



IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C). No.13496 of 2025

***M/s. Ghanashyam Mishra and Sons(P) Petitioners
Ltd., Kolkata and another***

Mr.Ashok Kumar Parija, Sr. Advocate
Mr. Prafula Kumar Rath, Sr. Advocate
Mr. Tarun Patnaik, Advocate
Mr. Ritesh Patnaik, Advocate

-versus-

State of Odisha and others Opp. Parties

Mr. Subha Bikas Panda , AGA

CORAM:

JUSTICE K.R. MOHAPATRA

JUSTICE DIXIT KRISHNA SHRIPAD

ORDER

13.05.2025

W.P.(C). No.13496 of 2025

And

I.A. No.8135 of 2025

Order No.

01.

1. This matter is taken up through hybrid mode, for the consideration of interim prayer, on the urgency pleaded by learned Senior Advocates appearing for the Petitioners.

2. The essential grievance of Petitioners is against the demand raised by the Opposite Party No.2 vide notice dated 2nd



November, 2022, as affirmed by the order dated 5th May, 2025 passed by the Revisional Authority. Several grounds have been taken up from the side of Petitioners and they merit deeper consideration at ease of Court. Since Summer Vacation is fast approaching, it is difficult to take up the main matter for hearing, for paucity of time and also regard being had to other pressing cases.

3. Mr. Parija and Mr. Rath, learned Senior Advocates appearing for the Petitioners ably assisted by their briefing advocates Mr. Tarun Patnaik & Mr. Ritesh Patnaik submit that there is an eminent need for interim protection of their clients because:

(i) Denial of Transit Permits on the ground that the Petitioners are allegedly in arrears of huge sums of money, is not legally or factually justified. There is already interdiction of coercive proceedings of recovery of Rs.11,77,16,897/- by virtue of interim order of this Court in the pending WP(C) No.5839 of 2025.

(ii) In respect of a sum of Rs.4,35,69,013/-, there was stay of recovery in the revisional proceedings that came to be decided against the Petitioners in the recent past. There is appropriate procedure for the recovery



of dues, if any, as provided under the legal framework, and that denial of Transit Permits cannot be resorted to as a legally recognized mode of recovery.

(iii) If Transit Permits are not issued, that would virtually amount to closing the industrial activities and that in turn would affect not only the capital but the labour as well; workmen need to be paid wages and there are other liabilities that meant to be discharged; after all, Petitioners would not run away from the scene, having established a gigantic business.

(iv) Lastly, Petitioners shall furnish the Bank Guarantee for the amount comprised in the impugned demand notices/orders, and that would serve the interest of the Opposite Parties.

4. Per contra, Mr. Panda, learned Additional Government Advocate appearing for the State & its functionaries vehemently resists the prayer for interim protection with the following contentions:

(i) That the Petitioners are in huge arrears of money and therefore till payment is made for clearing the same, they are not entitled to the grant of any Transit Permit. That mode of recovery fits into the statutory protocol and therefore cannot be faltered;



(ii) Denial of Transit Permits is one thing and functioning of mining activities is another, although at times they overlap.

(iii) Merely because coercive proceedings of recovery are stayed, that per se would not justify Petitioners' demand for the issuance of Transit Permits. If the Petitioners make the full payment in terms of demand, there would be no difficulty for favourably considering their request.

(iv) Lastly, contention of the Petitioners that they would furnish Bank Guarantee for the amount in demand and on that basis they should be given Transit Permits, is not acceptable, inasmuch as affairs of the State cannot be run by Bank Guarantees, but only hard moneyes.

5. Having heard learned Counsel appearing for the parties and having perused the petition papers, we are inclined to grant interim protection as under and for the following reasons:

(i) It hardly needs to be stated that running of industries of the kind is not a child's play. Huge capital and equally huge labour cooperate with each other and that is how the industry is established, and productive activities are carried on. A workman cannot be sent home because of interdiction of industrial activity by virtue of denial of Transit



Permits; they have to hold their body & soul together and, therefore, income has to be generated as of necessity. Denial of Transit Permits would materially prejudice this. Any amount of ore generated from the mining field, would not yield any money its transportation is facilitated and commerce takes place. It again need not be stated in so many words that apart from what is incurred for the labour force, there would be other liabilities. No purpose would be served by withholding the Transit Permits.

(ii) True it is, that Petitioners, as of now, are saddled with demand notices for huge sums of money, i.e., Rs.11,77,16,897/- + Rs.4,35,69,013/- = Rs.16,12,85,910. It is not disputed before us that the coercive proceedings for recovering the former sum, i.e., Rs.11,77,16,897/- are temporarily halted by an interim order of this Court in a pending Writ Petition mentioned above. However, that does not mean that Petitioners can ignore the said disputed liability, if they want some reprieve at our hands.

(iii) There is force in the submission of learned AGA Mr. Panda that the liability of Petitioners, who operate the mining industry in question, would progressively escalate, as the time runs. He is also justified in telling us that affairs of the State cannot be run by Bank Guarantees. State needs hard funds for multiple activities involving interest and welfare. No



prejudice would be caused if some via media between the two extremes is struck as a golden mean.

(iv) Offer of Bank Guarantee would not do. Petitioners have to make payment in a reasonable sum when dispute is pending. In our considered view, that reasonable sum would be Rs.4,35,69,013/- plus one half of Rs.11,77,16,897/-, of course, subject to outcome of pending proceedings.

6. In the above circumstances, we make the following interim arrangement till next date of hearing:-

i) The Petitioners shall pay to the jurisdictional Opposite Party a sum of Rs.4,35,69,013/- (Rupees four crore thirty-five lakh sixty-nine thousand & thirteen) only + Rs.6,00,00,000/- (Rupees six crore) only, within an outer limit of one week.

ii) On the receipt of above amount, the Opposite Party Nos. 1 & 3 shall forthwith issue or cause to be issued the Transit Permits and such other Permits, as are required for the transportation of minerals won from the field in question subject to requisite compliances.

(iii) The subject interim arrangement shall be without prejudice to the contentions of the parties and that Petitioners shall not plead any equity on the basis



of this arrangement, made in the peculiar circumstances of the case.

7. Put up on 10.07.2025. Counter affidavit, if any, shall be filed in the meantime, serving copies thereof on learned counsel appearing for the Petitioners.

(K.R. Mohapatra)
Judge

(Dixit Krishna Shripad)
Judge

Prasant