

(2026) 08 PAT CK 2543

In the Patna High Court

Case No : Civil Writ Jurisdiction Case No.886 of 2024

M/s. Krish Polypack Pvt. Ltd.

APPELLANT

Vs

The State Of Bihar & Ors.

RESPONDENT

Date of Decision : 03-08-2026

Acts Referred:

Companies Act, 1956
BIADA Act, 1974 — Section 6(2), 6(2)(a)

Citation : (2026) 08 PAT CK 2543

Hon'ble Judges : Girijish Kumar, J

Bench : Single Bench

Advocate : Mr. Mohit Agarwal, Mr. Prashant Pratap, Mr. AC to SC-11, Mr. Standing Counsel 11

Final Decision : Disposed Of

Judgement

Date : 03-08-2026 Heard learned counsel appearing on behalf of the parties.

2. With the consent of the parties, this writ application is disposed of at the stage of admission.

3. This writ application has been filed for the following relief(s):-

"(a) For quashing the Memo No. 10 dated 03.01.2024 issued under the signature of the Respondent Deputy General Manager, BIADA, Patna Cluster, Patna whereby the order dated 02.01.2024 passed by Respondent Joint Managing Director, Bihar Industrial Area Development Authority, Patna was communicated to the Petitioner Company whereby the Plot No. C-2, C-3, C-4 and C-5 (P) measuring about 33,200 sq. ft. has been arbitrarily cancelled;

(b) For quashing the impugned purported order dated 02.01.2024 of cancellation of Industrial Plots of the petitioner by the Respondent Deputy General Manager or even the Joint Managing Director, BIADA, Patna as the power of cancellation of any plot allotted to Industrial Unit is vested in the Bihar Industrial Area Development Authority in terms of Section 6(2) of BIADA Act whereas in the present case it is evident from the impugned communication communicated to the petitioner that the same has been communicated

under the signature of the Deputy General Manager and purported to be passed by the Respondent Joint Managing Director and not by the authority in terms of the BIADA Act and hence the same is without any authority of law;

(c) For a declaration that in terms of Section 6(2)(a) of BIADA Act, the provision of appeal before the State Government has been made illusory as the Managing Director who is the part of the authority is exercising the power of appeal which is to be exercised by the State Government, therefore, no appeal can be preferred before the Managing Director in the facts of the present case;

(d) For holding that as admittedly manufacturing activity is being carried out in the unit of the Petitioner Company, no purported order of cancellation could have been passed under section 6(2)(a) of the BIADA Act;

(e) For restraining the respondents from interfering the peaceful possession of the Petitioner company with respect to the Industrial Plots, in question, and to further restrain from creating any third party right in haste by denying the petitioner to avail the remedy for which is entitled in the law; and to grant such other relief or reliefs before this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case."

4. Learned counsel appearing on behalf of the petitioner submits that the impugned order has been passed by the Deputy Managing Director, who is part of the authority, in exercising the power conferred by the State Government. Therefore, no appeal can be preferred before the Managing Director in fact of the present case. As such, the impugned order passed by the authority is beyond jurisdiction. He further submits that this issue has already been decided by this Court vide judgment dated 29.04.2025 passed in Civil Review No. 37 of 2025, in Paragraph Nos. 15 and 16 whereof, this Court has held as follows:-

*"15. The judgment, therefore, stands modified to the extent that the Managing Director/ Joint Managing Director could pass an order as the delegatee of the Authority, pertaining to cancellation of lease deed, provided he is authorized by the Authority by a general or special order and that there would be no application of the ratio of the judgment in **Deepak Paints (P) Ltd.** (supra) as at that time, the Act of 1974 had not been amended [when the judgment in **Deepak Paints (P) Ltd.** (supra) was delivered].*

16. After having said that, we further clarify that the authority or its delegatee, namely, Managing Director or Joint Managing Director would be entitled to consider the issue of cancellation of plot only after affording an opportunity to the respondent, who shall file an objection, if already not filed, and the issue shall be considered on the basis of inspection reports as also the objection. The authority or its delegatee may conduct a further inspection if necessary and also consider the request of the respondent to allow and permit some time for it to establish the industry. The order so passed would be a speaking order."

5. After the order was passed in the Civil Review Application, one of the important ground taken by the petitioner has been decided against the petitioner.

6. Learned counsel appearing on behalf of the respondent BIADA states that in view of the order passed in the said Civil Review Application, the jurisdictional issue raised by the petitioner has no relevance. So far as other ground is concerned, the same can be adjudicated in appeal as per the provisions made

under Section 6(2)(a) of the BIADA Act, 1974. Therefore, the petitioner may approach the Appellate Authority for deciding the various issues raised by the petitioner in the present writ application.

7. In view of the submissions made by the learned counsel appearing on behalf of the respondent BIADA, this writ application is disposed of with direction that if the petitioner files an appeal before the Appellate Authority within a period of 15 days from today, the same shall be considered and disposed of by the Appellate Authority expeditiously, preferably within a period of six months from the date of filing of the appeal, of course by passing a speaking order after giving proper opportunity of hearing to the petitioner. Needless to add, if the petitioner files an appeal within a period of 15 days from today, the Appellate Authority will consider the issue of limitation in view of the fact that the writ application was *sub judice* before this Court for some time. It is made clear that till the filing of the appeal, no coercive action will be taken against the petitioner by BIADA.

8. With the direction(s) aforesaid, this writ application stands disposed of.

9. All pending Interlocutory Application(s), if any, shall also stand disposed of.

10. Interim order granted by this Court shall stand vacated.