
(2011) 10 RAJ CK 0021

In the Rajasthan High Court

Case No : Civil Writ Petition No. 1194 of 1998

Udaipur Petro Synthetics

APPELLANT

Vs

The State of Rajasthan and Others

RESPONDENT

Date of Decision : 13-10-2011

Acts Referred:

Citation : (2011) 10 RAJ CK 0021

Hon'ble Judges : Vineet Kothari, J

Bench : Single Bench

Final Decision : Dismissed

Judgement

Vineet Kothari, J.—By this writ petition, the Petitioner-Industry (Udaipur Petrol Synthetics) has approached for grant of disbursement of subsidy under the State Capital Investment Subsidy Scheme, 1990 (hereinafter referred to as "Scheme of 1990") on the basis of sanction letter Annex-4 dated 21.10.1991 in favour of Petitioner, sanctioning the subsidy to the extent of Rs. 15 lacs in favour of Petitioner-company.

2. The State Level Screening Committee (SLSC) by the impugned communication dated 27.01.1998 (Annex-24), in pursuance of SLSC meetings dated 15.11.1997 and 18.11.1997 (Annex-7), produced with the reply, re-considered the case of the Petitioner and rejected the claim of the Petitioner of the grant of said subsidy for the following reasons.

The matter was, therefore, submitted before the SLC with recommendation to cancel the previous sanction as the unit was not entitled for subsidy on account of the following reasons:

(1) The eligible investment of the unit upto 31.03.95 was found to be less than 75% of the original project as well as of the revised project.

(2) The revised project appraised by RIICO included the machines purchased after 31.03.95 on lease-financed by SBI, whereas the Scheme for large scale

units was closed on 31.03.95.

(3) The date of commencement of commercial product from the 3 machines was 28.09.95. Therefore, the final date of the production should be treated as 28.09.95 which is later than 31.03.95 i.e. after the date of the closure of the scheme for large scale units.

The committee, after discussion, therefore decided that in view of the above facts, the unit is not eligible for subsidy and thus rejected the case.

3. Learned Counsel for the Petitioner submitted that the Petitioner had commenced commercial production prior to cut-off date of 31.03.1995 and, therefore, the Petitioner was entitled to receive such subsidy from the Respondents under the Scheme of 1990. He, therefore, submitted that SLSC decision dated 18.11.1997 and consequential communication Annex-24 dated 27.01.1998 deserve to be quashed and set aside and subsidy may be disbursed in pursuance of original sanction letter dated 21.10.1991 (Annex-4).

4. On behalf of Respondents- Industries Department, a reply to writ petition has been filed way-back on 19.07.2000. From the perusal of para 33 of the said reply, it transpires that the Petitioner industrial unit, closed down its production itself in the year 1999, which is a subsequent development coming on record in the form of report of an industries department official dated 15.07.2000, produced with the said reply.

5. The Scheme of 1990 itself has lived out its life long back and is no more in existence now. In view of the fact the Petitioner's industry is closed for long now as per the averments made in the reply and report dated 15.07.2000, annexed there-with, a fact which has remained unrebutted and un-controverted so far, and in view of SLSC having already rejected the case of the Petitioner on 18.11.1997 finding that the investment in question was not completely made before the cut-off date of 31.03.1995 vide above quoted portion of decision of SLSC, this Court is not inclined to issue any mandamus direction at this stage after so many years that such a subsidy deserves to be granted to the Petitioner-company even now even though it has closed down its production and the Scheme of 1990 itself is over.

6. Consequently, this writ petition is dismissed. No costs.