IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE V.G.ARUN

MONDAY, THE 22ND DAY OF JULY 2024 / 31ST ASHADHA, 1946

WP(C) NO. 22066 OF 2024

PETITIONER:

ABDUL RASHEED AGED 48 YEARS S/O.ERAMU, KATTIKULANGARA HOUSE, CHATTIPARAMBA P.O, KODUR, MALAPPURAM DISTRICT, PIN - 676504
BY ADVS. T.U.SUJITH KUMAR VIPIN VARGHESE

RESPONDENTS:

1 **THE UNION OF INDIA REPRESENTED BY ITS SECRETARY TO GOVERNMENT, MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES, UDYOGBHAWAN, RAFI MARG, NEW DELHI, PIN - 110011**
2 **THE KHADI AND VILLAGE INDUSTRIES COMMISSION KERALA (STATE OFFICE) REPRESENTED BY STATEDIRECTOR,T.C NO. 21/235, VAYDHUTHIBHAVAN, PATTAM PALACE P.O, THIRUVANANTHAPURAM, PIN - 695001**
3 **THE KERALA KHADI AND VILLAGE INDUSTRIES BOARD REPRESENTED BY ITS NODAL OFFICER (PMEGP), VANCHIYOOR, THIRUVANANTHAPURAM, PIN - 695035**
4 **THE DISTRICT INDUSTRIES CENTRE REPRESENTED BY ITS GENERAL MANAGER, UP HILL, MALAPPURAM DISTRICT, PIN - 676503**
5 **THE CANARA BANK REPRESENTED BY ITS BRANCH MANAGER, MALAPPURAMDOWN HILL BRANCH,277/15, TIRUR ROAD, DOWN HILL P.O, MALAPPURAM DISTRICT, PIN - 676519**
BY ADVS. T. Rajasekharan Nair N.RAJAGOPALAN NAIR Gopikrishnan Nambiar M K.JOHN MATHAI(K/413/1984) JOSON MANAVALAN(J-526) KURYAN THOMAS(K/131/2003) PAULOSE C. ABRAHAM(MAH/58/2006) RAJA KANNAN(K/356/2008)

SRI. AJITH VISWANATHAN, GP, SRI. T.C. KRISHNA DSGI IN CHARGE, SRI. T. RAJASEKHARAN NAIR, SC. & SRI M. GOPIKRISHNAN NAMBIAR. R5.

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 22.07.2024, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

JUDGMENT

Dated this the 22nd day of July, 2024

Petitioner started a manufacturing unit under the Prime Minister's Employment Generation Programme (PMEGP), a central sector scheme for generation of employment opportunities through the establishment of micro enterprises in rural areas. As per the guidelines of the PMEGP, the Banks are to sanction 90% of the project cost for setting up the project. The government subsidy under the scheme will be routed by the Khadi and Village Industries Commission through the identified Banks for distribution to the entrepreneurs in their bank accounts. The bank credit would be 60-75% of the total project cost, after deducting 15-35% of the

margin money (subsidy) and owner's contribution of 10%. Once the margin money (subsidy) is received in the Bank, it will be kept in a Term Deposit Receipt for three years. After 2 years of the Unit commencing business, the officers of the 2nd respondent will verify the status of the Unit and make their recommendation. Based on the recommendation, the term deposit will be disbursed to the enterprise, on completion of the three year lock in period.

2. The instant case is filed by the petitioner, seeking disbursal of the margin money, after conducting physical verification of his Unit.

3. Today, when the writ petition is taken for consideration, learned counsel for the 2nd respondent submitted that, physical verification of the petitioner's Unit was conducted and the report has been uploaded in the website of the District Industries Centre, Malappuram on 10.07.2024.

In view of the above submission, the writ petition is disposed of, directing the 4th respondent to consider the report, and make its recommendation to the Bank for disbursing the amount kept in Term Deposit to the petitioner, within one month of receipt of a copy of this judgment, if the 2nd respondent's report is in the petitioner's favour.

Sd/-
V.G.ARUN
JUDGE

SSK/22/07

APPENDIX OF WP(C) 22066/2024

PETITIONER EXHIBITS

Exhibit-P1	**A TRUE COPY OF THE APPLICATION DATED 28.09.2019 SUBMITTED BY THE PETITIONER UNDER THE PMEGP SCHEME.**
Exhibit-P2	**A TRUE COPY OF THE GUIDELINES OF THE PMEGP SCHEME.**
Exhibit-P3	**A TRUE COPY OF THE LOAN SANCTIONING LETTER ISSUED BY THE FIFTH RESPONDENT BANK.**
Exhibit-P4	**A TRUE COPY OF THE JUDGMENT DATED 16.10.2023 IN W.P.(C) NO. 31976/2023 OF THIS HON'BLE COURT.**

SSK //TRUE COPY// PA TO JUDGE