



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 09.04.2025

CORAM:

THE HONOURABLE MR. JUSTICE J. SATHYA NARAYANA PRASAD

W.P.No.7865 of 2025

C.Srinivasan

.. petitioner

vs

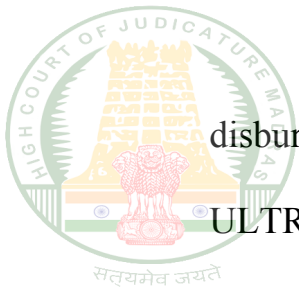
1.The General Manager
District Industries Centre
SIDCO Estate
Krishnagiri.

2.The Branch Manager
SIDCO Branch Office
Small Industrial Developers Corporation
Krishnagiri.

3.The Assistant Electrical Engineer
Operation and Maintenance Department
Tamil Nadu Electricity Generation and Distribution Corporation
TANGEDCO Sipcot, Hosur Krishnagiri District.

... Respondents

Prayer : Writ Petition is filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorarified Mandamus calling for the records of the 1st respondent in RC.No.2471/A2/2022 dated 06.01.2025 and quash the same and consequently directing the respondents 1 and 2 to grant and



disburse Capital Subsidy to the petitioner for the purchase of SMART
ULTRA CNC LATH MACHINE.

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For Petitioner : Mr.P.Dinesh Kumar

For Respondents : Mr.M.Rajendran, AGP for R1 & R2.
Mr.Madhusuthanan, Standing counsel for R3.

ORDER

This writ petition has been filed to call for the records of the 1st respondent in RC.No.2471/A2/2022 dated 06.01.2025 and to quash the same and consequently to direct the respondents 1 and 2 to grant and disburse Capital Subsidy to the petitioner for the purchase of SMART ULTRA CNC LATH MACHINE.

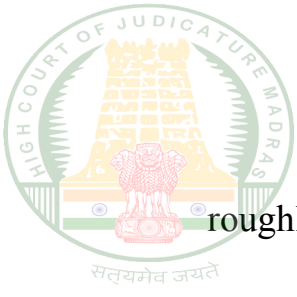
2. The Petitioner is registered under MSME, running the manufacturing unit for more than 20 years. The Petitioner purchased a machinery for the improvement of his unit and he is entitled for 25% subsidy from the Government. Therefore, he had approached the 1st Respondent seeking to grant subsidy. The 1st Respondent insisted for NOC from the land lord. The 3rd Respondent who is the land lord, instead of issuing NOC, asked the petitioner to vacate the premises. Therefore, the petitioner has filed O.S.No. 243 of 2022, on the file of Principal Judge,



Krishnagiri and the same is pending. During the pendency of the suit, the petitioner had constructed the shed in his own premises and obtained E.B service connection and shifted the machineries and approached the Respondents, however his claim for capital subsidy is rejected. Therefore this present writ petition.

3. The learned counsel for the petitioner would submit that this Court by an order dated 29.08.2022 granted six months time to the petitioner to shift the machinery and also directed to SIDCO not to insist for NOC. Thereafter, the construction of the factory was completed on 25.03.2023 and he applied for EB connection on 18.05.2023, but the Electricity Connection was given on 29.04.2024, after a delay of 11 months, due to which he was not in a position to run the factory.

4. He would further submit that this Court disposed of the writ petition directing the GM, DIC, Krishnagiri to consider petitioner's application within a period of three months from the expiry of the date of shifting of the machinery to the new site provided the petitioner shifts the machinery within six months as stated by the petitioner in para 8 of the additional affidavit.



5. The learned counsel would further submit that the subsidy would roughly comes to Rs.4 lakhs, it will be benefit for the employees of the company who are 15 in number and only for this purpose, the petitioner requested this court to direct the respondents to give one more opportunity to consider the petitioner's application for subsidy.

6. The learned Additional Government Pleader appearing for the respondents on written instructions from the GM, DIC, Krishnagiri in RC.No.2471/A2/2022 dated 09.04.2025. The relevant portion of the above letter is reproduced hereunder :-

“10) In this regard, the Industries Commissioner & Director of Industries & Commerce, Chennai clarified that the Hon'ble High Court of Madras disposed off the Writ Petition directing GM, DIC, Krishnagiri to consider the petitioner's application for subsidy within a period of three months from the expiry of the date of shifting of the machinery to the new site provided the petitioner shifts the machinery within 6 months as stated by the petitioner in para 8 in the additional affidavit.



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Based on the Judgement of the Hon'ble High Court of Madras dated:29.08.2022, the entrepreneur should have shifted the machinery on or before 28.02.2023. But, the Machinery was shifted by the enterprise only on 01.08.2024 after a lapse of about 18 months from the deadline given by the Hon'ble High Court of Madras.

11) The enterprise has not complied the provisions given in the judgement of the Hon'ble High Court of Madras.

12) In the above view, the Industries Commissioner & Director of Industries & Commerce, Chennai clarified that to reject the claim of capital subsidy application due to not complied the provisions given in the judgement of the Hon'ble High Court of Madras.

13) Based on the, clarification received from the Industries Commissioner & Director of Industries & Commerce, Chennai the capital subsidy application



rejected vide this office letter Rc. No.2471/A2/2022

Dated:06.01.2025.”

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7. Heard the learned counsel for the petitioner and the learned counsel for the respondents and perused the materials available on record.

8. Taking into consideration, the subsidy application was rejected by the first respondent stating that the Industries Commissioner & Director of Industries & Commerce, Chennai clarified that to reject the claim of capital subsidy application due to not complied the provisions given in the judgment of this Court. The machinery was shifted by the enterprise only on 01.08.2024, after a lapse of about 18 months from the deadline given by this Court. Hence, the application was rejected.

9. It is not in dispute that the order of this Court dated 29.08.2022 has not been complied with by the petitioner. However, taking into consideration that the subsidy amount will be helpful for the 15 employees working in the petitioner's company. Hence, the impugned order passed by the first respondent is set aside, the first respondent is directed to consider the application the petitioner dated 05.08.2024, in fresh by giving one more



opportunity to the petitioner to put forth his case on merits and in accordance with law, within a period of 8 weeks from the date of receipt of a copy of this order.

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10. It is made clear that the first respondent shall not insist the directions given by this Court in WP.No.17319 of 2022 dated 29.08.2022. In the event of considering the application positively by the first respondent, the subsidy amount shall be credited directly to the accounts of the 15 employees of the petitioner's company and the account details of the 15 employees will be furnished at the time of enquiry by the petitioner to the respondents.

11. With the above observations and directions, this writ petition is disposed of. No costs.

09.04.2025

Speaking order / Non-speaking order

Index : Yes / No

Neutral Citation : Yes / No

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J. SATHYA NARAYANA PRASAD, J.

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To

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SIDCO Estate
Krishnagiri.

2.The Branch Manager
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