



W.P(MD)No.20587 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED : 13.10.2025

CORAM

THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)No.20587 of 2024

and

W.M.P.(MD)Nos.17460 and 17462 of 2024

Rameezal Begum

... Petitioner

Vs.

1.The Government of Tamil Nadu,
Rep. by the Secretary to Government,
Industries, Investment Promotion and Commerce Department,
692, Anna Salai, Nandanam,
Chennai - 600 035, Tamil Nadu.

2.The Managing Director,
State Industries Promotion Corporation of Tamil Nadu,
19-A, Rukmani Lakshmipathy Road,
Egmore, Chennai - 600 008.

3.The Project Officer,
State Industries Promotion Corporation of Tamil Nadu,
SIPCOT Industrial Complex,
Gangaikondan Village,
Tirunelveli District.

4.Mohammed Anisha
(R4 is impleaded vide order dated 22.10.2024
in W.M.P.(MD)No.21344 of 2024 in
W.P.(MD)NO.20587 of 2024 by NSKJ)

... Respondents



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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 pertaining to the impugned proceedings of the 2nd respondent in P-III/SIP/GKN/Sinthamathar and Co/2012-24 dated 14.08.2024 and quash the same as illegal.

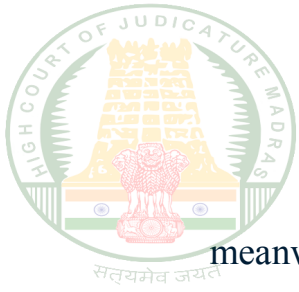
For Petitioner : Ms.H.Jasima Yasmin,
For M/s.Ajmal Associates.

For Respondents : Mr.R.Baskaran,
Addl. Advocate General,
Assisted by M.Gangatharan,
Government Advocate for R2 & R3.
Mr.K.S.Selvaganesan,
Addl. Government Pleader for R1.
Mr.R.L.Dhilipan Pandian for R4

ORDER

Heard both sides.

2.SIPCOT allotted the petition mentioned plot in favour of the writ petitioner's brother on 14.11.2007. Subsequently, an additional allotment was made in his favour on 22.02.2010. It is a matter of record that there was some delay on part of SIPCOT in providing the requisite infrastructural facilities. The purpose of the project was to enable the allottee to run a petrol fuel station. Due to non-laying of road by SIPCOT, the petrol pump station could not become functional. In the



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meanwhile, the original allottee had passed away and fresh proceedings have been issued in favour of the writ petitioner by treating her as the allottee.

3.The writ petitioner however has been called upon to pay penalty amount and also furnish bank guarantee for not utilizing the plots within the prescribed time. Paragraph No.11 of the order dated 14.08.2024 reads as follows:-

“11.You are hereby requested to remit the 5% penalty amount of Rs.3,45,000/- (Rupees Three lakhs Forty five thousand only) and processing fee of Rs.11,800/- (including GST @ 18%) along with other dues, if any within 30 days from the date of this notice to examine for granting one year Extension of Time. Also you are requested to produce a Bank Guarantee (B.G) for Rs.10,35,000/-(Rupees Ten lakhs thirty five thousand only) with validity of one year from the date of submission of B.G to SIPCOT, within 30 days from the date of approval of first extension. If the B.G not produced, the Extension of time granted on receipt of S penalty will be cancelled. This bank guarantee shall be returned by SIPCOT, if the allottee implemented the project within the extension period. Failing which, the bank guarantee shall encashed by SIPCOT and grant another one year extension of time.”

Challenging the same, this writ petition has been filed.

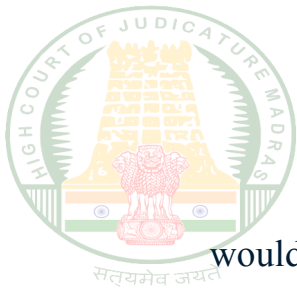


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4.The learned counsel for the writ petitioner was at pains to point out that the writ petitioner cannot be blamed for not putting the plots to use within the prescribed time limit and therefore, the penalty imposed on the petitioner will have to be set aside. She would also argue that the petitioner had already brought 66% allotted area to use and that the authority is wrong in assuming that the utilized extent falls below 50%.

5.Per contra, the learned Additional Advocate General for the respondents 1 and 2 strongly contended that on account of dispute between the writ petitioner and the fourth respondent / the petitioner's sister-in-law, problems had cropped up and therefore, the impugned penalty was rightly slapped.

6.I carefully considered the rival contentions and went through the materials on record. Admittedly, it was the writ petitioner's brother / Mohamed Khan, who was the original allottee. He passed away. Issue arose as to whether the widow of the allottee or the writ petitioner who is his sister will have claim. This was the subject matter of mediation proceedings before this Court. A mere look at the docket sheet



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would show that the writ petition was taken up for hearing on more than ten occasions. Finally, the issue was resolved on 16.04.2025. The said order reads as follows:-

“This present writ petition challenges the proceedings of the second respondent.

2. When the matter was taken up for hearing, I found that this Court had passed an order on 16.12.2024, directing the petitioner and the fourth respondent to undergo the process of Mediation in order to settle the issues that have arisen between them.

3. The petitioner Mrs.Rameezal Begum, is the sister-in-law of the fourth respondent Mrs.Mohamed Anisha. The State Industries Promotion Corporation of TamilNadu (SIPCOT) had allotted three properties in the name of Mohammed Khan, the husband of Mrs.Mohamed Anisha. The properties are situated at CP-1 and CP-2 and SC-1A of SIPCOT Industrial Park, Gangaikondan Village, Tirunelveli District. Apart from these three properties, two other properties were the subject matter of an agreement between the petitioner and the fourth respondent, situated at Melapalayam and Cheranmahadevi, Tirunelveli District. Finding that the dispute was between the sisters-in-law, I called upon Ms.Jasima Yasmin and Mr.Diliphan Pandian to reach a settlement over the five properties.



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4. *Mr.Diliphan Pandian, pointed out that the property in Cherenmahadevi had already been sold to a third party and therefore, was no longer under the control of the fourth respondent. Though, he offered the property situated at Melapalayam for sale, as per the agreement, the petitioner was not interested in purchasing the same. Hence, that left out only the properties within the SIPCOT industrial estate to be resolved.*

5. *With respect to SC-1A, the parties are already litigating before the learned Principal District Munsif Court, Tirunelveli in O.S.No.511 of 2023. Hence, it was excluded from the scope of settlement, leaving it open to the parties to agitate their rights over the said properties in the Civil Suit. That left out only CP-1 and CP-2 of SIPCOT, Industrial Estate, Gangaikondan.*

6. *Finally, on 07.04.2025, the parties reached an understanding that a sum of Rs.20,00,000/- (Twenty Lakhs Rupees only) would be paid by the writ petitioner to the fourth respondent for settling the issue over CP-1 and CP-2 and also for procuring a 'No Objection Certificate' from the fourth respondent and her children for transfer of the Petrol Bunk from the name of Mohammed Khan to the name of the petitioner.*

7. *Ms.H.Jasima Yasmin, pointed out that, though an undertaking affidavit was filed by the fourth respondent, her*



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children have not filed any affidavit. She feared that this might raise another round of litigation at the hands of the children of the fourth respondent.

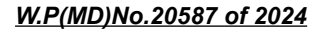
8. In order to put a quietus to the issue, I called upon Mr.Diliphan Pandian, to produce the affidavits of the children. I adjourned the matter today. Mr.Diliphan Pandian, has filed the affidavits of the following persons :

i)Muhammad Sintha Thanseem Khan,

ii) Mohammed Hassan Wasim Khan,

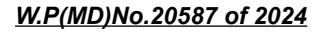
iii) Mahmoodha Thasneema Fathima, the children born to the fourth respondent and Mr.Mohammed Khan. In clear and categorical terms, the children have stated that they stand by their mother's understanding affidavit. They further undertake to take all steps necessary for the purpose of transferring the IOCL licence in favour of the writ petitioner, on receipt of Rs.20,00,000/- (Rupees Twenty Lakhs only). This puts an end to the fear expressed by Ms.H.Jasima Yasmin.

9. Ms.H.Jasima Yasmin has produced four Demand Drafts, each for a sum of Rs.5,00,000/- (Rupees Five Lakhs only) in favour of the fourth respondent, in all amounting to Rs.20,00,000/- (Rupees Twenty Laksh Rupees only). The Demand Drafts have been issued by the Canara Bank, Sankar Nagar, Branch, Tirunelveli District in D.D.No.248845, 248846, 248847 and 248848 dated 08.04.2025. The said Demand Drafts were handed



10. The scanned copies of the said Demand Drafts are attached hereunder:

8/14



11. Ms.H.Jasima Yasmin, points out that the IOCL has called upon the petitioner and the fourth respondent to enter into a partnership, open joint account, and obtain a joint PAN number. Thereafter, a NOC and a reconstitution agreement are to be executed by the parties for the purpose of transferring the licence entirely in the name of the writ petitioner as her nominee.



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12. Ms.Jasima Yasmin, states that the said process will take approximately a week. As the sum of Rs.20,00,000/- (Rupees Twenty Lakhs only) has been paid and the same was received by the fourth respondent. She shall execute the necessary documents for effecting the transfer of the licence in the name of the petitioner or her nominee.

13. The said process should be completed on or before 25.04.2025.”

It is asserted by the learned counsel for the writ petitioner that the fourth respondent herein had received a sum of Rs.20 Lakhs.

7.From the aforesaid development, one can safely conclude that the dispute between the writ petitioner and her sister-in-law was the primary reason why the project could not take off. Admittedly, the road has been laid by SIPCOT in July 2024 itself. We are now in October 2025. The impugned order was passed on 14.08.2024. Admittedly, when the road itself was laid in July 2024, the authority was not justified in levying the penalty in the very next month. Be that as it may, the Writ Court will have to take note of the subsequent developments also. If the



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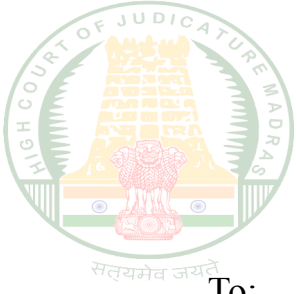
petrol fuel station had become operational during the pendency of the writ petition or atleast in August 2024, I would have quashed the impugned order.

8.To a specific question posed by this Court, the learned counsel for the petitioner admits that except selling of petroleum products, the petrol fuel station as such has not become functional till date. Therefore, the order impugned in this writ petition can be justified because even as on date, the petrol fuel station is not functional.

9.In this view of the matter, the impugned order is sustained and the writ petition is dismissed. No costs. Consequently, connected miscellaneous petitions are closed.

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NCC : Yes/No
Index : Yes / No
Internet : Yes/ No
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G.R.SWAMINATHAN, J.

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