

Government of Bihar

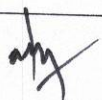
Office of the Secretary, Department of Industries, Bihar, Patna

**Appeal No.-31/2025 M/s E.N. Construction Corporation LLP, I.A. Muzaffarpur, Vs. BIADA &
Ors.**

Ordersheet

Schedule- 14 Form No. 562

Serial No. and Date of Order	Order and Signature of the Officer	Remarks
1	2	3
07 01.07.2026	Advocate Mr. Gyan Shankar, Ld. Counsel for BIADA and appellant along with Advocate Mrs. Shraddha Roy, Ld. Counsel for the Appellant are present. Ld. Counsel for appellant stated that M/s E.N. Construction Corporation LLP (through its partner Md. Nasim), was allotted Plot No. A-3(P-II) admeasuring 8,000 Sq. Ft. at Industrial Estate, Muzaffarpur, vide allotment letter dated December 7, 2023, for a 90-year lease period to establish manufacturing unit for the fabrication of tanks and electrical panels. Physical possession of the land was handed over to the appellant on 27.12.2023. According to the terms of the allotment, the unit was mandated to begin trial production within nine months and full commercial production within one year. However, after issuing show-cause notices, BIADA has cancelled the land allotment vide order dated 24.06.2025, and forfeited the deposited amount under the provisions of the BIADA Act, 1974. Counsel for the Appellant further submitted that being aggrieved by the cancellation, the appellant filed the instant appeal and submitted that it had acted in good faith, securing a Stage-1 clearance from the State Investment Promotion Board (SIPB) on 19.02.2024 and invested Rs. 35,00,520/- into civil construction and site development which may be verified by a Chartered Accountant certificate dated 17.07.2025. It was further submitted that the progress was stalled primarily because BIADA failed to execute the lease deed, making it impossible to secure necessary bank loans and financial assistance to complete the factory setup.	



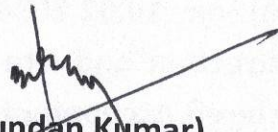
On the other hand, Counsel for BIADA stated that successive site inspections were conducted by BIADA officials between May, 2024 and April, 2025 which revealed that no industrial operations had commenced, and the site remained abandoned with only a boundary wall, a 100-square-foot room, and a locked main gate. Furthermore, the appellant accumulated outstanding dues toward the authority amounting to over Rs. 17.92 lakhs. Further, appellant was provided an opportunity of hearing before M.D. BIADA and land allotment was cancelled as the appellant had miserably failed to establish the industry as per allotment terms and also had outstanding dues of Rs. 26,14,614/- and cancellation order was communicated on 24.06.2025.

It was further submitted that it is entirely illogical for the appellant to withhold the clearing of BIADA's outstanding dues of Rs. 26.32 lakhs.

Hearing the contentions of both the parties, it is clear that the appellant has merely kept the land of BIADA and doing nothing. The valuable land in the industrial area has been kept in an abandoned condition in possession of the appellant, which is detrimental for industrial growth as well as violation of terms of allotment under the BIADA Act, 1974. Therefore, in light of the fact that appellant has not established the industry over the allotted land, it would not be judicious to let the appellant retain the land in question as it would defeat the legislative intent of BIADA Act, 1974.

Therefore, the present appeal is devoid of merit and there is no reason for this Appellate Authority to interfere with the impugned cancellation order.

Appeal is dismissed.


(Kundan Kumar)
Secretary,
Department of Industries,
Bihar, Patna