



W.P(MD)Nos.4595 & 4596 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 06.03.2024

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P(MD)Nos.4595 & 4596 of 2024 and
WMP(MD) Nos.4432,4437 of 2024

A.B.Eswarlal

... Petitioner in
WP(MD) No.4595 of 2024

Ravi Fomra

... Petitioner in
WP(MD) No.4596 of 2024

Vs

1.The Managing Director,
Tamil Nadu Small Industries Development
Corporation Limited (TANSIDCO)
8th and 9th Floor,
Corporate Office Building,
Guindy,
Chennai - 600 032.

2.The Branch Manager,
Tamil Nadu Small Industries Development
Corporation Limited (TANSIDCO)
Sidco Branch Office,
Industrial Estate,
K.Pudur,
Madurai - 625 007.

Respondents



W.P(MD)Nos.4595 & 4596 of 2024

COMMON PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records from the second respondent in his proceedings in R.C.No.580/A1/2023 dated 21.02.2024 and quash the same.

For Petitioners : Mr.N.Sathish Babu
For Respondents : Mr.T.Sakthi Kumaran
Standing Counsel
(In both WPs)

COMMON ORDER

The petitioners are the entrepreneurs manufacturing poly propylene reprocessed granules, in Madurai Hosiery Industries Association (MAHIA). They have filed these writ petitions challenging the show cause notices issued by the second respondent in R.C.No.580/A1/2023 dated 21.02.2024 on the ground that the respondents have pre-determined the issue and directed these petitioners to pay a sum of Rs.2,45,01,685/- each in respect of Shed Nos.97 and 15, situated at MAHIA Industrial Estate. Urnaganpatti. Challenging the same, the petitioners are before this Court.



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2.The learned counsel appearing for the petitioners submits a Private Industrial Estate was established in the year 1991-1992 by an Association, namely, Madurai Hosiery Industries Association for the promotion of entrepreneurs. Those, who are proposed to purchase the Sheds in that Industrial Estate can approach THIC for the the required loan amount with 3% service charges for construction of sheds. As such, the petitioners' vendors have purchased the Shed Nos.97 and 15 and they have left some dues payable by them to the respondents. At this juncture, these petitioners have purchased the above sheds by way of a registered document dated 25.09.2019, 11.04.2022 and 25.02.2019 respectively. Since the petitioners' vendor was having certain arrears in respect of construction of the sheds in MAHIA Industrial Estate, the respondents have raised a demand of Rs.2,45,01,685/- each from the petitioners herein. The learned counsel has pointed out that for the similarly placed person, who is occupying the Shed No.111, the respondents have arrived at the amount with simple interest and demanded Rs.38,30,862/-. However, for these petitioners, the



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respondents have calculated the amount with compound interest.

Therefore, the order impugned in these writ petitions are liable to be set aside.

3.Mr.T.Sakthi Kumar, learned standing counsel takes notice for the respondents and submits that these petitioners are not the original allottees. They have obtained these sheds without intimating the respondents. Therefore, the petitioners are liable to pay the amount for the Sheds as demanded by the respondent Department.

4.This court considered the rival submissions made and also perused the materials placed on record.

5.The orders impugned in these writ petitions are only show cause notices issued by the respondent Department. The Honourable Supreme Court and this Court have re-iterated that at the stage of show cause, the Courts are not supposed to interfere



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with. The case of the petitioner is that the respondents have pre-determined the issue and calling upon the petitioners to make payment. Since the petitioners claim that similarly placed persons have been treated differently, by calculating the due amount with simple interest, the Department ought to have considered the petitioners' case in a similar manner.

6.In view of the above, these writ petitions are disposed of with a direction to the respondents to consider the representations of these petitioners as that of similarly placed persons and take a decision as expeditiously as possible after providing opportunity. Accordingly, these writ petitions are disposed of. No costs.

06.03.2024

NCC:Yes/No
Index:Yes/No
Internet:Yes
vrn



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To

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B.PUGALENDHI, J.

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Common Order made in
W.P(MD)Nos.4595 & 4596 of 2024 and
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