
(2012) 10 P&H CK 0164

In the Punjab And Haryana At Chandigarh

Case No : Civil Writ Petition No. 20010 of 2012

Jasoka India Ltd.

APPELLANT

Vs

State of Punjab and Others

RESPONDENT

Date of Decision : 15-10-2012

Acts Referred:

Constitution of India, 1950 — Article 226, 227

Citation : (2013) 169 PLR 250

Hon'ble Judges : G.S. Sandhawalia, J;Ajay Kumar Mittal, J

Bench : Division Bench

Advocate : N.K. Jain, for the Appellant;

Final Decision : Dismissed

Judgement

G.S. Sandhawalia, J.—The present writ petition filed under Articles 226/227 of the Constitution of India is for issuance of a writ in the nature of certiorari for quashing of the communication/orders dated 12.3.2012 vide which the respondent No. 2 had demanded a sum of Rs. 20,28,725/-as principal amount and Rs. 22,66,822/-as interest on the interest free loan, Further prayer has been made for issuance of a writ in the nature of Mandamus directing the respondents to release the remaining amount of interest free loan to the petitioner of the year 1994-95 to 1997-98 or to adjust the amount against the earlier loan sanctioned during the year 1988-89 to 1993-94 towards the remaining sanctioned amount of loan of the year 1994-95 to 1997-98 which is yet to be disbursed to the petitioner. Prayer for release of a sum of Rs. 5,61,000/- lying with respondent No. 4 as security has also been made. The case set up by the petitioner is that it was a registered industrial unit with the Director of Industry in the year 1987. The Government of Punjab announced an industrial policy during the year 1978 giving various incentives to the Industries and to promote generation of maximum industrial employment at all levels. The petitioner being a riot affected victim had set up the unit at village Chanalon, Tehsil Kharar, District Mohali in the name and style of M/s Jasoka India Ltd. and registered with the Department of

Industries and came in production in the year 1987. The petitioner had raised a loan of Rs. 90 lacs from Punjab State Industrial Development Corporation and the sum of Rs. 104.34 lacs was repaid, and Rs. 48 lacs from the Punjab Financial Corporation and the sum of Rs. 66.58 lacs was repaid to it. As per 1978 industrial policy, interest free loan was sanctioned and disbursed for 10 years at the rate of 6% as per policy from the year 1988-89 onwards till 1993-94. Thus, amount of Rs. 23,09,060/- approximately was disbursed to the petitioner unit but remaining amount of Rs. 28,00,000/- was not disbursed inspite of several representations due to shortage of funds. The working of the unit was affected and it became sick and was registered as a sick unit under registration No. 71/89 with BIFR on 31.3.1999. As USSR the country of export of the product of the petitioner unit got disintegrated and there was a complete break down of the commercial activities, the production of the unit was badly affected and even the State Bank of India withdrew the credit limit. The petitioner made persistent efforts and filed several representations for release of remaining amount of sanctioned interest free loan but the efforts of the petitioner were in vain. Representations dated 25.5.2011 and 22.3.2012 had been made for release of interest free loan but the respondents had failed to act upon on the said representations. The Government was bound by the principle of estoppel and petitioner was entitled for the balance interest free loan and for adjustment against the amount which has now been sought to be recovered.

2. A perusal of the pleadings made by the petitioner shows that the petitioner unit had financial difficulties and was declared sick way back in the year 1999 and registered with the Board of Industrial and Financial Reconstruction. The petitioner is seeking the benefit of the interest free loan policy of 1978 and non disbursement for the year 1994-95 onwards. A period of 18 years has elapsed since the petitioner was entitled for interest free loan under the industrial policy of 1978. Thus, the present claim of the petitioner is hit by latches. From year 1994-95 there is nothing on record to show that any such request was made to the respondents for the non disbursement of the interest free loan and it is only for the first time in May, 2011 and March, 2012, representations had been made to rake up a stale claim.

3. Even otherwise, the petitioner unit is admittedly a sick company and the purpose of the interest free loan is to promote running industry and not to pump in money in a project which is a sick unit. In view of the above facts and circumstances, we are not inclined to entertain the present writ petition in exercise of jurisdiction under Articles 226/227 of the Constitution of India. Accordingly, the writ petition is dismissed in limine.