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W.P. No. 30328 of 2023

**IN THE HIGH COURT OF JUDICATURE AT MADRAS**

**DATED : 30.11.2023**

**CORAM**

**THE HON'BLE MR. JUSTICE P.D. AUDIKESAVALU**

**W.P. No. 30328 of 2023**  
**and**  
**W.M.P. No. 29913 of 2023**

Eskay Cartons Private Limited,  
Represented by its General Manager, Mr. K.Ravishankar,  
No. 33, 4<sup>th</sup> Cross Street,  
R.K. Nagar,  
Chennai – 600 028.

... Petitioner

-VS-

State Industries Promotion Corporation of Tamil Nadu Limited,  
Represented by its Managing Director,  
No. 19-A, Rukmani Lakshmipathy Road,  
Egmore,  
Chennai – 600 008.

... Respondent

**Prayer:-** Writ Petition filed under Article 226 of the Constitution of India, 1950, praying to issue a Writ of Mandamus, calling for the records and quash the order dated 13.09.2023 bearing Ref. No. P-I/PKM/Eskary Cartons/19/2018 on the file of the Respondent and consequently direct the Respondent to consider the Petitioner's application bearing Ref. No. NOC1299 dated 11.08.2023.

For Petitioner : Mr. K.Surendar

For Respondent : Mr. K.Palaniappan



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## ORDER

WEB COPY Heard Mr. K.Surendar, Learned Counsel for the Petitioner and Mr. K.Palaniappan, Learned Counsel for the Respondent and perused the materials placed on record, apart from the pleadings of the parties.

2. The industrial plots bearing Nos. S-66, S-67 and S-68 measuring an extent of 2.96 acres in SIPCOT Industrial Park, Pillaipakkam belongs to the Respondent, viz., State Industries Promotion Corporation of Tamil Nadu Limited. The lease-hold rights of the said land for a period of 99 years had been granted to the Petitioner by Allotment Order in Ref. No. DI/SIP-PPKM/ESKAY/2018 dated 28.08.2018, containing, *inter alia*, the following condition:-

| <b>S.No.<br/>(1)</b> | <b>Conditions<br/>(2)</b>                              | <b>Time Limit<br/>(3)</b>                                                                                                                                                               |
|----------------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vii.                 | Implementation of the project / commercial production. | Within 30 months from the date of this order. Failure will entail cancellation of allotment and forfeiture of initial deposit and development charges paid towards the extent allotted. |

In terms of the said condition, the due date for implementation of the project was 27.02.2021 (i.e., 30 months period from 28.08.2018 when the allotment was made), but the Petitioner had commenced industrial production beyond that



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period in September 2021. In that backdrop, the Petitioner has been called upon to remit the penalty of Rs. 22,64,400/- plus GST @ 18% of Rs. 4,07,592/- totalling to Rs. 26,71,992/- and processing fee (including GST @ 18%) of Rs. 11,800/- along with accrued interest immediately and to furnish bank guarantee for an amount of Rs. 67,93,200/- within 30 days from the date of approval of first extension of time.

3. Though the imposition of the said penalty in the said order is assailed in this Writ Petition, Learned Counsel for the Petitioner has brought to notice that the Respondent by Office Order No. 30/2020 dated 31.07.2020 has revised the implementation duration from 30 months to 36 months, but that benefit had not been extended to the Petitioner in this case and as such, it has made a representation dated 29.11.2023 after the filing of the Writ Petition in that regard and would be satisfied if it is expedited.

4. Having regard to the limited nature of relief sought, this Court without expressing any view on the merits of the controversy involved, passes the following order:-

(i) the concerned authority shall immediately examine the representation



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dated 29.11.2023 made by the Petitioner including ascertaining as to

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whether the Petitioner would be entitled for the relief claimed;

- (ii) if it is found that any other details or supporting documents is necessary, the deficiencies in that regard shall be informed in writing to the Petitioner requiring the same to be furnished within a time frame of not less than 10 days for the same;
- (iii) in the event of not being satisfied with the requirements even thereafter, an enquiry shall be conducted affording full opportunity of personal hearing to the Petitioner and all other persons concerned to explain their position in that regard;
- (iv) a reasoned order shall be passed dealing with each of the contentions raised on merits and in accordance with law and the decision taken communicated under written acknowledgment;
- (v) such exercise shall be completed within the time frame fixed by the Respondent in the Office Order No. 21/2021 dated 12.03.2021 issued by the Respondent; and
- (vi) the report of such compliance shall be filed before the Registrar (Judicial) of the Court.



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In the result, the Writ Petition is disposed on the aforesaid terms.

Consequently, the connected Miscellaneous Petition is closed. No costs.

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Index: Yes/No

NCC: Yes/No

**Note: Issue order copy by 12.12.2023.**

vjt

To

The Managing Director,  
State Industries Promotion Corporation of Tamil Nadu Limited,  
No. 19-A, Rukmani Lakshmipathy Road,  
Egmore,  
Chennai – 600 008.

Copy to

The Registrar (Judicial),  
Madras High Court,  
Chennai – 600 104.



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**P.D. AUDIKESAVALU, J.**

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