

(2006) 10 PAT CK 0067

In the Patna High Court

Case No : Company Petition No. 2 of 2000

M/s Bihar State Handloom and Handicraft Corporation Ltd.

APPELLANT

Vs

The State of Bihar

RESPONDENT

Date of Decision : 19-10-2006

Acts Referred:

Bihar Reorganisation Act, 2000 — Section 65
Inter State Corporations Act, 1957 — Section 2, 3

Citation : (2007) 1 PLJR 46

Hon'ble Judges : V. N. Sinha, J

Bench : Single Bench

Judgement

V. N. Sinha, J.—Heard Sri Umakant Singh, who had filed this Company Petition on behalf of the Bihar State Handloom & Handicraft Corporation Ltd. (hereinafter referred to as the Corporation). He states that he has no instruction at all to press this petition. Sri Vinit Kumar, J. C. to G.A. 4 prays for time but in view of the fact that this case was filed on 9.2.2000 and since then till date is being adjourned on one pretext or the other, prayer to further adjourn this case is refused.

2. Sri Umesh Prasad Singh, Senior Advocate appearing on behalf of the workmen of the Corporation, states that the instant Company Petition, filed for winding up of the Corporation through the process of the Company Judge under the provisions of the Companies Act, 1956, is not maintainable in view of the provisions contained in Section 65 of the Bihar Reorganization Act, 2000 read with relevant provisions of the Inter-State Corporations Act, 1957, as according to him by virtue of Section 65 read with Schedule 9 of the Bihar Reorganization Act, 2000, the Corporation is an Inter-State Corporation as it is included in Schedule 9 vide item No. 11 of the Bihar Reorganization Act and once it is Inter-State Corporation, it is covered by the definition of Inter-State Corporation Act as provided u/s 2 of the Inter-State Corporations Act, 1957 and the State Government in the case of its reconstitution, reorganization or dissolution is empowered to frame a scheme by virtue of Section 3 of the Inter-State

Corporations Act, 1957 and, accordingly, if the share holders and the State Government are of the view that the Corporation is required to be reorganized, reconstituted or dissolved, then steps in terms of the provisions contained in Inter-State Corporations Act, 1957 is required to be taken.

3. Having perused the relevant provisions contained in the Bihar Reorganization Act, 2000 as also the Inter-State Corporations Act, 1957, I see substance in the submissions made by Sri Singh and, accordingly, this company petition is dismissed as not maintainable. Order dated 19.3.2004 appointing the Official Liquidator as liquidator of the Corporation is, accordingly, recalled, however, the Liquidator is entitled to adjust the liquidation expenses already made from the funds of the Corporation and hand over the charge of the Corporation to the Ex-management.