

**IN THE HIGH COURT OF JHARKHAND AT RANCHI
W.P. (C) No.2050 of 2013**

M/s Rishiraj Homes Private Limited, having its office at G.K. Apartment, Road No.1, Contractors Area, P.O. and P.S. Bistupur, Town Jamshedpur, District East Singhbhum through its Director, Rabindra Kumar Jha, son of Laxmi Kant Jha, resident of Flat No.402, Road No.7, Vidyapati Tower, Ram Nagar, P.O. Sonari, P.S. Kadma, Town Jamshedpur, District East Singhbhum

.... Petitioner

Versus

1. The State of Jharkhand
2. The Principal Secretary, Revenue and Land Reforms Department, Government of Jharkhand, Ranchi
3. The Deputy Secretary, Revenue and Land Reforms Department, Government of Jharkhand, Ranchi
4. The Commissioner, Singhbhum (Kolhan) Division, Chaibasa
5. The Deputy Commissioner, East Singhbhum, Jamshedpur
6. M/s Tata Steel Limited, having its registered office at 24, Homi Modi Street, P.O. and P.S. Fort, Mumbai (Maharashtra) and works at Jamshedpur, P.O. and P.S. Bistupur, Town Jamshedpur, District East Singhbhum through its Managing Director

.... Respondents

With

W.P. (C) No.6887 of 2013

M/s Kaushal Kanchan Construction Pvt. Ltd. Company, having its office at Aastha Trade Centre, 2nd Floor, 'Q' Road, Bistupur, P.O. and P.S. Bistupur, Town Jamshedpur, District East Singhbhum, through its Director, Kaushal Kumar Singh, son of Late P.N. Singh, resident of 16C, C H Area, P.O. and P.S. Bistupur, Town Jamshedpur, District East Singhbhum

.... Petitioner

Versus

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.... Respondents

CORAM: HON'BLE MR. JUSTICE SANJAY KUMAR DWIVEDI

For the Petitioner	: Mr. Shankar Lal Agarwal, Advocate Ms. Ayushi, Advocate
For the State	: Mr. Prashant Kumar Rai, Advocate
For the Tata Steel	: Mr. P.A.S. Pati, Advocate

07/05.04.2026 Heard learned counsel, Ms. Ayushi, associate counsel of Mr. Shankar Lal Agarwal appearing for the petitioners and learned counsel appearing for the respondents-State as well as learned counsel appearing for the respondent-Tata Steel Limited.

2. In W.P. (C) No.2050 of 2013, the prayer is made for direction upon the concerned respondents to show cause as to how and under what authority the concerned respondents are collecting a sum of Rs.7,32,812/- per annum towards land rent and road cess in respect of 0.7080 hectare of land situated at Sidgora area, Jamshedpur. Further prayer is made for quashing of letter dated 15.09.2008 issued by the Tata Steel Limited at the instance of the Deputy Commissioner, East Singhbhum whereby the State Government has been pleased to fix the land rent at the rate of Rs.5,86,250/- per annum and Rs.1,46,562/- as road cess.

3. In W.P. (C) No.6887 of 2013, the prayer is made for direction upon the concerned respondents to show cause as to how and under what authority the concerned respondents are collecting a sum of Rs.15,24,250/- per annum towards land rent and road cess in respect of 3.64 acres of land situated at Khata No.62, Ward No.1 at Sonari, Jamshedpur. Further prayer is made for quashing of the letter dated 11.06.2008 issued by the Deputy Secretary, Government of Jharkhand whereby the State Government has been pleased to fix the land rent at the rate of Rs.12,19,400/- and the payment of cess also amounting to Rs.3,04,850/-.

4. Learned counsel appearing on behalf of the petitioners submits that so far petitioner-M/s Rishiraj Homes Private Limited in W.P. (C) No.2050 of 2013 is concerned, has been granted sub-lease over a plot of land measuring 00.7080 hectare in Sidgora area, Jamshedpur for hotel purpose on certain terms and conditions. She submits that the State Government has approved all the sub-lease vide letters dated 26.02.2008 and 28.02.2008 passed by the Deputy Commissioner, East Singhbhum and the rent of sub-lease has been fixed by the Government at Rs.5,86,250/- per annum and Rs.1,46,562/- as road cess. She also submits that the sub-lease was initially granted for a period up to 31.12.2025 with renewal

clause for further 30 days subject to renewal from time to time of Tata Steel Company's lease by the State Government. She next submits that the petitioner has deposited Rs.7,32,812.50 with Axis Bank Limited and the petitioner informed Head (Land) Tata Steel Limited vide his letter dated 12.09.2008. Thereafter, the petitioner was put in possession on 17.11.2008 on an area measuring 00.7080 hectare of land and its confirmation of possession of the land was confirmed by Tata Steel Limited vide its letter dated 17.11.2008. Learned counsel further submits that the land on which the petitioner proposed to set up the hotel, was part of the land which was executed vide letter dated 20.08.2005 between Government of Jharkhand and M/s Tata Steel Limited. She submits that fixation of rent by the respondents concerned is wholly arbitrary and unreasonable as there is no law within the meaning of any statute which authorizes the respondents to assess and fix rent at such rate in respect of the land in question which are fit to be quashed. On these grounds, learned counsel submits that appropriate order may kindly be passed.

5. Learned counsel appearing on behalf of the petitioners submits that so far petitioner-M/s Kaushal Kanchan Private Limited in W.P. (C) No.6887 of 2013 is concerned, the State Government was pleased to grant sub-lease over the plot of land measuring 3.64 acres of Sonari area, Jamshedpur for construction purpose on certain terms and conditions. She submits that the State Government has approved all the sub-lease vide memo dated 11.06.2008 from the Deputy Secretary, Government of Jharkhand, the rent of sub-lease has been fixed by the Government at Rs.12,19,400/- per month and Rs.3,04,850/- as road cess. She next submits that the sub-lease was initially granted for a period up to 31.12.2005 with renewal clause for further 30 days subject to renewal from time to time of the Steel Company's lease by the State Government. She further submits that the intention of the State Government was intimated to the petitioner by Tata Steel Limited vide letter dated 29.08.2008. She submits that the petitioner has deposited Rs.15,24,250/- on 30.06.2008 and thereafter, the petitioner was put in possession on 29.08.2008. She also submits that the land on which the petitioner proposed construction, found a part of land executed by and between the

Government of Jharkhand and M/s. Tata Steel Limited on 20.08.2005. She submits that the fixation of rent concerned is wholly arbitrary and unreasonable and in view of that the right of the petitioner has been taken away of business in the light of Article 19(1)(g) of the Constitution of India. On these grounds she relied the judgment in the case of ***Amalgamated Coalfields Ltd. & Others Vs. Janapada Sabha, Chhindwara*** reported in **1961 SCC OnLine SC 362**. Learned counsel submits that the impugned order may kindly be quashed.

6. Learned counsel appearing on behalf of State appearing in both the cases submits that upon vesting of Tata Zamindari in the State in the year 1956, Tata Zamindari become merely a Government estate and the lease land become public land, regulation of which become the responsibility of District Administration under the provisions of Bihar Government Estate (Khas Mahal) Manual, 1953. He next submits that consequent upon Section 2-B of the Bihar Land Reforms Act, 1950 by Act 5 of 1972, entire land falling under the Tata Lease become amenable to the provisions of Bihar Land Reforms Act, 1950. He also submits that public land and Government Estate are made on the basis of prevailing price of raiyati land in surrounding area and on the basis of the principle land rent for land to be used for commercial purpose, has been determined and has been accepted by all concerned. Learned counsel for the State further submits that principles for fixation of rent depends upon the description of Land, Administration Control and Management of land other than raiyati is regulated under the provisions of the Bihar Government Estate (Khas Mahal) Manual, 1953. He also submits that education cess, health cess, agricultural development cess, road cess etc. which are being linked with the payment of land rent are based on various legislative provisions such as road cess levied at 25% of rent is based on the provisions of Bihar Cess (Amendment) Act, 1981. In this background, he submits that the authority have the right to collect rent and cess linked with the rent on the land sub-leased to the petitioners. He also submits that in the indenture of Lease of 2005, there exists a provision for constitution of Appropriate Machinery Committee (AMC) for making recommendation to the Government for settlement of piece of vacant land

falling under Tata Lease Area. He submits that the said Committee consists of representative of the Tata Steel Management and the recommendations made by the said Committee forwarded to the State Government by the office of Deputy Commissioner, East Singhbhum, Jamshedpur along with the check slips relating to the Salami and rent in terms of provisions of Bihar Government Estate (Khas Mahal) Manual, 1953. The recommendation made by the said Committee are scrutinized and approved by the State Government and communication to this effect are received in the office of the Deputy Commissioner, East Singhbhum, who in turn communicates the Government's decision to the allottee concerned for further action. In pursuant to that, Tata Steel Ltd. made recommendation for sub-lease in favour of petitioners of both the cases and the rent applicable extended up to 31.12.2025 with provisions for further renewal and also requested to expedite the matter by holding a meeting of the said Committee formed by the State Government vide letter dated 06.12.2005 for deliberation of the proposal and forwarding the same to the State Government. He also submits that the decision has already been taken and communicated and pursuant to that petitioners have already accepted the same and deposited their rent and was put in possession. He submits that now the petitioners cannot challenge the said decision which has already been accepted by the petitioner without any protest. Learned counsel for the State further submits that after taking possession the petitioners have started activity on the said land and in view of that the petitioners' challenge is an afterthought and that is the disputed question of fact that cannot be subject matter of the writ petition. On these grounds, he submits that the writ petition may kindly be dismissed.

7. Mr. P.A.S. Pati, learned counsel appearing for the Tata Steel Limited submits that so far petitioner in W.P. (C) No.2050 of 2013 is concerned up to financial year 2024-25, is required to pay Rs.95,26,562.50 and the petitioner in W.P. (C) No.6887 of 2013 is required to pay Rs.1,98,15,250.00. He also submits that the calculation has been made in the light of the recommendation of Appropriate Machinery Committee and that Committee is being headed by the Deputy

Commissioner, East Singhbhum, Jamshedpur. He also submits that although the possession has been taken and even then they have not completed the construction. He further submits that in the commercial capacity, the lands have been allotted to these petitioners and lands were not for the industrial purpose. He submits that writ petition may kindly be dismissed.

8. In view of the above submission of learned counsel for the parties, it transpires that in both the cases, the petitioners have been allotted land on the basis of the sub-lease recommended by the Appropriate Machinery Committee (AMC). The petitioner in W.P. (C) No.2050 of 2013 has accepted the rent and paid to the tune of Rs.7,32,812.50 and the petitioner in W.P. (C) No.6887 of 2013 paid to the tune of Rs.15,24,250.00. Petitioners are put in possession and boundary wall has been made and now the petitioners are questioning the rent and charge of cess on the ground that the authorities are having no power. Further, one of the letter of the Tata Steel has been sought to be challenged in the nature of certiorari and in the light of Article 12 the Constitution of India, writ will not lie against Tata Steel Limited.

9. In the absence of statutory protection, contractual matters such as rent disputes are not within the purview of writ jurisdiction and the tenant may have to vacate the property if unwilling to pay the demand rent.

10. The duty of the court is to confine itself to the question of legality. Its concern should be:

- I. Whether a decision-making authority exceeded its powers?
- II. committed an error of law,
- III. committed a breach of the rules of natural justice,
- IV. reached a decision which no reasonable tribunal would have reached or
- V. abused its powers

11. In view of that it is not for the court to determine whether a particular policy or particular decision taken in the fulfilment of that policy is fair. It is only concerned with the manner in which those decisions have been taken. The extent of the duty to act fairly will vary from case to

case. An administrative action is subject to control by judicial review can be classified as under:

- I. Illegality: This means the decision-maker must understand correctly the law that regulates his decision-making power and must give effect to it.
- II. Irrationality, namely, Wednesbury unreasonableness.
- III. Procedural impropriety

12. The court only require to consider only something has gone wrong of a nature and degree which requires its intervention. What has been discussed hereinabove and considering the submission of the learned counsel for the parties, it is crystal clear that the disputed question of facts are involved in the present writ petition. Further, Tata Steel Limited is not a State within the meaning of Article 12 of the Constitution of India. The dispute is there with regard to rent that too after accepting by the petitioners and paying the same and subsequently, they have raised the said issue. .

13. In the light of the above facts, reasons and analysis, no interference is required by this court in both the writ petitions. So far the judgments relied by the learned counsel for the petitioners in the case of ***Amalgamated Coalfields Ltd. & Others*** (supra) is concerned, that case arising out of Central Provinces and Berar Local Self- Government Act, 1948 and in that case dispute of tax was involved and that case was decided in the facts and circumstances of that case and the facts of the present cases are different.

14. Accordingly, both the writ petitions are hereby, dismissed. Pending I.A. if any, stands closed.

(Sanjay Kumar Dwivedi, J.)

Anit

A.F.R.

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