

UNION OF INDIA THROUGH DEPUTY SALT
COMMISSIONER BOMBAY

v.

SH. PURANMAL LALCHAND MUNDRA AND ANR.

APRIL 2, 1996

[K. RAMASWAMY AND G.B. PATTANAİK, JJ.]

*Central Excises and Salt Act, 1944/Central Excise Rules, 1944/Bombay
Land Revenue Code, 1966 :*

Salt pan land—Licence for manufacture of salt—Renewal of—Person seeking renewal of licence did not file any application before the competent authority to establish his title—Held, person seeking renewal of licence must be either owner or lessee from the owner—Since the title is yet to be decided, respondents should make an application before the District Collector who would enquire whether respondents have title to the property and will dispose of the matter within six months—Until then appellant would renew the licence—It will be subject to result in title suits.

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 6961 of 1996.

From the Judgment and Order dated 30.7.91 of the Bombay High Court in W.P. No. 81 of 1984.

Ms. Binu Tamta and D.S. Mehra for the Appellants.

A. M. Khanwilkar for the Respondents.

The following Order of the Court was delivered :

Leave granted.

We have heard learned counsel on both sides.

The respondents had applied for renewal of the licence under the Salt Act. The appellant insisted upon the respondents for grant of renewal of the licence either to concede to the title of the land of the Government or to obtain any lease from the owners. Challenging the order, the respondents filed the writ petitions in the High Court. In similar cases, the

Division Bench of the Bombay High Court directed that the appellant would not insist upon conceding to the title to the property. But appropriate authority was directed to dispose of the pending matter on title in appeal. Till then the direction was issued to grant renewal of the licence subject to the result in the appeal.

When similar matters have come up, this Court in two cases where the title of the licencees were upheld by the primary authority but appeals are pending, had directed that pending disposal of the appeal, renewal of the licences under Salt Act would be granted subject to the result in the appeals. In other cases, this Court directed the respondents to make application before the competent Authority namely, the District Collector who was directed to dispose of the application whether the respondent has title to the property. This Court also directed to consider the statutory vesting of the salt lands in the State and also all other relevant documents that may be filed by the respondents in the adjudication. A further direction was issued to the appellant to file the objections before the original authority and the original authority was directed to dispose of the matters after hearing parties within a period of six months from the date of the receipt of that order.

In this case, the latter situation arises, namely, the respondents had not filed any application before any authority to establish their title. It is settled law that the respondents must be either the owner or the lessee from the owner to seek renewal of the licence.

In view of the fact that the title is yet to be decided, the respondents are directed to make an application before the District Collector. The District Collector is directed to enquire whether the respondents have title to the property taking into account the statutory vesting under the provisions of the Act as also any other documents to be produced by the respondents or the State Government or the appellant, as the case may be. After hearing the parties and giving opportunity, the matter will be disposed of within a period of six months from the date of the receipt of this order. Until then, the appellant is directed to renew the licence under the Salt Act. It will be subject to the result in those title suits.

The appeal is accordingly disposed of. No costs.

Appeal disposed of.