

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 20.07.2017

CORAM

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM

W.P.No.15260 of 2017

M/s.Amarjothi Spinning Mills Ltd.,
Rep. By its Chairman N.Rajan,
S/o.Narayanasamy,
No.157, Kumaran Road,
Tiruppur - 641 601.

.... Petitioner

Vs.

1. State Industries Promotion Corporation
Tamil Nadu Ltd.,
Rep. By its Managing Director,
No.19-A, Rukmani Lakshmipathi Road,
Egmore, Chennai - 8.

2. The Project Officer,
SIPCOT Industrial Growth Centre,
Perundurai,
Erode District - 638 052.

.... Respondents

PRAYER: Writ Petition filed under Article 226 of Constitution of India praying to issue Writ of certiorarified mandamus to call for the records relating to the impugned notice dated 18.02.2015 made in D11/Perundurai/Amarjothi/14/2015, issued by the first respondent and the consequential order made in Lr.No.PO/SIGCP/Dormitory/2017, dated 07.06.2017, passed by the second respondent, quash the same and consequently forbear the respondents from initiating any further course of action in pursuant to the notice dated 18.02.2015 made in D11/Perundurai/Amarjothi/14/2015 issued by the first respondent.

For Petitioner : Mr.R.Dhanaram
for M/s.G.Ethirajulu
For Respondents : Mrs.Sudarsana Sundar

ORDER

Heard Mr.R.Dhanaram, for Mr.G.Ethirajulu, learned counsel for the petitioner and Mrs.Sudarsana Sundar, learned standing counsel for the respondents.

2. The petitioner before this Court is challenging the order dated 18.02.2015 passed by the first respondent and the subsequent communication dated 07.06.2017 issued by the second respondent threatening to disconnect the water supply.

3. The petitioner was allotted industrial plots in SIPCOT Industrial Growth Centre, Perundurai, Erode District, bearing Plot Nos.G11, G12, G13, E7, E8 and E9, to an extent of 12.00 acres and the amount payable by the petitioner was Rs.6 lakhs per acre. Pursuant to the order of allotment, on compliance of the conditions contained therein, the respondent has executed a lease deed in favour of the petitioner dated 14.05.2003 leasing out the entire property for a period of 99 years. Apart from that, site approval has also been granted as could be seen from the site plan, a copy of which has been filed at page No.45 of the typed set filed by the petitioner.

4. According to the petitioner, as approved in the site plan, there was a godown which is well within the extent of 12 acres. Since the petitioner is a Spinning Mill and there are women workers working in the Unit, they have to provide facility to the workmen to take rest, especially to the women workers attending the late shift. Therefore, the area which was approved in the site plan as godown has been converted into dormitory and necessary facilities have been provided to the workmen. The respondent taking note of the same has now demanded the cost at the rate of Rs.6 lakhs per acre for an extent of 2.07 acres which is where the present dormitory is situated.

5. Admittedly, before the impugned order dated 07.06.2017 was passed, the petitioner was not issued with any show cause notice and no opportunity was provided to the petitioner. It is not known as to how the respondent has demanded the plot cost in respect of the land which is already leased out to the petitioner for a period of 99 years on the petitioner paying the lease rent. Thus, prima-facie, this Court is of the view that demanding a sum of Rs.6 lakhs per acre for an extent of 2.07 acres would amount to unjust enrichment on the part of the SIPCOT. However, this is only a prima-facie observations, since the impugned order dated 18.02.2015 does not disclose as to on what basis the amount has been demanded and under what conditions of lease the same can be demanded.

6. The petitioner, on receiving the impugned demand, did not rush to the Court immediately. However, they submitted a representation dated 07.03.2015 and in the said representation, the petitioner has submitted that dormitory facility is required to be provided by them under the provisions

of the Factories Act, especially when there are several women workers. Apart from that, they have also questioned the authority to issue such demand and stated that it is without jurisdiction. Unfortunately, the respondent has not considered the said representation nor provided an opportunity to the petitioner, but, appears to have issued necessary instructions, based on which, the second respondent issued a letter dated 07.06.2017 threatening disconnection of water supply. Thus, the decision making process, as adopted by the first respondent, is completely flawed and the Court is convinced that the order is in violation of the principles of natural justice.

7. In the light of the above reasons, the writ petition is allowed the impugned order is set aside and the matter is remanded to the first respondent for fresh consideration. The first respondent shall authorize an inspection to be conducted of the said dormitory area after notice to the petitioner and after such inspection, afford an opportunity of personal hearing to the authorized representative of the petitioner, consider their representation dated 07.03.2015 and any other additional representation that they may give and taking note of their submissions, pass a speaking order on merits and in accordance with law. Till the above exercise is completed, the respondents cannot disconnect the water supply nor issue any demand on the petitioner. No Costs. WMP.No.16555 of 2017 is closed.

Sd/-
Asst.Registrar (CO)

/true copy/

Sub Asst. Registrar

सत्यमेव जयते

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To

1. The Managing Director,
State Industries Promotion Corporation
Tamil Nadu Ltd.,
No.19-A, Rukmani Lakshmipathi Road,
Egmore, Chennai - 8.

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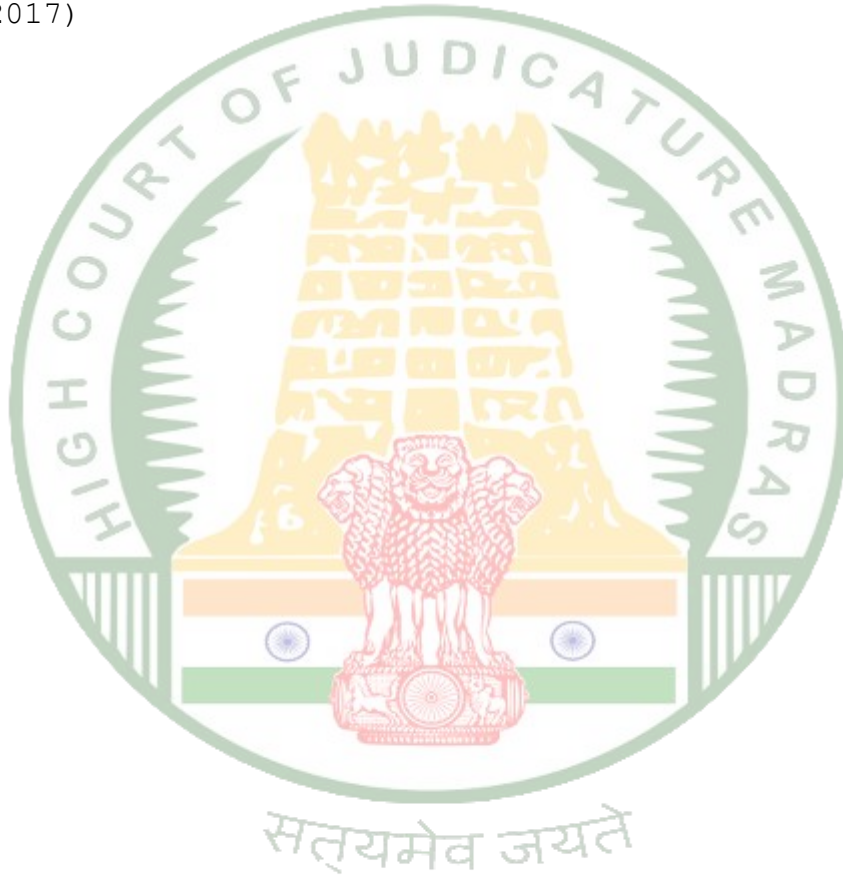
2. The Project Officer,
SIPCOT Industrial Growth Centre,
Perundurai,
Erode District - 638 052.

+1cc to Mr.S.Sudharsana Sunder, Advocate Sr. 50813

+1cc to Mr.G.Ethirajalu, Advocate Sr. 50869

W.P.No.15260 of 2017

PVS (CO)
VR(10/08/2017)



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