

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.01.2017

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THE HONOURABLE MR. JUSTICE B.RAJENDRAN

W.P.No.31289 of 2016 and
WMP.No.27155 of 2016

Ponni Sugars (Erode) Limited,
a company registered under the Companies
Act, 1956 and having Registered Office at
Esvin House,
No.13, Old Mahabalipuram Road,
Seevaram Village, Perungudi,
Chennai-96. Petitioner

Vs.

1. Union of India
rep. by the Secretary,
Ministry of Consumer Affairs, Food &
Public Distribution,
Krishi Bhavan,
New Delhi-110 001.
2. The Chief Director (Sugar),
Government of India,
Ministry of Consumer Affairs, Food &
Public Distribution,
Krishi Bhavan,
New Delhi-110 001.
3. The Director (SDF),
Government of India,
Ministry of Consumer Affairs, Food &
Public Distribution,
Krishi Bhavan,
New Delhi-110 001. Respondents

Writ Petition is filed under Article 226 of the Constitution of India to India for the issuance of a Writ of direction, directing the respondents that in terms of the Office Memorandum dated 03.11.2015 and the SDF Section's notice dated 20.10.2015, disburse the subsidies towards buffer stock, internal transport and ocean freight for the period 2003-04 to 2008-09 as per pending claims with interest thereon at 12% p.a. due from the

date on which payments are due till the date of payment.

For Petitioner : Mr.A.L.Somayaji
Senior Counsel
for Mr.V.Perumal
For Respondents : Mr.G.Rajagopalan,
Additional Solicitor General
assisted by Mr.B.Ramarathinam,
Standing Counsel for
respondents

O R D E R

The Writ Petition is filed praying to issue a Writ of direction, directing the respondents that in terms of the Office Memorandum dated 03.11.2015 and the SDF Section's notice dated 20.10.2015, disburse the subsidies towards buffer stock, internal transport and ocean freight for the period 2003-04 to 2008-09 as per pending claims with interest thereon at 12% p.a. due from the date on which payments are due till the date of payment.

2. Learned Senior Counsel appearing for the petitioner would submit that the issue in question is already covered by an order of a Division Bench of this Court in W.A.No.2082 of 2011 dated 29.04.2015. Subsequently, the order itself was agreed in principle to be implemented by the concerned authority, namely, the 2nd respondent by a letter dated 03.11.2015. In fact, he would also contend that in spite of bifurcation, though, on principal, they have agreed to implement the order, till today, they have not implemented the same. Challenging the same, the present writ petition has been filed.

3. The learned Additional Advocate General appearing for the respondents would submit that though the matter is covered by the Division Bench of this Court, there is some technical objection with regard to the new names.

4. Heard both sides.

5. Admittedly, it is not in dispute that the matter is already covered by the decision of the Division Bench of this Court in W.A.No.2082 of 2011 dated 29.04.2015. It is also not in dispute that the same was agreed in principle to be implemented by the 2nd respondent by a letter dated 03.11.2015 which reads as follows:

'The undersigned is directed to convey that the judgment of Madras High Court dated 29.04.2015 passed in above subject case has been accepted by the Department vide SDF Section's note No.5-14/95-SDF (Pl file) dated 20.10.2015. A copy of above referred note

dated 20.10.2015 received from SDF Section is enclosed herewith.

2. In view of decision communicated by SDF Division, SPF Section, SDF Section and Directorate of Sugar may take further action accordingly relating to release of their subsidies/loan and other payments to M/s.Ponni Sugars (Erode) Ltd. under the existing rule where payments were withheld due to pendency of above court case WA.No.2082/2011 in Madras High Court.'

6. In view of the above, this Court is of the view that there is no embargo for the respondents to release the funds as directed by the Division Bench of this Court in W.A.No.2082 of 2011 dated 29.04.2015. The said exercise shall be completed within a period of three weeks from the date of receipt of a copy of this Order.

7. Accordingly, the Writ Petition is disposed of. No costs. Consequently, connected Miscellaneous Petition is also closed.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

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To

1. The Secretary,
Union of India,
Ministry of Consumer Affairs, Food &
Public Distribution,
Krishi Bhavan,
New Delhi-110 001.

2. The Chief Director (Sugar),
Government of India,

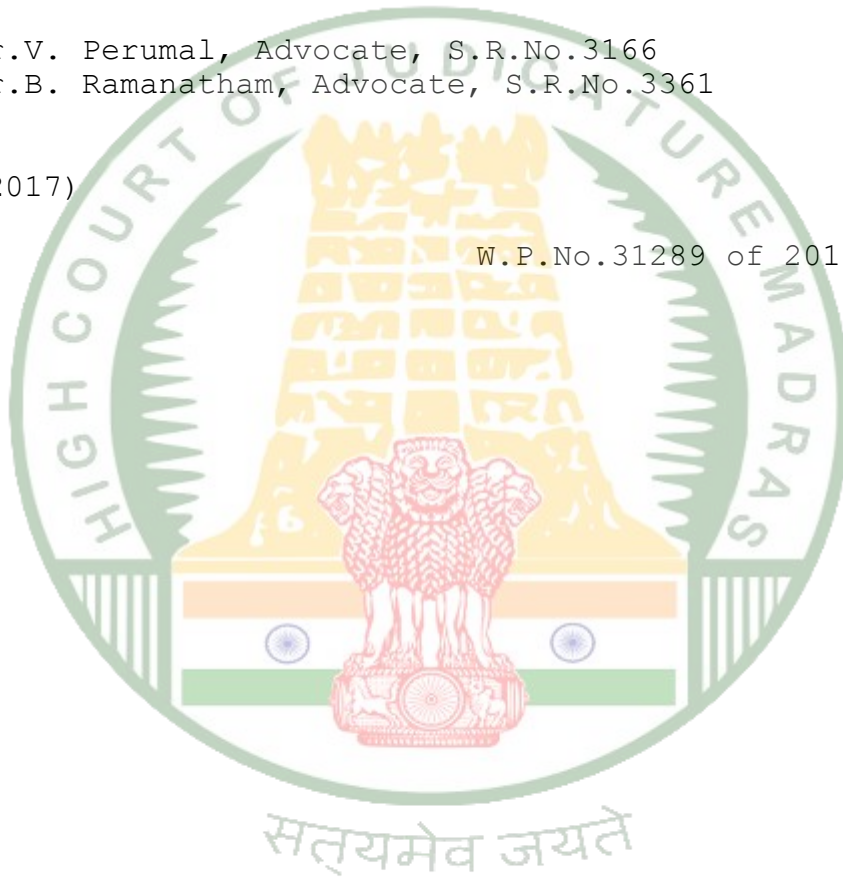
Ministry of Consumer Affairs, Food &
Public Distribution,
Krishi Bhavan,
New Delhi-110 001.

3. The Director (SDF),
Government of India,
Ministry of Consumer Affairs, Food &
Public Distribution,
Krishi Bhavan,
New Delhi-110 001.

+1cc to Mr.V. Perumal, Advocate, S.R.No.3166
+1cc to Mr.B. Ramanatham, Advocate, S.R.No.3361

GJII(CO)
md(20/01/2017)

W.P.No.31289 of 2016



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