

(1987) 06 KAR CK 0008

In the Karnataka High Court

Case No : Writ Petition No"s. 15915 to 15964 of 1988 etc.

Anjanappa and Co.

APPELLANT

Vs

State of Karnataka

RESPONDENT

Date of Decision : 11-06-1987

Acts Referred:

Constitution of India, 1950 — Article 14

Karnataka Excise Act, 1965 — Section 3, 71, 71 (4)

Karnataka Excise Licences (General Conditions) Rules, 1967 — Rule 15

Citation : (1987) ILR (Kar) 2344

Hon'ble Judges : Chandrakantaraj Urs, J

Bench : Single Bench

Advocate : A. Jagannatha Shetty, M.R Nayak, C.V. Guruve Gowda, N.Y. Hanumanthappa, King and Partridge, P. Vishwanatha Shetty, Jayakumar S. Patil, L.S. Chikkanagoudar, Shivaraj Patil, K. Prabhakar, Hegde Associates, R. Gururajan, M.L.N. Reddy, Hulsoor, V.K. Kulkarni, D.L.N. Rao, S.P. Kandagal, Kishore Mallya, for the Appellant; M.R. Achar, Government Advocate and U. Abdul Khadar HCGP, for the Respondent

Judgement

Chandrakantaraj Urs, J.—These batches of Writ Petitions are disposed of by the following common order. The petitioners are all Excise Contractors. They are aggrieved by the amendment made to Rule 15 of the Karnataka Excise Licences(General Conditions) Rules, 1967, (hereinafter referred to as the General Conditions Rules). The amendment is effected by a Notification gazetted on 25 6 1983 which came into effect from 1-7-1983. The petitioners, in the meanwhile, had become successful bidders at the auctions held in various parts of the State of Karnataka in May or June, 1983. Prior to the coming into force of the amendment to Rule 15 of the General Conditions Rules, 1967, the rate of interest payable for rent not paid before the stipulated date namely, 10th of a month was liable to be charged with interest at 6 per cent. By the amendment effected, the rate of interest in Rule 15 of the General Conditions Rules has been raised to 18 per cent per annum. Therefore, the grievance of the petitioners that they are adversely hit by the amendment brought about; the raising of the rate of interest

from 6 1/4 to 18 per cent is arbitrary, excessive and without any reason. It is also contended that the Government under the Rules and the terms of the agreement entered into with each of the contractors has substantially large deposits with it which do not carry interest and therefore it is arbitrary and unfair as well as discriminatory to charge interest on the rents that may become due and payable beyond dates specified in Rule 15 of the General Conditions Rules.

2. A further contention pleaded and urged is that the Rule is made in violation of the mandatory requirements of Sub-sections (3) and (4) of Section 71 of the Karnataka Excise Act, 1965 (hereinafter referred to as the Act).

3. A number of Counsel have addressed arguments. The above contentions expanded by them may be summarised in the following manner. The excise year under the General Conditions Rules is 1st July of a given calendar year to 30th June of the succeeding calendar year. The auctions are generally held in the month of May or even earlier, but generally before the commencement of the new excise year. In accordance with the relevant rules, the auctions held in various places require confirmation by the Government and it is only after confirmation that a lease is executed incorporating certain statutory conditions, one of which is the payment of rent in accordance with Rule 15 of the General Conditions Rules. In this background, it is urged that the petitioners are all excise contractors having been successful bidders at the auctions held prior to 1st July 1983. They were led to believe that in the event of any one of them committing default in the payment of rent in accordance with Rule 15 of the General Conditions Rules, he was liable to pay interest on the rent due only at the rate of 6 1/4 per cent per annum and therefore the Government is estopped in making a rule which came into force only on 1st July 1983 enhancing the rate of interest to 18 per cent that came into force well after the auctions which as contended by them is arbitrary, excessive and almost assumes the character of being expropriatory. It is further urged, therefore, the Rule may be applicable despite having come into force on 1st July, 1983 only to leases executed in respect of excise contracts for the year 1984-85 and not for the excise year 1983-84.

4. So far as the violation of the statutory requirement is concerned, having regard to Sub-sections (3) and (4) of Section 71 of the Act, it is urged that the Rule when it was brought into force on 1-7-1983 had not been placed before the Houses of Legislature in Karnataka as mandatorily required. But, however, majority of the petitioners do not dispute that the competence to make the Rules falls clearly within Clause (ii)(h) of Sub-section (2) of Section 71 of the Act. In this context, attention of the Court is drawn to the language of Sub-sections (3) and (4) of Section 71 of the Act, which are as follows :-

"(3) A Rule under this Act may be made with retrospective effect and when such a rule is made the reasons for making the rule shall be specified in a statement laid before both Houses of the State Legislature. Subject to any modification made under Sub-section (4), every rule made under this Act shall have effect as

if enacted in this Act.

(4) Every rule made under this Section shall be laid as soon as may be after it is made, before each House of the State Legislature while it is in Session for a total period of thirty days, which may be comprised in one session or in two or more successive sessions and if before the expiry of the session in which it is so laid or the sessions immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be ; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule."

While the State has the authority conferred by the Legislature to make a rule under the Act retrospective in effect and operative, it is enjoined to State the reasons for making it retrospective in its operation in a statement laid before both the Houses of the State Legislature. Similarly, Sub-section (4) of Section 71 of the Act requires every rule made by the executive to be placed before the House of Legislature for the period prescribed and the Rules become operative as if they having been part of the Act only after compliance with the procedure prescribed and not otherwise. It is this aspect which is emphasised by the learned Counsel appearing for the petitioners.

5. They pleaded the retrospectivity, only on the ground that the auctions were held for the excise year 1983-84 prior to the coming into force of the Rules, which, as stated in the Gazette Notification is 1st of July 1983. In this context, the attention of the Court is also drawn to the fact that the draft Rules were published only in the month of May, that too, at the very end of the month in the year 1983. No doubt, none of the petitioners has claimed that he objected to the proposed amendment, in fact, Gazette Notification makes it clear that no objections were received and on 25th June, the proposed amendment to raised the rate of interest from 6 1/4 % to 18 per cent was published, as amendment to Rule 15 of the General Conditions Rules making the amendment effective from 1st July 1983. If these dates are borne in mind, it is suggested that they were never placed before the Houses of Legislature, as they could not have been. The amended Rule becomes effective as if enacted in the Act only if procedure and period prescribed under Sub-section (4) of Section 71 of the Act is complied with by this Rule making authority. If the rule became effective from 1st July 1983, it therefore follows according to the arguments advanced that it should have been placed before the houses of Legislature for a period of 30 days in one or more of the sessions of the Legislature prior to 1-7-1983. Therefore the thrust of the argument is that that being impossible having regard to the date on which the draft rules were published in the Gazette inviting objections, then there was clear violation of the mandatory duty required to be performed in terms of Sub-sections (3) and (4) of the Act.

6. At this stage, it is useful to notice that in the original statement of objections filed, the Government had taken a specific stand that there was compliance with

requirement of Sub-sections (3) and (4) of Section 71 of the Act. That was disputed by some of the petitioners. Therefore, the Court called upon the Government Advocate to produce the relevant records evidencing the placing of the amended rules before the Houses of Legislature in Karnataka. For various reasons, the petitions could not be heard and remained part-heard for a long time and was heard intermittently on different dates earlier. In that circumstance, records were not perused by this Court, but in the additional statement of objections now filed in January 1987 which was brought to the notice of this Court while dictating this order, there is an admission by the Government that the amendment to Rule 15 of the Amendment Act, 1983 was placed before the Legislature on 6th July 1985 for the reasons indicated. The reason stated is that the communication sent in June or July 1983 was misplaced by the Legislature Secretariat and therefore the amendment Rules of 1983 were not placed before the Houses of Legislature. What follows from this admission will be dealt with a little later.

7. Therefore, the other argument i.e. competence of the Government to levy and enhance the rate of interest for default in payment of rent under Rule 15 of the General Conditions Rules is required to be examined first. The argument expanded is that u/s 71 no power is given to the Government to make rules in regard to charging of interest and therefore it is outside the scope of the rule making power conferred by Section 71 of the Act. This argument merits notice only to be rejected. Section 71 of the Act reads as follows:

"Power to make rules :- (1) The State Government may, by notification and after previous publication, make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing provision, the State Government may make rules -

(a) xx xx xx

(b) xx xx

(c) xx xx

(d) xx xx

(e) xx xx

(f) xx xx

(h) prescribing the authority by which, the form in which and the terms and conditions on and subject to which any licence or permit shall be granted, and may, by such rules, among other matters -

(i) xx xx

(ii) Prescribe the scale of fees, or the manner of fixing the fees payable in respect of any lease, licence or permit, or the storing of any excisable article.

(i) xx xx

(j) xx xx

(k) xx xx

(l) xx xx

(m) xx xx

(n) any other matter that may be prescribed under this Act.

8. From the language used in the conferment of rule making power and enumerating the subject matters in respect of which rules may be made by the Government, expressions used are capable of being given the widest meaning as they ought to be. What is contemplated in the scheme of the Act and the relevant rules framed thereunder for auctioning exclusively the right of the State in favour of the petitioners and the like of them, the Government seeks to regulate not only the production, manufacture and distribution and consumption of both potable and non-potable alcohol, but also provides for levy of fee, rent, kist or any other payment in consideration of the right transferred to the petitioners and the like of them. Therefore, provisions in Sub-clause (2) of Clause (h) of Sub-section (2) of Section 71 of the Act leads to the inevitable conclusion that the State does not lack competence to make rules in regard to payment of rent. In fact, it has been conceded by most of the Counsel arguing for the petitioners that that power is there in the Government as the rule making authority.

9. But the real thrust of the argument is that rent does not include interest charged thereon. This limb of argument is equally unsustainable in view of the decided cases of the Supreme Court when similar questions fell for consideration before it. It would be sufficient if this Court refers to the Division Bench ruling of this Court in the case of Sha Ghelabhai Devji and Co. Vs. Assistant Commissioner of Commercial Taxes (Assessment), Dharwad and Another, , where Section 13(2) of the Karnataka Sales Tax Act, 1957, fell for consideration. Section 13(2) of the Act provides for levy of penalty by way of interest on tax unpaid by the sales tax assessee at a scale depending on the delay in the matter of the payment of taxes due. A similar argument was advanced that competence to levy sales tax did not include the power or competence to levy interest on such taxes by way of penalty or otherwise. Repelling such a contention, this Court has held as follows :-

"Section 13, of the Act employs the term "penalty" and not "interest" as payable on taxes withheld or defaulted by an assessee under the Act. But, that by itself cannot be decisive in holding one way or the other. Every word takes its colour from the context in which it occurs. The object is to deter a dilatory assessee to make prompt payment of taxes found due to the State to meet the ever growing and almost insatiable demands and in default to make compensation for delayed payments. When one examines the same in that context, as that should be,

applying the progressive rule of construction of statutes that has now come to stay, what is provided in Section 13(2) of the Act is only interest and not penalty."

10. In coming to this conclusion, reliance was placed by the Division Bench on a number of earlier decided cases of the Supreme Court and this Court in the matter of construction of Statutes and interpretation of legislative competence vis a vis the entries in the Union List or the State List or the Concurrent List of the VII Schedule to the Constitution of India. The passage extracted above is best understood when we examine the language employed by Rule 15 of the General Conditions Rules, which is as follows :-

"5. Payment of Rent etc ; (1) The rent payable to Government in respect of the shop or shops shall be credited by the licensee in the Government Taluk or District Treasury wherein the shop or shops is/are situated. Every month's rents shall be credited on or before the tenth of that month or the following working day, if the tenth happens to be a General Holiday, without interest and on or before twenty fifth or the following working day if the twenty fifth happens to be a general holiday, with interest at eighteen per cent per annum. The interest shall be charged from the eleventh day of that month on the outstanding amount as long as it remains undischarged irrespective of the expiry of the lease period or the termination of lease. If the rent for any month is not credited together with interest before the end of the months or before the expiry of the time granted under Sub-rule (1-A), the lease shall be determined and licences shall be cancelled and the right to vend liquor shall be disposed of afresh.

(1-A) The Depty Commissioner may, on an application made to him in this behalf, if satisfied for reasons to be recorded in writing that the monthly rent could not be paid before the end of the month due to circumstances beyond the control of licensee, grant time up to and inclusive of the tenth day of the succeeding month. If such rent together with interest due is not paid within the time so granted, the Deputy Commissioner may, on an application made to him in this behalf and after obtaining adequate security in the form of irrevocable bank guarantee of a Scheduled Bank for an amount equal to the amount of one month's rent together with interest due for the full month, grant further time till the end of such succeeding month.

(1-B) The Excise Commissioner may, by order in writing, grant time for a further period not exceeding fifteen days, if, on application made to him in this behalf through the Deputy Commissioner he is satisfied that the monthly rent could not be paid for reasons beyond the control of the licensee.

(1-C) If the rent for any month is not paid on or before the date specified in Sub-rule (1) or before the expiry of the time granted under Sub-rule(1A) or under Sub-rule (1B), the lease shall be determined and the licence shall be cancelled and the right to vend liquor shall be disposed afresh in such manner as the State Government may direct and such disposal shall be at the risk of the defaulter who shall be liable for all losses that may be sustained by the State Government

and the Deputy Commissioners may forfeit the deposits of the defaulter either in full or in part with the approval of the Excise Commissioner.

(2) The lease shall be determined and the licence cancelled in the case of toppings of the trees without payment of duty thereof on behalf of the licensee and tree tax and tree rent is not remitted immediately, after they are booked for infraction.

(3) The Superintendent of Excise may stop the issue of the allotted liquor or trees for the realisation of rent, tree tax and tree rent.

(4) If the rent, tree tax and tree rent are not credited even in respect of any one shop of the group of shops of the licensee, the leasee shall be determined and the licence cancelled and the group of shops may be put to reauction.

(5) The advance rent deposited by the licensee before the commencement of the lease shall be adjusted towards the rent of the last month of the lease period."

11. As noted above, the rule is with reference to the payment of rent. The rule makes it abundantly clear that the rent payable to Government in respect of the shop or shops shall be credited by the licensees (petitioners) in the Government, Taluk or District Treasury, wherein shop or shops are situated. Each month's rent shall be credited on or before the 10th of that month i.e. it should be paid in advance. If it is not paid on or before the 10th of that month, then it attracts levy of interest. After the specified point of time if the amount of rent due for that month is not paid along with interest then the licence is liable for cancellation. In other words, interest being charged on the amount retained by the licensees (petitioners) over which they have neither contractual or legal right, but which admittedly belongs to Government by virtue of the licence given. Therefore, the interest charged is no more than the penalty levied for withholding the payment to the Government and using Government money for the benefit of the petitioners themselves. Thus viewed, the ruling fairly covers the argument advanced and therefore the argument is liable to be rejected. I have therefore no hesitation in coming to the conclusion that liberal construction of Sub-clause (ii) of Clause (h) of Sub-section (2) of Section 71 of the Act provides for the making of rules in respect of collection of rents, fixation of fees and all ancillary powers in regard to levy and collection of fee or rent so fixed. Therefore, the State Government does not lack competence to levy interest.

12. Even otherwise, every one has right to collect interest on his money, the use of which he has been deprived of by the wanton behaviour of the one who borrowed it or retained it unlawfully. Therefore, the interest charged is no more than the compensation to which Government is entitled to. In that view of the matter, the contention must fail and I have no hesitation in declaring the rule of the amendment thereto competently made. Therefore, the amendment to the rule from 6 1/4 per cent to 18 per cent is a matter entirely in the discretion of the State Government, to whom the amount of rent really belongs on and after 10th of every month in which the rent becomes due.

13. Another limb of the same argument is based on arbitrariness and therefore violative of Article 14 of the Constitution of India also will not detain me very long. The rule SO framed in the year 1970, at which time the rate of interest was fixed at 6 1/4 per cent, was also by an amendment to the rule. In the gap of 13 years, the money value has declined not only in this Country but throughout the world. In the circumstances, if the Government chooses to raise it to 18 per cent, it cannot be said to be arbitrary. One must regard the delayed payment as not being wilful but due to difficulties of ways and means- In order to avoid the rigour of payment of interest at 18 per cent, the petitioners themselves if they did not have the necessary funds to pay the rent or were short of the amount required, one should presume they should necessarily go to the Banks to borrow it. So if the Bank rate in June 1983 is about 18 per cent then it cannot be said there is arbitrary fixation of the rate of interest by the State Government in raising the interest rate in Rule 15 of the General Conditions Rules to 18 per cent. One need not even complain of the rigour or the heavy burden, because whatever the percentage of interest charged there need be no burden if the amount of rent is paid in accordance with the prescription made in the rule. If the liability is foisted only on default, the only way to escape the liability is not to commit the default. Having committed default, it will not be open to the petitioners to complain of the arbitrary rate of interest charged by the rule. Therefore, even the argument advanced in regard to the arbitrariness of the rule, this Court must hold in favour of the State and reject the arguments advanced for the petitioners.

14. Now this takes me to the question, which I kept for decision later i.e., as to the effect of compliance or noncompliance of Section 71((sic)) and (4) of the Act.

15. Sri U. Abdul Khader, Learned Counsel for the respondents, strenuously contended, as decided by the Supreme Court in the case of Atlas Cycle Industries Limited and Milton Cycle Industries Limited Vs. State of Haryana and Others, , the failure to place the 1983 amendment of the rule impugned in these Writ Petitions before the Houses of Legislature would not be fatal to its validity. In support of that proposition, he drew attention to the fact that the Supreme Court while considering Subsection (6) of Section 3 of the Essential Commodities Act, 1955, which ordained that every order made under that Section by the Central or by any Officer or Authority of the Central Government should be laid before both the Houses of Parliament as soon as may be after it is made was not mandatory and therefore non-compliance with that requirement was not fatal to the order so made. I do not think the Learned Counsel for the State is right in interpreting that decision to his advantage to support the State's stand. The Supreme Court observed as follows : -

"In the instant case, it would be noticed that Sub-section (6) of Section 3 of the Act merely provides that every order made u/s 3 by the Central Government or by any Officer or Authority of the Central Government shall be laid before both Houses of Parliament, as soon as may be, after it is made. It does not provide

that it shall be subject to the negative or the affirmative resolution by either House of Parliament. It also does not provide that it shall be open to the Parliament to approve or disapprove the order made u/s 3 of the Act. It does not even say that it shall be subject to any modification which either House of Parliament may in its wisdom think it necessary to provide. It does not even specify the period for which the order is to be laid before both Houses of Parliament nor does it provide any penalty for non-observance of or non-compliance with the direction as to the laying of the order before both Houses of Parliament. It would also be noticed that the requirement as to the laying of the order before both Houses of Parliament is not a condition precedent but subsequent to the making of the order. In other words, there is no prohibition to the making of the orders without the approval of both Houses of Parliament. In these circumstances, we are clearly of the view that the requirement as to laying contained in Sub-section (6) of Section 3 of the Act falls within the first category i.e. "simple laying" and is directory not mandatory. We are fortified in this view by a catena of decisions, both English and Indian".

16. From the passage extracted above, it is clear that the Supreme Court clearly furnished the reasons for its conclusion that Sub-section (6) of Section 3 of the Essential Commodities Act was directory and not mandatory. It will be useful to extract Section 71(4) of the Karnataka Excise Act once again to examine the relevance of the reliance placed in the decision of the Supreme Court in *Atlas Cycle Industries Limited and Milton Cycle Industries Limited Vs. State of Haryana and Others*, .

"71(4) Every Rule made under this section shall be laid as soon as may be after it is made, before each House of the State legislature while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions and if before the expiry of the session in which it is so laid or the sessions immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be : so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule."

17. The sub-section clearly provides that the placing of the rules should be before the Houses of the State Legislature which are in sessions and a definite period of 30 days is prescribed during which time the rule shall lie in the House or Houses of the legislature. Before the expiry of the period specified, the House or Houses are permitted to make any modification in the rules. The House or Houses may even reject the rule in toto and state that such a rule should not be made. It is only thereafter, action has to be taken to modify, annul in that period of 30 days that the rule becomes effective. In other words, the emphasis is on the expression "the rule shall thereafter have effect only in such modified form or be of 'no effect, as the case may be'". It is this emphasis of being effective that makes compliance of Subsection (4) of Section 71 of the Act mandatory and not

directory.

18. In fact, this Court need not take the trouble of explaining this aspect over again because this very Section and this very argument fell for consideration before the Supreme Court in *M.K. Papiiah and Sons Vs. The Excise Commissioner and Another*, . In dealing with it, the Supreme Court has said the following :

"That laying of rules before the Legislature is control over delegated legislation is implied in the speech of Lord Thankerton in the House of Lords in *Minister of Health v. the King* 1931 AC 494 where he said : In this case, as in similar cases that have come before the Courts, Parliament has delegated its legislative function to a Minister of the Crown, but in this case Parliament has retained no specific control over the exercise of the function by the Minister, such as a condition that the order should be laid before Parliament and might be annulled by a resolution of either House within a limited period."

Quoting from Bernard Schwartz's book "An Introduction to American Administrative Law", the Supreme Court has stated as follows :-

"In Britain, Parliamentary control over delegated legislation is exercised through the various forms of "laying" prescribed in enabling Acts. Through them, the legislature is enabled at least in theory to exercise a continuing supervision over administrative rules and regulations."

It further added :

"The English techniques for laying the rules before the Houses have several virtues. "For one thing, they bring the legislative into close and constant contact with the administrative"."

(Quoting from "The Administrative Process", 77 (1938) by Landis.)

19. After observing the virtues of the laying before, Legislature, the Supreme Court proceeded to hold that Section 71 of the Act which provides for the rule making power to impose the necessary check upon the wide power given to the Government to fix the rate and therefore there was no excess delegation over the Authority by the Legislature to the executive or administrative. When properly understood what is stated is real i.e. the check is not there, it would amount to excess delegation, i.e., the rule making power conferred on the executive or administrative by the Legislature. Therefore, if the check must be exercised in order to make the Section valid, then the placing of the amendment or the rules made or amendments made to the rules must be mandatory. Otherwise, the Legislature cannot exercise its power of check. When it is so understood, non-placing of the rules apart from the language of Sub-section (4) hits at the very source of power of the executive or the administrative. Therefore, non-placement must be held to have made the rule ineffective till it was so placed. This Court must necessarily hold that as on 4-9-1985 the amendment of Rule 15 i.e. the raising of interest from 6 1/4 per cent to 18 per cent had not become effective. That declaration would afford more than

adequate relief to the petitioners who have disputed their liability. The petitioners who have disputed their liability for the excise years 1983-84 and 1984-85, this Court should declare in the light of the conclusions reached that they are not liable to pay interest at 18 per cent on account of the strict compliance with the procedure required to be followed by the rule making authority under Sub-sections (3) and (4). The rule cannot be held to be retrospective as it is not intended to be so as seen from the Gazette Notification. In any event, there is no compliance of the requirement of Sub-section (3) to make the rule retrospective i.e., while placing the amendment/rule before the Houses of Legislature, reasons for retrospectivity, if any, was not given. Therefore, I have no hesitation to declare that the rules questioned are not retrospective but prospective.

20. The only question that falls for determination incidentally is the date on which it became operative so that other cases pending in respect of other excise years may be decided on the basis of that date. In the additional statement of objections filed while an admission is made it was only on 4-9-1985 the amendment/rule was placed before the Legislature, other details as to how long the sessions lasted and whether the rules remained for 30 days in that sessions only or in any other sessions or carried over to another session is not made known. The learned Government Pleader stated that he would furnish the information at the earliest possible time and it may be incorporated in the Judgment and suitable declaration given.

21. The argument that was added by Mr. M. Naik at the conclusion of this order that the rule should be struck down, because the time given for filing objections after its publication on 25-5-1983 was not adequate. As per the facts already stated, nearly 18 days" time was available to file objections. Excise Contractors are not illiterate people. They are in business and they are assisted by able Counsel and therefore they cannot complain that 18 days were not a reasonable time to file objections. It was nobody's case that the time was not sufficient and the State Government should have given more time to file objections because the Gazette indicates that no objections of whatever kind was filed. Not having asked for more time, it is not now open to the petitioners to contend that what was given was inadequate.

22. Subject to the above, the petitioners are entitled to succeed. The substantial prayer of the petitioners that they are not liable to pay interest at 6 1/4 per cent for the excise years 1983-84, 1984-85 and for part of 1985-86 must be sustained by this Court. To that extent, the petitioners are entitled to a declaration that they are not liable to pay at the enhanced rate of interest at 18 per cent. A direction accordingly will issue to the respondents not to levy and collect interest on the over-due amount of rent at 18 per cent but only at 6 1/4 per cent.

23. On a subsequent date while hearing a connected petition separately, the learned Government Advocate gave the following dates in the matter of dates relating to laying before the Houses of Legislature.

Laid before the House on : 4-9-85 to 12-9-85

Next Session commenced on: 20-1-86 and

Adjourned for a while on : 13-2-86.

Therefore, 30 days mandated in Section 71(4) of the Act was complete only on 10-2-1986 and this Court must therefore declare that 1983 amendment of Rule 15 in respect of rate of interest came into effect only on 10-2-1986 and not on 1-7-1983 It is so declared.

In the circumstances of the case, the parties shall bear their own costs.