



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.03.2022

CORAM:

THE HONOURABLE MS.JUSTICE V.M.VELUMANI

W.P.No.28794 of 2018 and
W.M.P.Nos.33640 & 33642 of 2018

P.Ravikumar,
Partner,
M/s.G.Legend,
No.79-B, SIDCO TEKIC,
Mudalipalayam,
Tiruppur - 641 606.

.. Petitioner

Vs.

1.Tamil Nadu Industrial Investment Corporation,
Rep. by its Chairman,
No.692, Anna Salai,
Nandanam,
Chennai - 600 035.

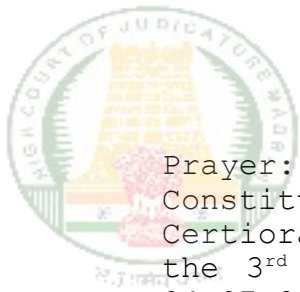
2.The General Manager,
(Projects & Subsidy),
Tamil Nadu Industrial Investment Corporation,
No.692, Anna Salai,
Nandanam,
Chennai - 600 035.

3.Branch Manager,
Tamil Nadu Industrial Investment Corporation,
Kumaran Shopping Complex,
Kumaran Road,
Tiruppur - 641 601.

4.Government of Tamil Nadu,
Rep. by its Secretary,
Small Industries Department,
Fort St. George,
Chennai - 600 006.

.. Respondents

(R4 impleaded vide order of this Court
dated 16.07.2021 made in W.M.P.No.18097
of 2019 in W.P.No.28794 of 2018)



Prayer: Writ Petition is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Certiorarified Mandamus, calling for the concerned records from the 3rd respondent, quash the order of the 3rd respondent dated 04.07.2018 bearing TIIC/TPR/2018-19 and the order of the 2nd Respondent dated 20.08.2018 TIIC/Subsidy/SCS/2018-2019 as illegal, arbitrary and contrary to G.O.Ms.No.37 dated 20.07.2000 and consequently direct the Respondents to release the title deeds in respect of Shed No.79B, TEKIC, Mudalipalayam, Tiruppur - 640 606 to the petitioner.

For Petitioner : Mr.Balan Haridas

For RR 1 to 3 : Mr.K.Magesh

For R4 : Mr.R.Kumaravel
Additional Government Pleader

O R D E R

This Writ Petition is filed challenging the orders of the respondents 2 & 3 and for a direction to the respondents to release the title deeds.

2.Heard the learned counsel appearing for the petitioner, learned counsel appearing for the respondents 1 to 3 as well as the learned Additional Government Pleader appearing for the 4th respondent and perused the entire materials on record.

3.According to petitioner, the G.Legend is a Partnership Firm and the petitioner is one of the partner. The Shed No.79B was allotted in TEKIC, Mudalipalayam, Tiruppur - 640 606 to the petitioner in the year 1992. The company was started in the year 1994 and after availing a term loan of Rs.4.17 lakhs from the respondents, they commenced Knit Ware production. Out of the term loan availed, 15% is the subsidy given by the State Government to the respondents 1 to 3. The unit started production. While so, the officials of the respondents visited the unit and at that time, machineries were sent for servicing. Therefore, the respondents recorded that the unit is not functioning. The said Partnership Firm repaid entire loan obtained from the respondents 1 to 3 in the year 2000 under one time settlement scheme. At that time, the Assistant Manager of 2nd respondent, by the letter dated 12.12.2000 addressed to the 3rd respondent, informed that there are no concrete evidence to prove that the unit was in operation for more than 5 years. Further in the said letter, the Assistant Manager of 2nd respondent informed that it was decided not to collect interest on the subsidy amount. Subsequently, the petitioner paid subsidy amount of Rs.99,000/- on 11.01.2018 and sought for return of



documents. At that time, the 3rd respondent, by the impugned letter dated 04.07.2018, informed the petitioner that it has been decided to collect interest at the rate of 19.50% per annum on the subsidy amount, since the petitioner has delayed in refunding the subsidy amount. Therefore, the petitioner sent representation dated 06.08.2018 to the 2nd respondent to return the document. The 2nd respondent, by the second impugned letter dated 20.08.2018, informed that as per the Government guidelines, interest on the subsidy amount has to be collected and remitted to the Government and hence, the request of waiver of interest cannot be considered. Therefore, the petitioner has come out with the present Writ Petition challenging the above said two impugned orders.

4.This Court, by the order dated 16.07.2021, made in W.M.P.No.18097 of 2019 in W.P.No.28794 of 2018, impleaded the Secretary, Small Industries Department as 4th respondent and on 29.11.2021, this Court directed the learned counsel appearing for the 4th respondent to get instructions from the 4th respondent Government as to whether the petitioner will be entitled to get the reduction of percentage of interest.

5.Today, when the matter is taken up for hearing, Mr.K.Magesh, learned counsel appearing for the respondents 1 to 3 as well as Mr.R.Kumaravel, learned Additional Government Pleader appearing for the 4th respondent produced a letter bearing (Ms.) No.19, Micro, Small and Medium Enterprises (D2) Department, dated 04.03.2022, addressing to the Special Government Pleader, High Court of Madras, wherein it has been stated that the Government decided to adopt 12.95% interest rate per annum prevailed on 11.01.2018, the date of repayment of defaulted subsidy amount of Rs.99,000/- by the petitioner.

6.On instructions, the learned counsel appearing for the petitioner submitted that the petitioner is ready and willing to pay the interest at the rate of 12.95% for the subsidy amount of Rs.99,000/-, repaid by the petitioner on 11.01.2018, from 12.12.2000 to 11.01.2018 and prayed for a direction to the respondents 1 to 3 to return the documents on receiving the interest amount at the rate of 12.95%.

7.Recording the above said submissions made by the learned counsel appearing for the petitioner, the petitioner is directed to calculate the interest from 12.12.2000 to 11.01.2018, for the sum of Rs.99,000/-, at the rate of 12.95% per annum and pay the amount to the respondents 1 to 3 within a period of eight weeks from the date of receipt of a copy of this order. On receipt of the said amount, the respondents 1 to 3 are directed to release the title deeds in respect of Shed No.79B, TEKIC, Mudalipalayam, Tiruppur - 640 606 to the petitioner within a period of two



weeks thereafter.

8..With the above directions, the Writ Petition is disposed of. Consequently the connected Miscellaneous Petitions are closed. No costs.

Sd/-

Assistant Registrar (CS-IV)

//True copy//

Sub Assistant Registrar

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To

1. The Chairman,
Tamil Nadu Industrial Investment Corporation,
No.692, Anna Salai,
Nandanam,
Chennai - 600 035.
2. The General Manager,
(Projects & Subsidy),
Tamil Nadu Industrial Investment Corporation,
No.692, Anna Salai,
Nandanam,
Chennai - 600 035.
3. The Branch Manager,
Tamil Nadu Industrial Investment Corporation,
Kumaran Shopping Complex,
Kumaran Road,
Tiruppur - 641 601.
4. The Secretary,
Government of Tamil Nadu,
Small Industries Department,
Fort St. George,
Chennai - 600 006.

+1cc to Mr.K.Magesh, Advocate SR.No.20195

+1cc to Government Pleader SR.No.20648

W.P.No.28794 of 2018

MG (CO)
GMY (12/04/2022)