

(2007) 03 PAT CK 0162
In the Patna High Court
Case No : CWJC No. 15483 of 2001

M/s. Super Steel Casting Ltd.

APPELLANT

Vs

The State of Bihar and Another

RESPONDENT

Date of Decision : 19-03-2007

Acts Referred:

Citation : (2007) 3 PLJR 612

Hon'ble Judges : Navin Sinha, J

Bench : Single Bench

Final Decision : Allowed

Judgement

Navin Sinha, J.—The short question for determination in the present writ application is whether the subsidy of power consumption granted to entrepreneurs in the industrial Policy of 1993 framed by the State Government lapsed with the life of the policy in 1998 or not. It is the case of the petitioner that he set up new industrial unit for manufacture of Steel casting and Ingots. The unit commenced production and filed its first claim for electricity subsidy in terms of the policy in 1997. It is not in controversy that the petitioner was considered eligible for the electrical subsidy and was granted the same till it was stopped after 1998. The unit had commenced production on 19.1.1997.

2. Learned Counsel for the petitioner submits that under the Policy the subsidy was to be granted for five years from the date of production. There is, thus, no justification for the Respondents to deny him the benefit of electrical subsidy for five years from 19.1.1997. The Government order dated 11.7.2000 under which the authorities deny him the benefit of the subsidy after 31.3.1999 is arbitrary.

3. A similar question came to be considered by a Bench of this Court in Kamper Concast Limited Vs. State of Bihar and Others, At paragraph 2 of the judgment it was held as follows:--

"2. On a plain reading of the aforequoted clause it is clear that industrial units, covered by the policy that came into production between 1.4.93 to 31.3.98 (i.e.

the period of the policy) would get power subsidy as indicated in the clause for five years from the date of production/of such expansion/ diversification. In other words, if an industrial unit covered by the policy came into production on 1.2.1998, it would get the power subsidy in terms of clause 6 of the Policy till 31.1.2004. It seems that the respondent authorities do not wish to understand and accept this simple fact and that has given rise to this unnecessary and avoidable litigation."

4. The facts are not in controversy that the petitioner has commenced production during the life time of the policy of 1993. this Court, therefore, holds that the petitioner is entitled to the benefit of electrical subsidy for a period of five years from 19.1.1997 when it came into production. Any direction to the contrary by the authorities will clearly not stand the scrutiny of law. The Government communication dated 11.7.2000 was also considered in the case of Kamper Concast Limited (*supra*), and it was held in clear terms that the benefit was available for five years from the date of production. The writ application is allowed.