(2020) 10 RAJ CK 0031

In the Rajasthan High Court

Case No : Spl. Appl. Writ No. 1436, 1453, 1459, 1469, 1476, 1486, 1490, 1492, 1510, 1514, 1516, Of 2019, 35 Of 2020

Rajasthan State Industrial Development And Investment Corporation Limited And Ors — APPELLANT

Vs

Yunus Dyeing And Ors — RESPONDENT

Date of Decision : 12-10-2020

Acts Referred:
Disposal Of Land Rules, 1979 — Rule 5

Citation : (2020) 10 RAJ CK 0031

Hon'ble Judges : Sangeet Lodha, J;Rameshwar Vyas, J

Bench : Division Bench

Advocate : Sanjeet Purohit, Devkinandan Vyas

Final Decision : Disposed Of

Judgement

1. These intra-court appeals are directed against a common judgment dated 06.09.2019 passed by the learned Single Judge of this Court, whereby the writ petitions preferred by the respondents herein, assailing the action of the appellant-Rajasthan State Industrial Development and Investment Corporation Limited ('RIICO'), in restricting the size of the industrial plots to be allotted to inter-alia the respondents herein in the industrial area, in commensurate with the land occupied by their industrial units operating in the residential area sought to be shifted and demanding the development charges of the industrial plots allotted, more than the charges originally determined i.e. Rs.800/- per Sqm., have been allowed with the following directions:

"36. In view of the aforesaid decision dated 13.05.2017 taken in the meeting headed by the Divisional Commissioner, qua petitioner and other 38 units to the extent of restricting their allotment in commensurate with the land already held by them, is quashed and set aside. It is declared that the decision of the State dated 28.08.2018 cannot be made applicable to the petitioners, to whom allotment had been made on 26.11.2015.

37. Since, the period of more than three years has since lapsed and petitioners have also not deposited the amount demanded by the RIICO in time, with a view to balance the equity, it is deemed appropriate and hence declared that the respondent RIICO shall be entitled for interest calculated @ 12% per annum for the period during which the amount depicted in the first demand notice remained unpaid.

38. Learned counsel for the petitioners informed that almost all petitioners have paid amount calculated at the rate of 1500/- per Sq. meter. The same be paid, if not paid so far. All the petitioners shall pay an interest @ 12% per annum for the period between the date of issuance of demand notice (@ Rs.1500/- per Sq. meter) and the date of deposit or 30.09.2019, which ever is earlier.

39. The respondent RIICO shall issue a demand notice regarding interest amount on or before 30.09.2019 to each of the petitioners and also publish a list of applicable interest payable, on its notice board. All the petitioners are required to deposit the interest amount (and the amount shown in the demand notice, if not deposited so far) on or before 15.10.2019. On depositing of such amount, the respondent RIICO shall allot them plots, while giving plot number on order before 31.12.2019.

40. After allotment of the plots, lease deed be got executed and the possession handed over peremptorily by 31st March, 2020.

41. Needless to observe that adjudication aforesaid shall be applicable to the present petitioners only. The industrial units who have accepted the terms of the allotment and have paid the amount, will not be entitled to claim refund of the amount already deposited.

42. Presently petition, so also, those mentioned in the schedule are allowed in above terms."

2. The learned Single Judge while deciding the writ petitions preferred by the respondents/writ-petitioners raising common grievance and challenging common order/notice has taken into consideration the facts of S.B.C.W.P. No.14774/2018 : Hitesh Finishing Vs. RIICO & Ors. (SAW No.1492/2019) as a lead case and, therefore, it would be appropriate to take into consideration the facts of Hitesh Finishing's case (supra) to appreciate the controversy involved in the present appeals.

3. The operation of textile processing units in the residential area within the Municipal limits of towns Pali and Balotra was questioned by way of Public Interest Litigation (PIL) in D.B.C.W.P. No.759/2002 : Mahaveer Nagar Vikas Samiti Vs. State of Rajasthan and D.B.C.W.P. No.2481/2002 : Mahesh Pareek Vs. State of Rajasthan. A Bench of this Court while deciding the D.B.C.W.P. No.759/2002 vide order dated 19.03.2004 directed the RIICO to close down all the textile processing units situated in the residential area of the town and to shift the same in a newly developed industrial area. The directions issued by the

Court regarding setting up of an industrial area and shifting of the textile processing units read as under: -

"RIICO shall set up an industrial area at a suitable place exclusively for textile processing units. The industrial area must be located at an appropriate distance from residential areas. RIICO shall set up the industrial area within a period of six months and the industry shall be shifted to the industrial area from residential areas immediately thereafter."

4. Pursuant to the directions issued by this Court as aforesaid, the appellant-RIICO developed an industrial area at Balotra in a phased manner. The RIICO issued an advertisement dated 30.08.2008 inviting the applications from eligible industrial units whose names were found in the survey list, for allotment of industrial plots in Industrial Area Phase-IV, Balotra. The rate of the development charges of the industrial plots to be allotted was fixed at Rs.800/- per Sqm.

5. All the industrial units situated in Balotra eligible for allotment could not be allotted the plots pursuant to the advertisement dated 30.08.2008 and, therefore, yet another advertisement was published by the respondent RIICO in the year 2011, inviting applications for making the allotment of the plots ad measuring 2000 Sqm. @ Rs.800/- per Sqm.

6. The petitioner industrial unit eligible and aspirant for the allotment submitted its application in prescribed proforma and deposited the requisite amount of the development charges and security deposit to the tune of Rs.4,16,000/- by way of Banker's cheque.

7. The Allotment Committee headed by District Collector, Barmer conducted a draw of lots wherein 44 industrial units including the writ-petitioner- Hitesh Finishing was selected for allotment of the industrial plot.

8. Thereafter, the Allotment Committee in its meeting held on 12.09.2012 proposed allotment of the industrial plot measuring 2000 Sqm. inter-alia to the writ-petitioner- Hitesh Finishing @ Rs.800/- per Sqm. However, no final decision could be taken and the matter remained pending consideration at the end of RIICO.

9. On 26.11.2015 the Committee took a decision that for dyeing and printing units, the plot of the size minimum 2000 Sqm. is required and accordingly, proposed the allotment of the land to 39 industrial units subject to approval by the Head Office of RIICO. The decision of the Allotment Committee dated 26.11.2015 was approved by the State Government vide communication dated 03.02.2016.

10. After the approval of the State Government as aforesaid, the Regional Manager, RIICO Balotra vide letter dated 17.02.2016 informed the writ-petitioner that as per the approval granted by the State Government the plot measuring 2000 Sqm. is proposed to be allotted to it at the prevalent rate. The development charges of the plot assessed @ Rs.1500/- per Sqm. was quantified

at Rs.30,00,000/- and accordingly the 25% of amount of the development charges payable forthwith, was quantified at Rs.7,50,000/-. The petitioner was directed to deposit deficit amount of 25% of the development charges and security deposit- 1% of the development charges, quantified at Rs.3,64,000/- while adjusting the amount of Rs.4,16,000/- already deposited.

11. The petitioner and other 38 industrial units did not deposit the remaining amount pursuant to the demand notice issued as aforesaid with the hope that the plot will be allotted to them at the rate originally determined i.e. @ Rs.800/- per Sqm. only.

12. In the meanwhile, 95 industrial units, which were unsuccessful industrial units, whose applications for allotment were rejected by the Allotment Committee, submitted the representation to the State Government, which in its turn constituted a Committee of Divisional Commissioner to re-examine the eligibility specifically of those unsuccessful industrial units. The Committee headed by Divisional Commissioner, Jodhpur in its meeting held on 13.07.2015 while considering the claim of 95 unsuccessful industrial units recommended for allotment of industrial plots on proportionate basis to 14 industrial units and rejecting the claim of 81 industrial units, proceeded to make observation even qua the petitioner and other 38 industrial units, as under:

"95. पत्रावलियों की पुनरीक्षण में सम्भागीय आयुक्त द्वारा जांच की गयी है। पूर्व में जिला कलक्टर की अध्यक्षता में लिये गये निर्णय में 39 इकाईयों को पात्रता योग्य माना गया। जो वर्तमान में संभागीय आयुक्त के स्तर पर जांच में षामिल नहीं है। लेकिन कमेटी के सदस्यों द्वारा यह विचार-विमर्ष किया गया कि पूर्व में पात्र पायी गयी 39 आवेदकों की पत्रावलियों में पूर्व में लिये गये केवल क्षेत्रफल निर्धारण के निर्णय का पुनः अवलोकन करते हुये यह निर्णय लिया गया कि उक्त पात्रता योग्य 39 इकाईयों के क्षेत्रफल का निर्धारण भी समानुपातिक रूप में करते हुये समानता रखी जावे। क्षेत्रफल का आधार बिन्दु सं. 1 के अनुसार होगा। "

13. Pursuant to the recommendations of the Committee headed by Divisional Commissioner with regard to allotment of plots to 53 applicants including the respondents herein, the State Government vide communication dated 28.08.2018 granted its approval for allotment/shifting of industrial units with the directions that eligible shifting units will pay the premium of the land at the prevailing rate of industrial area Balotra, Phase-IV i.e. Rs.1500/- per Sqm. to the extent of the area decided by the Divisional Commissioner Committee and for the area in excess thereof, the premium will be charged @ Rs.3000/- per Sqm. i.e. twice the prevailing rate for allotment of the industrial area. For example, where the industrial unit is found to be eligible for allotment of the land area 300/- per Sqm., the remaining area i.e. 1700 Sqm. was to be allotted @ Rs.3000/- Sqm. The 39 eligible industrial units, which had already deposited 25% development charges/premium of the land @ Rs.1500/- per Sqm., were extended benefit of interest thereon from the date of deposition to the date of allotment of the plot, which was to be adjusted against the demand of remaining 75% amount of development charges/premium. It was clarified that the RIICO-Unit office, Balotra will issue letters to all 53 eligible applicants to deposit prerequisite

payments calculated as per rates and area decided, within thirty days from the date of issue of demand letter. It was further clarified that applicants who failed to deposit the amount within thirty days will not be considered for land allotment and their eligibility will be treated as cancelled. Remaining 75% of premium of the land was required to be deposited by the allottees as per the rules i.e. within 120 days from the date of allotment without interest.

14. Pursuant to the directions issued by the State Government as aforesaid, Regional Manager, RIICO Balotra issued demand notice dated 05.09.2018 to the writ-petitioner and other industrial units to deposit, the deficit amount 25% of premium and 1% security deposit, while calculating the amount of development charges/premium for the land to be allotted on proportionate basis i.e. 500 Sqm. @ Rs.1500/- per Sqm. and for remaining 1500 Sqm. land @ Rs.3000/- per Sqm., which was to carry interest as per the rules, to be adjusted at the time of deposit of remaining 75% of the premium amount.

15. Aggrieved by the demand notice issued by the RIICO as aforesaid, the respondents herein preferred writ petition before this Court which stands allowed by the learned Single Judge in the terms indicated above. Hence these appeals.

16. The learned Single Judge arrived at the conclusions: the petitioner's right for allotment of 2000 Sqm. land @ Rs.1500/- per Sqm. stood finalised and freezed on the issuance of the demand notice dated 17.02.2016, and therefore, the terms of allotment cannot be altered, the Committee headed by Divisional Commissioner while dilating upon cases of 95 industrial units could not have made observation qua 39 industrial units whose cases were not before it and therefore, the decision of the Committee is not only contrary to facts but also without jurisdiction on the face of it. The Court observed that charging of premium for additional land as high as double the prevailing rate is not only contrary to facts and petitioners' crystallized rights, but also arbitrary and fanciful given the fact that the RIICO, in October 2017 itself has offered the plots for allotment @ Rs.1500/- per Sqm. The learned Single Judge held that there is no plausible much less a justifiable reason to charge premium for the purported additional land, particularly when not only the advertisement, even petitioners' application and so also duly approved decision of the Allotment Committee talked about 2000 Sqm. land.

17. Learned counsel appearing for appellant- RIICO submitted that the entire exercise for shifting of industrial units from non- conforming area to the conforming area has been undertaken in pursuance of directions given by a Bench of this Court in Mahaveer Nagar Vikas Samiti's case (supra) vide judgment dated 19.03.2004, wherein nowhere size of the plots to be allotted to the industrial units has been specified and thus, the decision of the State Government pursuant to the recommendation made by the Committee headed by Divisional Commissioner that the industrial units shall be entitled for allotment of the land in proportion to the land occupied by the existing industry @ Rs.1500/- per Sqm. and the land in excess of the said area @ Rs.3000/- per

Sqm., in no manner can be said to be illegal and arbitrary so as to warrant interference by this Court. Learned counsel submitted that ordinarily the allotment of the land is being made by the RIICO by way of e-auction, which fetches good price but in the instant case while relaxing the rules applicable, the allotment have been made to the petitioner on priority basis without calling upon them to participate in the e-auction and thus, they cannot claim the land beyond the area occupied by the industrial unit, which was being operated in non-conforming area, at the concessional rate. The learned counsel contended that nowhere the finding is recorded that the decision of the Committee proposing allotment of the land on proportionate basis is illegal or unjustified, however, the learned Single Judge proceeded to hold that the said decision of the Committee headed by Divisional Commissioner cannot be made applicable to the respondents herein. It is submitted that the Committee headed by Divisional Commissioner in order to treat all the industrial units equally rightly took the decision that 39 industrial units in whose favour the allotments were made shall also be governed by the decision proposing allotment on proportionate basis. Learned counsel submitted that the respondents industrial units have no right to claim allotment of the land beyond the area occupied by them while operating the industry in non-conforming area, but since they were aspirant for the allotment of the land to the extent of 2000 Sqm. the additional land is proposed to be allotted at the prevalent rate i.e. Rs.3000/- per Sqm. Learned counsel urged that the learned Single Judge has seriously erred in arriving at the conclusion that the rights of the respondents herein stood freezed and finalised once the demand notice dated 17.02.2016 was issued by the RIICO claiming the premium of the land @ Rs.1500/- per Sqm. for the land measuring 2000 Sqm. Learned counsel submitted that the learned Single Judge has also erred in holding that since notice dated 17.02.2016 does not contain sunset clause or outer limit stipulating that if the amount is not deposited in the prescribed period, the offer will be cancelled/revoked, the stand of the respondents herein in not depositing the amount immediately can be understood. Learned counsel submitted that the allotment of the land, issuance of the demand notice and deposit of the premium amount, are governed by RIICO Disposal of the Land Rules, 1979 ('the Disposal of Land Rules, 1979') wherein the time for depositing the 25% of the premium and 1% security amount as also the remaining amount of the premium is specified and non-deposit of the amount entails cancellation and, therefore, nothing turns on the question that the time for depositing the amount was not specified in the demand notice issued. Learned counsel submitted that in any case offer to make allotment cannot be kept alive for time indefinite and, therefore, the respondents having failed to deposit the amount in terms of the demand notice dated 17.02.2016 keeping in view the prevalent land rates, the additional premium claimed by the RIICO for additional land to be allotted is absolutely justified and, therefore, the judgment under appeal deserves to be set aside.

18. On the other hand, learned counsel appearing for the respondents contended

that initially the respondents had claimed before the learned Single Judge that they are entitled for allotment of the land @ Rs.800/- per Sqm. however, keeping in view that as a result of inflation the value of the money has decreased and the RIICO would have earned the interest on the amount to be deposited by the respondents, they restricted their claim of allotment of the land @ Rs.1500/- per Sqm. Learned counsel submitted that the allotment of 2000 Sqm. land to each of the respondents on shifting of the industrial units from non- conforming to the conforming area was a concluded issue, which could not have been re-opened by the Committee headed by the Divisional Commissioner, which was constituted only to consider the cases of 95 applicants whose claims were earlier rejected and thus, the action of the Committee in applying its decision for allotment of the land on proportionate basis to the respondents herein and the approval granted by the State Government accordingly, being ex-facie illegal and arbitrary, has rightly been set aside by the learned Single Judge. Learned counsel submitted that the Committee while taking the decision as aforesaid, even did not call for the response of the respondents and thus the decision taken without extending of opportunity of hearing to the respondents and their likes, was ex-facie illegal and arbitrary and thus, the conclusions arrived at by the learned Single Judge cannot be faulted with.

19. We have considered the rival submissions and perused the record.

20. Indubitably, the process for allotment of industrial plots in the industrial area developed by the RIICO for shifting of industrial units from non-conforming area to conforming area was initiated pursuant to directions issued by this Court vide order dated 19.03.2004 passed in Mahaveer Nagar Vikas Samiti's case (supra). The RIICO was directed to set up an industrial area at suitable place exclusively for textile processing units located at an appropriate distance from residential area. In compliance of the directions issued by this Court as aforesaid, in the first instance, the RIICO issued an advertisement dated 30.08.2008 inviting applications from eligible industrial units included in the survey list, for allotment of industrial plots in the Industrial Area Phase- IV, Balotra. A perusal of the advertisement reveals that the industrial plot of the size varying from 500 Sqm. to 10,000 Sqm. were proposed to be allotted. The size of the plots to be allotted to individual industrial unit was to be determined and accordingly, the plots were proposed to be allotted by draw of lot. The development charges payable were determined at Rs.800/- per Sqm. Further, it was clarified in unequivocal terms that no exemption or concession shall be allowed.

21. It is not the case set out by the respondents that they applied for allotment of the plot pursuant to the advertisement dated 30.08.2008 issued by the RIICO, rather the respondent- M/s Hitesh Finishing and others, challenged the action of the RIICO in determining the development charges of the industrial plots to be allotted to the eligible industrial units @ Rs.800/- per Sqm. claiming that since they had closed down their industrial units in the year 2003 and pursuant to the directions of the Court RIICO was required to develop the industrial area within a

period of six months, the development charges should be levied as per DLC rate of 2003. The writ petition preferred was disposed of by the learned Single Judge of this Court with the observation that the representation made by the writ-petitioners raising the grievance should be decided by RIICO within a reasonable time. The representation made by the various industrial units including some of the respondents herein was rejected by the RIICO vide order dated 23.10.2008, after giving an opportunity of hearing to the industrial units with the observations that it is not possible to consider the request of the industrial units to allot the industrial plots at par with the rate of development charges applicable in the year 2003. The legality of the order dated 23.10.2008 passed by the RIICO was not questioned by the respondents by taking appropriate proceedings and thus, the same attained the finality.

22. Admittedly, the respondents applied for allotment of industrial plots pursuant to advertisement issued in the year 2011, wherein the rate of the development charges to be levied was maintained at Rs.800/- per Sqm. It is not disputed that 39 industrial units including the respondents herein engaged in textile, dyeing and printing were proposed to be allotted the plots measuring 2000 Sqm. and accordingly, as per the demand raised the respondents and their likes deposited 25% amount of development charges quantified at Rs.4,00,000/- and 1% of security deposit a sum of Rs.16,000/-. However, for one or another reason the allotment process could not be completed. Later, the Committee headed by District Collector, Barmer in its meeting held on 26.11.2015 resolved that since the textile dyeing and printing units require minimum 2000 Sqm. land, all the 39 industrial units should be allotted plots measuring 2000 Sqm. The recommendations made were subject to approval by the RIICO head office. It is not disputed that the recommendations made by the Committee in its meeting held on 26.11.2015 was approved by the State Government and accordingly, vide notice dated 17.02.2016 industrial plot measuring 2000 Sqm. was proposed to be allotted to all the 39 industrial units, however, the development charges were proposed to be levied at the rate prevalent i.e. Rs.1500/- per Sqm. and accordingly the industrial units were directed to deposit deficit amount of 25% of the development charges and 1% security amount quantified at Rs.3,64,000/-. It is not disputed before this Court that the respondents herein did not deposit the deficit amount pursuant to the demand notice issued with the expectation that they may be allotted the land @ Rs.800/- per Sqm. determined in the year 2008 and reiterated in the year 2011.

23. It is pertinent to note that the disposal of the land in the RIICO industrial area is governed by the provisions of Disposal of Land Rules, 1979 which inter-alia provides for allotment of the land on reserve rate applicable. After approval of the project the applicant is required to deposit 25% of the premium of the land and 1% of the premium as security money within sixty days from the date of communication of the approval. In case the applicant fails to deposit the amount within the stipulated period, the same can be further extended for a period of thirty days with interest chargeable at the prevalent rate from the date

of communication of approval, subject to the condition that the applicant must inform RIICO regarding extension within sixty days, failing which the approval shall lapse automatically.

24. Obviously, the reserve rate applicable cannot be static and it is bound to increase with the passage of time and, therefore, the respondents who had applied for allotment of the plot in the year 2011 could not have claimed the allotment of the plot after lapse of so many years at the rate prevalent in the year 2011. Be that as it may, since the respondents have already abandoned their claim for allotment of the plots @ Rs.800/- per Sqm., we need not delve into this question any further. Thus, essentially the entitlement of the RIICO to claim the reserve rate prevalent i.e. @ Rs.1500/- per Sqm. stands accepted by the respondents.

25. Coming to the question of consequences of the respondents not depositing the deficit amount claimed vide demand notice dated 17.02.2016, it is true that in the demand notice issued it is not specified that if the amount is not deposited in the prescribed period the offer of allotment would be cancelled/revoked, but then it was specifically stipulated in the demand notice issued that deficit amount is required to be deposited within a period of fifteen days. In any case, the provision of Rule 5 of the Disposal of Land Rules, 1979 shall be applicable in respect of the demand notice issued for deifict amount as well and thus, on failure to deposit the amount within the stipulated time, the proposal for allotment could have been treated as lapsed automatically. Further, even if no stipulation is made in the demand notice regarding consequences of failure to deposit the amount within stipulated time, it cannot be said that the offer for allotment made shall remain operative for time indefinite. In this view of the matter, we are not agreeable with the view taken by the learned Single Judge that the respondents' right stood finalised and freezed on issuance of demand notice dated 17.02.2016 and the terms of the allotment could not have been altered thereafter, notwithstanding that they failed to deposit deficit amount in terms of the demand notice within stipulated time.

26. But, the fact remains that the offer of allotment made to the respondents was neither specifically cancelled/revoked nor the same was treated to have lapsed automatically, inasmuch as pursuant to the recommendations of the Committee headed by the Divisional Commissioner, approved by the State Government a fresh demand notice dated 05.09.2018 was issued by the RIICO proposing the allotment of 500 Sqm. land on proportionate basis @ Rs.1500/- per Sqm. and remaining 1500 Sqm. land @ Rs.3000/- per Sqm. i.e. twice of the prevailing rate of the industrial area.

27. Precisely, the question which needs consideration of this Court is whether it was open for the Committee headed by the Divisional Commissioner to apply its decision regarding allotment of the land on proportionate basis to the 39 industrial units in respect whereof the issue with regard to their entitlement for allotment of industrial plots measuring 2000 Sqm. at the rate prevalent had

already been concluded vide resolution dated 25.11.2015 adopted by a Committee headed by the District Collector, which was duly approved by the State Government vide order dated 03.02.2016 and pursuant thereto a demand notice for depositing 25% of the amount of development charges and 1% security amount, applying the prevailing rate of development charges i.e. Rs.1500/- per Sqm. had already been issued in their favour.

28. It is matter of record that the Committee headed by the Divisional Commissioner was constituted exclusively for reconsideration of eligibility 95 unsuccessful industrial units for allotment of the land in the industrial area, whose applications were rejected by the Allotment Committee. Suffice it to say that the matter with regard to allotment of the land in favour of 39 applicants, the respondents herein and their likes, was neither referred for reconsideration to the Committee headed by the Divisional Commissioner, nor they were called upon to respond to the proposal of allotment of the land in proportion to the land occupied by their industrial units operating in non-conforming area and thus, the recommendations made by the Divisional Commissioner unilaterally treating the respondents at par with other 95 applicants, whose claims for allotment were specifically referred for reconsideration to the Committee by the State Government, were ex-facie without jurisdiction and could not have been approved by the State Government, ignoring its earlier approval of the respondents' entitlement for allotment of industrial plots of 2000 Sqm. accorded vide communication dated 03.02.2016.

29. Moreover, a perusal of the approval letter dated 28.08.2018 issued by the State Government makes it abundantly clear that the recommendations made by the Divisional Commissioner in respect of 53 applicants i.e. 14 applicants out of 95 unsuccessful applicants and 39 applications which includes the respondents herein, was accepted by the State Government in mechanical manner without noticing that the matter with regard to the allotment of the land to the respondents herein and their likes already stands concluded with the approval granted by the State Government vide communication dated 03.02.2016. Thus, the decision of the State Government in treating all the 53 eligible units at par and imposing the condition that premium of the land for excess area beyond the area decided by the Divisional Commissioner Committee shall be charged @ Rs.3000/- per Sqm. i.e. twice of prevailing rate of allotment of the industrial area, is avowedly illegal and arbitrary. Since the decision regarding proportionate allotment cannot be applied to the respondents herein, the question of levying development charges from them twice the prevalent rate does not arise and therefore, the appellant-RIICO is under an obligation to allot the industrial plots measuring 2000 Sqm. as already determined vide decision dated 25.11.2015 taken by the Committee headed by the District Collector, approved by the State Government at the prevailing rate, which is accepted to be Rs.1500/- per Sqm. even as per the decision of the State Government contained in approval letter dated 28.08.2018 placed on record by the appellants alongwith reply to the writ petition.

30. For the aforementioned reasons, the view taken by the learned Single Judge that charging of premium for purported additional land as high as double the prevailing rate is not only contrary to the facts and petitioners' crystallized rights, but also arbitrary and fanciful, does not warrant interference by us in exercise of intra court appeal jurisdiction.

31. This takes us to consider the issue regarding liability of interest on delayed deposit of the development charges/premium. It is noticed that the learned Single Judge with a view to balance the equity already directed that the RIICO shall be entitled for interest calculated @ 12% p.a. for the period during which the amount depicted in the first demand notice i.e. dated 17.02.2016, remained unpaid and accordingly, the respondents have been directed to pay interest @ 12% p.a. for the period between the date of issuance of demand notice (@ Rs.1500/- per Sqm.) and the date of deposit or 30.09.2019, whichever is earlier. But, the question of entitlement of the RIICO for interest on delay in depositing of remaining 75% of the development charges has not been specifically dealt with by the learned Single Judge. Obviously, on account of non-deposit of the amount in terms of the demand notice (25% of the development charges and 1% security amount), the further process could not be undertaken and for this reason, the payment of remaining amount of 75% of the development charges/ premium payable on allotment of the land has also been delayed and thus, the RIICO stands deprived of the beneficial use of the money. In this view of the matter, the respondents have to be held liable to pay the interest on remaining 75% of the development charges as well, from the date it would have become due till the date of actual deposit. It will not be out of place to mention here that as per the Disposal of Land Rules, 1979, 75% of the remaining amount of development charges/premium is also required to be deposited within the stipulated time and the delay in timely payment thereof attracts the liability of interest.

32. Accordingly, it is hereby clarified and directed that in terms of the order passed by the learned Single Judge the interest @ 12% p.a. shall be payable by the respondents not only on the deficit amount of 25% of development charges and 1% security amount indicated in the demand notice dated 17.02.2016, rather the interest shall be payable on the remaining amount of 75% of the development charges/premium as well.

33. The special appeals stand disposed of with the modification/clarification of the order passed by the learned Single Judge as indicated above.

34. No order as to costs.