

Vidarbha Mills Berar Ltd. and Another

Vs

Union of India and Others

Transfer Case No. 33 of 1983 in Transfer Petition (Civil) No. 196 of 1981

(O. Chinnappa Reddy, M. M. Dutt JJ)

10.09.1986

JUDGMENT

CHINNAPPA REDDY J. -

1. The question raised in this case is whether the properties which were excluded from the lease granted by the company to the Government in 1966 could also be taken over as part of the 'Sick Textile Undertakings'. The submission of the learned counsel for the petitioner was that the very exclusion of the properties from the lease was an indication that these properties were not necessary for the running of the Mill and that they were not used in connection with the undertaking, at any rate from 1966. There is no substance in this submission. There is no dispute that the property is the property of the Textile Undertaking. Once it is found to be the property of the Textile Undertaking there is no escape from the provisions of Section 4(1) read with Section 4(3) of the Sick Textile Undertakings (Taking Over of Management) Act. The writ petition is therefore, dismissed.

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