

040-510590

Jus No.106

Court No.3

Sec.111A

SUPREME COURT OF INDIA

RECORD OF PROCEEDINGS

Civil Appeal No.8832/94

Hydroted Chemical and Pharmaceutical

.. Appellant

Jushe Kudhep
Civil No.2

Govt. of A.P. and Ors.

... Respondents

(With C.A. Nos. 8853-54/94, 9169/94, CC.509/93 and C.A.9305-10/94)
(With appln. for ex-parte stay)(For final disposal)

Date: 7-2-95 These matters were called on for hearing today.

Coram:

Hon'ble Mr. Justice
Hon'ble Mr. JusticeKuldip Singh
M. VankatschalaFor the Appellants

in C.A.8832/94

1 Mr. S.C. Birla, Adv.

in C.A.8853/94

1 Mr. A.K. Ganguli, Sr. Adv.
Mr. K. Swami and Mr. B. Rajeshwar Rao, Adv.

in C.A.8854/94

1 M/s. S. Udaya Kr. Sagar, Krishan
Mahajan and B. Rao, Adv.

in C.A.9169/94

1 Mr. Gopal Subramanian, Sr. Adv.
M/s. Rahul Ray and Sanjay K. Khaitan, Adv.
for M/s. Khaitan and Co and Mr. Vivek
Gambhir, Adv.

in C.A.9305-10/94

1 Mr. G.L. Sanghi, Sr. Adv.
M/s. R.K. Sanghi, Bandarp Mittel,
Anil Prabhat and J.K. Das, Adv.

in CC.509/93

1 Mr. K.F. Marimhan, Sr. Adv.
Rajinder Malhotra and Ms. Anima Kapadia, Adv.For the Respondents1 Mr. S. Ramachandra Rao, Adv. Genl.
M/s. Ravi Chander, Lakshmi Narasimha
and G. Prabhakar, Adv.Mr. Subash Marudheya, Mr. Ajay Singh
and Mr. B.P. Sharma, Adv. for
Ms. C. Marudheya, Adv.

UPON hearing counsel the Court made the following

ORDERMr. S.C. Birla started his arguments at
12.30 p.m. and argued till 2.05 p.m. Thereafter,
Mr. A.K. Ganguli, Sr. Adv. argued till 2.35 p.m.

..2/-

Mr. G.L. BANGHI, Sr. Adv. argued from 2.55 p.m. to 3.22 p.m. After that, Mr. Krishan Mahajan argued for 15 minutes. Mr. R.P. Mariani, Sr. Adv. argued from 3.22 p.m. to 4.12 p.m. Thereafter, Mr. Gopal Subramanian, argued for 10 minutes. The matter remained part-heard.

(Meena Sarin)
Court Master

(S.K. Ludani)
Court Master

Item No. 101

Court No. 2 Date: 8-2-95

Coram and Appearance: Same as above.

ORDER

Mr. Gopal Subramanian, Sr. Adv. resumed his arguments at 11.00 a.m. and concluded at 11.20 a.m. Thereafter, Mr. G.L. Banghi argued for 20 minutes. After that, the learned Advocate General started his arguments and argued till 12.25 p.m. when the Bench Court passed the following order:

These appeals are directed against the Division Bench judgment of the High Court dated August 18, 1994 upholding the vires of the Azamabad Industrial Area (Termination and Regulation of Leases) Act, 1992 (the Act). We have heard learned counsel for the parties yesterday and today. As at present, we are in the process of hearing the learned Advocate General. It is not disputed that the appellants and other persons similarly situated were given perpetual leases in the year 1935 and thereafter on various dates right upto 1961 and even subsequently. Most of the leases are for a period of 99 years. As a consequence of coming into force of the Act, all the leases have been cancelled in terms of section 3 of the Act. There is ample power with the State Govt. under section 4 and various other sections of the Act to give fresh leases on reasonable terms. Be that as it may, it is not necessary for us to go into the merits of the controversy any further at this stage.

: 3 :

We are of the view that it would be in the interest of justice that instead of taking the drastic action as provided under section 3 of the Act, the State Govt. should examine the case of each of the lessees on its own merits. In case the State Govt. comes to the conclusion that the original lessee is not carrying on any industrial activity either by himself or through a sub-lessee or partnership, then it would be open to the State Govt. to deal with the lessee in accordance with the provisions of the Act. In respect of those lessees who are doing bona fide industrial activity on the leasehold plots, the State Govt. shall consider their cases sympathetically and shall consider making these leasehold rights as freeholds. In any case, these are only tentative suggestions. It would be open to the State Govt. to deal with this situation in fair and just manner. The learned Advocate General seeks three weeks' time for this purpose. Keeping in view the Government functioning, we adjourn the hearing for 6 weeks. The Government shall submit a status report in this respect within a period of 6 weeks. To come up for hearing on 26-3-1995. Status quo regarding industries shall continue meanwhile.

(Meera Marín)
Court Master

(S.K. Dudant)
Court Master

2/11
6/1

1000 1000 1000

2000 1000 1000

SL NO NAME

PLND

TOT AREA

BON_E
BON_N
BON_S
BON_W

PLOT NO. 27/3

2400 SQ. YDS

PLOT NO. 26/2

45 M/S. VISHNUT CASTINGS &
ENGINEERING WORKS (PVT) LTD.
(LESSEE)

APP EX ST
APP EX ST1

REMARKS

2400 SQ. YDS STRUCTURES WITH
P.L. SHEET POST-80X 5FT.
THE UNIT IS NOT WORKING SINCE MANY
YEARS AND IT IS FINE LOCKED. NEITHER
ANY MACHINERY NOR ANY ACTIVITY IS
EXISTING IN THE PLOT. IT IS UNDERSTOOD
THAT THE UNIT IS SAID TO BE
SOLD TO BE WITH P.L. SHEET-80X 5FT.

PLOT NO. 27/3

PLOT
NO. 26/2

0.13 P. 20-1000-1000