



W.P.No.18830 of 2014

IN THE HIGH COURT OF JUDICATURE AT MADRAS

ORDERS RESERVED ON : 24.06.2022

ORDERS PRONOUNCED ON : 01.07.2022

CORAM:

THE HONOURABLE Mr. JUSTICE S.SOUNTHAR

W.P.No.18830 of 2014

M.A.Abdul Rahman

.. Petitioner

Vs.

1.The Government of Tamil Nadu,
Rep. by its Secretary,
Micro, Small and Medium, Enterprises,
(D2) Department, Secretariat,
Chennai-600 009.

2.The Government of Tamil Nadu,
Rep. by its Secretary,
Finance (Expenditure) Department,
Secretariat, Chennai-600 009.

3.The Industries Commissioner and
Director of Industries and Commerce,
No.36, South Canal Bank Road,
Mandaivelipakkam,
Raja Annamalaipuram,
Chennai-600 028.

4.The General Manager,
District Industries Centre,
Thanjavur-6.

...Respondents



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Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a writ of certiorarified Mandamus or any other appropriate writ or order in the nature of a writ calling for the entire records ending with letter No.1007/D2/2009-21, dated 18.02.2014 sent by the first respondent and quash the same and direct the respondents to release the balance state capital subsidy of Rs.3,42,000/- with interest at 18% per annum from 17.02.2000 till date of payment to the petitioner.

For Petitioner : Mr.S.Mohamed Yousuf
For R1to R4 : Mr.P.Sanjai Gandhi
Government Advocate

ORDER

This writ petition is filed challenging the order passed by the 1st respondent dated 18.02.2014, rejecting petitioner's appeal seeking balance state capital subsidy amount of Rs.3,42,000/- as per original sanction order passed by the 4th respondent dated 17.02.2000.

2. According to the petitioner, he is running a Modern Rice Mill under the name and style of M/s.Razia & Company, which is a registered SSI unit and he is entitled to capital subsidy as per G.O.(Ms).No.37, dated 20.07.2000. Originally, the 4th respondent passed an order sanctioning an



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amount of Rs.19,96,000/- towards capital subsidy. But however by order dated 13.09.2000, the subsidy of amount of Rs.19,96,000/- was reduced to Rs.16,54,000/-. The said order of reduction of subsidy amount was challenged by the petitioner before the 1st respondent, by his appeal petition dated 29.01.2009, 21.12.2010, 17.10.2012 and 21.08.2013 (as per reference 4 in the impugned order). The copy of the appeal filed by the petitioner to 1st respondent dated 29.01.2009 is filed in the typed set of papers at page Nos.57 to 59.

3. According to the learned counsel for the petitioner that the 1st respondent has rejected his request seeking balance subsidy amount of Rs.3.42 lakhs, without giving him any opportunity of personal hearing and therefore the same is liable to be set aside.

4. The 4th respondent filed a detailed counter and opposed the writ petition. The 4th respondent in his counter stated that originally the petitioner was sanctioned with an amount of Rs.19,96,000/- towards capital subsidy. But however the same was revised and reduced to Rs.16,54,000/- as certain



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machineries were found to be fabricated machineries without any proof for payment and the petitioner failed to produce chartered mechanical engineer's certificate. Therefore after excluding ineligible value of machineries, a revised order was passed for reduced capital subsidies of Rs.16,54,000/- by taking into consideration, the eligible value of machineries. It was also averred in counter of the 4th respondent that during the year 2007, the unit was sold by the writ petitioner to a new owner. The new proprietor has changed the firm name as P.T.R. Rice Mill and obtained an Entrepreneur Memorandum Part II- acknowledgement claiming January -2008 to be new date of commencement of production. Therefore as on today the petitioner is not the owner of the Modern Rice Mill and he is not entitled to capital subsidy and he is not entitled to maintain the writ petition.

5. The perusal of the impugned order also shows that the claim of the petitioner was rejected mainly on the ground of change of management. The stand taken by the 4th respondent that there was change of ownership in the year 2007 was not at all controverted by the petitioner. The perusal of the typed set of paper shows that the appeal filed by the petitioner seeking



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balance of subsidy amount was filed before the 1st respondent only on 29.01.2009 well after the change of the ownership. The writ petition was filed only in the year 2014, nearly after 7 years from the date of change of ownership. When the petitioner no longer owns the Rice Mill Unit, he is not entitled to claim subsidy, which is aimed at promotion of Small Scale Units. Admittedly the petitioner is not the owner of the Small Scale Unit on the date of filing his appeal, date of impugned order and on the date of filing this writ petition. Therefore, the petitioner is not entitled to maintain the writ petition and consequently the same is dismissed. No costs.

01.07.2022

Index :Yes/No
Internet:Yes/No
Speaking/Non speaking order
jai

To
1.The Government of Tamil Nadu,
Rep. by its Secretary,
Micro, Small and Medium, Enterprises,
(D2) Department, Secretariat,
Chennai-600 009.

2.The Government of Tamil Nadu,
Rep. by its Secretary,



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S.SOUNTHAR, J.

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Finance (Expenditure) Department,
Secretariat
Chennai-600 009.

3.The Industries Commissioner and
Director of Industries and Commerce,
No.36, South Canal Bank Road,
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Raja Annamalaipuram,
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4.The General Manager,
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Pre - Delivery Order

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