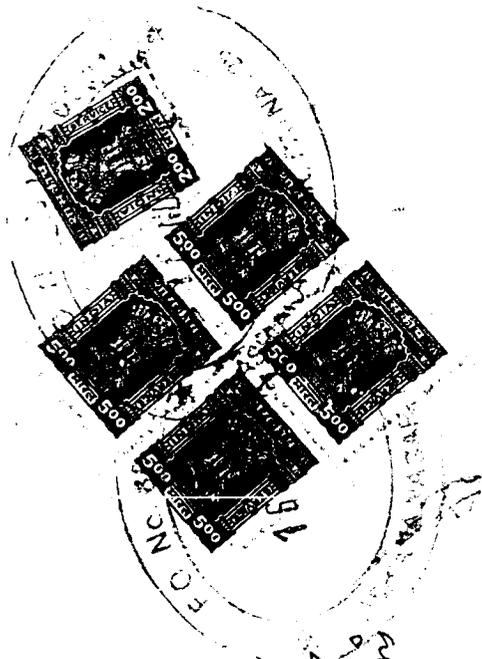
Principal Secretary,
Department of Industries,
Bihar


(K.K. Pathak)

Principal Secretary,
Department of Industries,
Bihar

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B-13-22/11/2018 को
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TULSIPUR JAMUNIA
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जयपुर, राजस्थान

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