



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 18.10.2016

CORAM :

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THE HONOURABLE MR.JUSTICE V.BHARATHIDASANWrit Petition (MD) No.10640 of 2011andM.P(MD)No.1 of 2012

Pescados Sebel Exports Pvt Ltd.,
(Company incorporated under companies Act
1956) through its Managing Director
R.Vickraman,
22/419-A, Puthusseril House,
Cochin 6,
Ernakulam District,
Kerala State.

... Petitioner

Vs.

1.The General Manager,
District Industries Centre,
Ramanathapuram.

2.The Tahsildar,
Thiruvadanai,
Ramanathapuram District.

... Respondents

Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorari, calling for records pertaining to the proceedings in Rc.No.1862/C/2009 dated 20.10.2009 and 07.01.2010 on the file of the 1st respondent and consequential distraint proceedings dated 23.06.2011 by the 2nd Respondent and quash the same as illegal.

For Petitioner : Mr.T.Arul
for M/s.Eddy and Embboss Law Firm

For Respondents : Mr.R.Anandaraj,
Government Advocate.

ORDER

<https://hcservices.ecourts.gov.in/hcservices> Challenging the orders passed by the first respondent dated 20.10.2010 and 07.01.2010 directing the petitioner to pay a sum of Rs.11.79 lakhs and the consequential order dated 23.06.2011



passed by the second respondent under Revenue Recovery Act attaching the property by initiating distraint proceedings, the present writ petition has been filed.

2. According to the petitioner, the petitioner company was incorporated to carry on business in purchasing, procuring, processing, curing, canning, freezing, selling exporting and dealing in fish, prawns and other marine products. Subsequently, the petitioner company has purchased a partnership firm with plant, machinery, factory and manufacturing activity of processing and packing of marine products and manufacturing of white ice in the name and style of M/s. Oceanic Products, which is having its registered office at Survey No. 95/3, Beach Road, Thondi, Thiruvadanai, Ramnad District. Earlier, as per the policy of the State Government, 15% state capital subsidy was granted to the above said company on the ground that the above company is a small scale industry. After purchase of the above said company, due to tsunami, the petitioner company cannot able to continue the business and the petitioner took steps to rehabilitate and reconstitute the business. It is further submitted that from the year 1993, the above said company was granted a sum of Rs. 11,78,770/- as subsidy. In the year 2009, the first respondent issued a notice to the petitioner stating that as per the audit objections, the investment in the plant and machinery exceeding the ceiling fixed for receiving subsidy, the unit is ineligible for state capital subsidy and directed the petitioner to repay the subsidy already granted to them. Immediately, the petitioner has filed an objection, without considering the same, the second respondent issued a notice under Section 8 of the Tamil Nadu Revenue Recovery Act, 1864 for the recovery of the above said amount. Challenging the above said notices, the writ petition has been filed.

3. I have considered the submissions made by the learned counsel on either side and perused the materials available on record.

4. A perusal of the impugned order passed by the respondent, it seems that the recovery proceedings has been initiated based on the objection raised by the Accountant General without issuing any notice to the petitioner.

5. In the above circumstances and without going into the merits of the case, the impugned orders are set aside on the ground of violation of principles of natural justice and the matter is remanded back to the first respondent. The first respondent is directed to issue show cause notice to the petitioner and thereafter conduct enquiry and pass appropriate orders on merits and in accordance with law.

<https://hcservices.courts.gov.in/hcservices>

6. With the above direction, the writ petition is



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accordingly allowed. No costs. Consequently, M.P(MD)Nos.1 of 2011 and 1 of 2012 are closed.

Sd/-

Assistant Registrar(RTI)

/True copy/

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Sub Assistant Registrar

To

1.The General Manager,
District Industries Centre,
Ramanathapuram.

2.The Tahsildar,
Thiruvadanai,
Ramanathapuram District.

+1 cc to M/s.Eddy & Embboss Law Firm, SR.No.61228

+1 cc to The Special Government Pleader in SR.No. 61411

sms

CSL/CK/23.11.2016: 3P/5C

Writ Petition (MD) No.10640 of 2011
and

M.P (MD) No.1 of 2012

18.10.2016