

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

RSA-349 of 1994 (O&M)
Date of Order:06.03.2024

M/s B.K.Steel Rolling Mills

.Appellant

Versus

Union of India and others

..Respondents

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Abhinav Singla, Advocate, for
Mr. Amit Goyal, Advocate, for the appellant.

Mr. Jaspal Singh Pannu, AAG, Haryana.

ANIL KSHETARPAL, J

1. This is the plaintiff's second appeal against the judgment and decree passed by the First Appellate Court which in turn has reversed the judgment and decree passed by the trial court.

2. The plaintiff filed a suit for grant of decree of declaration that the memo dated 06.02.1984, to recover the amount of subsidy of Rs.45,000/- is illegal, null and void. The plaintiff applied for central cash subsidy which was sanctioned and Rs.45,000/- was paid to the plaintiff. However, the plaintiff-firm did not furnish quarterly progress report and instead immediately stopped functioning on receipt of the subsidy. Hence, the aforesaid subsidy was recalled and the recovery was sought to be made. The plaintiff claims that in the year 1979, the working has been streamlined and therefore the subsidy could not be recalled.

3. The defendants while contesting the case claim that the plaintiff-firm started production in the year 1985, though they stopped working in the year 1976.

4. Both the courts have concurrently found that the plaintiff has failed to fulfill the terms of grant of subsidy. The trial court however, decreed the suit on the ground that the claim of the defendants is beyond the prescribed time as the breach took place in the year 1978. The First Appellate Court found that the cause of action to recover the amount will begin to run from the date the subsidy was recalled.

5. The learned counsel representing the appellant submits that the action of the respondents in recalling the subsidy in the year 1984, was beyond the prescribed time.

6. This court has considered the submissions of the learned counsel representing the appellant however, found no substance therein.

7. In the year 1976, the subsidy was paid. Subsequently, it came to the notice of the government and its instrumentality that the plaintiff stopped operating the industry, therefore show cause notice for recall of the amount of subsidy was issued by the Government. The limitation to recover the amount will begin to run from the date the subsidy was recalled and not from the date it was sanctioned.

8. Keeping in view the aforesaid facts and discussion, no ground to interfere is made out.

9. Dismissed.

10. All the pending miscellaneous applications, if any, are also disposed of.

March 06, 2024
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(ANIL KSHETARPAL)
JUDGE

Whether speaking/reasoned
Whether reportable

:YES/NO
:YES/NO