



WEB COPY



W.A.No.3380 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 03.02.2025

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THE HON'BLE MR. JUSTICE S. M. SUBRAMANIAM

AND

THE HON'BLE MR. JUSTICE K. RAJASEKAR

Writ Appeal No.3380 of 2024

and

Civil Miscellaneous Petition No.26264 of 2024

P.S.R.Sathyamoorthy,
Director,
Sri Ranga Jewellers Private Limited,
(Previously Sri Ranga Gold House),
No.54-F, Jawaharlal Nehru Salai,
Puducherry -1.

... Appellant

Vs.

1. The Managing Director,
Puducherry Industrial Promotion Development,
and Investment Corporation Limited,
No.60, Romain Rolland Street,
Puducherry – 605 001.

2. The General Manager (Dev),
Puducherry Industrial Promotion Development,
and Investment Corporation Limited,
No.60, Romain Rolland Street,
Puducherry – 605 001.

... Respondents



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Writ Appeal filed under Clause 15 of Letters Patent Act, against the order dated 20.06.2024 made in W.P.No.5500 of 2024 and to set aside the same.

For Appellant : Mr.T.N.Rajagopalan
For Mr.P.Kannankumar

For Respondents : Mr.D.Ravichander

JUDGMENT

(Judgment of the Court was made by S.M.SUBRAMANIAM,J.)

The writ appeal on hand has been instituted to assail the order dated 20.06.2024 passed in W.P.No.5500 of 2024. The writ petitioner is the appellant before this Court.

2. Disputes arising on account of contract are not entertainable by the writ Court under Article 226 of the Constitution of India. Such disputes required adjudication of facts with reference to documents and evidences. Merely based on the affidavit filed in support of the writ petition, contractual disputes cannot be adjudicated nor be determined by the writ Court. Misplaced sympathy in contractual matters undoubtedly would cause prejudice to either of the parties. This exactly is the reason, why the Courts



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are declining to entertain the writ petitions under Article 226 of the Constitution of India, touching upon the disputes relating to contractual matters.

3. The *lis* on hand relating to contract is between Pondicherry Industrial Promotion Development and Investment Corporation Limited, a Government of Puducherry Undertaking and the writ appellant. The appellant was allotted a space at Export Facilitation Centre, Jawaharlal Nehru Street at Puducherry. A total extent of 1807 sq.ft in the ground floor was allotted on terms and conditions. A Lease deed was executed in favour of the appellant on 25.09.2018.

4. The learned counsel for the appellant would submit that due to Covid-19 pandemic, the business was dull and the appellant was not in a position to pay the rent as per the contract. The business premises was closed out.

5. The learned Standing Counsel for the respondent Corporation would oppose by stating that the appellant is a chronic defaulter in payment of rent right from the beginning. Despite the demand made by the



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authorities, he declined to pay the rent and therefore, action was initiated and possession has been taken by the Corporation and presently, the premises is sealed by the authorities of the Corporation.

6. It is brought to the notice of this Court that the appellant has to pay a sum of Rs.46,95,290/- as on December 2024 towards arrears of rent. The learned counsel for the appellant would submit that a sum of Rs.20 lakhs has been paid, however the balance amount is yet to be settled.

7. The writ Courts cannot be used as a platform for negotiation of contractual matters nor the Courts can entertain such writ petitions, which would result in unnecessary financial constraint or loss to the State Government Undertaking Companies or to the State, as the case may be. It is not as if the Court can take a lenient view in commercial matters as non-payment of rent would result in financial loss to either of the parties. In the present case, by collecting rent from the allottees, the Corporation has to maintain public infrastructures and money has to be allotted for welfare of the public related Schemes.



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8. In the event of entertaining such petitions by the High Court and keeping the matter pending for long years, the same would cause irreparable prejudice to the State or its Undertaking and therefore, this Court is of the considered opinion that the appellant has to settle the rental arrears. Now the building has already been taken over by the Corporation, and therefore, the respondents are at liberty to deal with the shop in accordance with the statute and rules in force. As far as the appellant is concerned, he is not entitled for any relief from the hands of this Court and he is liable to pay the arrears of rent. The respondents shall initiate all appropriate actions to recover the arrears of rent by following due procedures as contemplated under law. Accordingly, the writ appeal stands dismissed. No costs. Consequently, the connected miscellaneous petition is also dismissed.

(S.M.S., J.) (K.R.S., J.)
03.02.2025

ssi
Index: Yes
Speaking Order: Yes/No
Neutral Citation Case : Yes



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