

HIGH COURT OF CHHATTISGARH, BILASPUR**WPC No. 2072 of 2008**

M/s Bastar Minerals (Through its Managing Partner Smt. Shakun Jain, aged about 59 years, W/o Sri Mool Chand Jain) having its industry at Pandarpaani, Geedam Road, Jagdalpur Chhattisgarh and its registered office at Dewangan Building Station Road, Durg, Chhattisgarh

---- Petitioner

Versus

1. State of Chhattisgarh Through the Secretary Department of Commerce and Industries DKS Bhavan, Mantralaya, Raipur Chhattisgarh
2. The District Industries Centre, Through its General Manager, Bastar District, Chhattisgarh
3. Directorate of Industries Through its Additional Director Financial Assistance Cell, Jeevan Beema Nigam Complex, 2nd Floor, Pandri, Raiur, Chhattisgarh

---- Respondents

For Petitioner	:	Mr.Jitendra Pali, Advocate
For Respondents	:	Mr.Arun Sao, Dy.A.G.

Hon'ble Shri Justice Sanjay K. Agrawal

Order on Board

18/7/2017

1. The petitioner is a Small Scale Industry involved in manufacturing and processing of iron ore lumps having iron-ore crushing plant. He made an application under Rule 6.1 of the Chhattisgarh State Infrastructure Investment Capital Subsidy Rules, 2004 (hereinafter called as 'Rules of 2004') to respondent No.2 for grant of capital subsidy. That has been rejected by the impugned order, against which, this writ petition has been filed.
2. Learned counsel for the petitioner would submit that as per Rule 6.2 of the Rules of 2004, the General Manager of the District Industries Centre was under obligation to make scrutiny of the application through the officer not below the rank of Manager and thereafter the

matter could have been sent to the Directorate of Industries for placing the same before the State Level Committee as provided under Rule 6.5 of the Rules of 2004 to decide with regard to subsidy, but that has not been done and the impugned order has been passed by the Incharge General Manager, District Industries Centre without following the procedure prescribed in the Rules of 2004.

3. On the other hand, learned State Counsel would support the impugned order.
4. I have heard learned counsel for the parties, considered their rival submissions made hereinabove and also gone through the record with utmost circumspection.
5. Rule 6.2 of the Rules of 2004 clearly provides that application will be inquired by the General Manager/Manager, not below the rank of General Manager/Manager and thereafter it will be sent to the Directorate of Industries and in case of subsidy exceeds Rs.50 lacs, it will be placed before the State Level Committee constituted under Rule 6.5 of the Rules of 2004, but in the present case, no such procedure has been followed by the General Manager and application has not been forwarded to the Directorate of Industries and no scrutiny has been made. The General Manager is not competent to take a decision on the application of the petitioner for grant of subsidy and straightway, passed the impugned order.
6. Since the order has been passed by the Incharge General Manager who is not competent to pass such an order, the impugned order is set aside. The General Manager, District Industries Centre is directed to send the case of the petitioner to the Directorate of Industries with a recommendation to be placed before the State Level Committee to

decide with regard to subsidy and in turn, the State Level Committee shall pass a reasoned and speaking order within a period of 90 days from the date of its receipt after hearing the petitioner and other affected parties. It is open to the petitioner to make submission before the State Level Committee that the petitioner unit is not covered by negative list of industries.

7. The writ petition is allowed to the extent indicated hereinabove. No order as to cost(s).

Sd/-

(Sanjay K. Agrawal)
Judge

B/-