

HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

S.B. Civil Writ Petition No. 16642/2024

Rajasthan Sarvodaya Sansthan

-----Petitioner

Versus

The Khadi And Village Industries Commission & Anr.

-----Respondents

For Petitioner(s) : Mr. R. K. Sharma

For Respondent(s) : Mr. Azad Ahmed

HON'BLE MR. JUSTICE SUDESH BANSAL

Order

20/03/2025

1. Heard learned counsel for both the parties on the interim relief for grant of Budget and issuance of Interest Subsidy Eligibility Certificate (ISEC).
2. The grievance of petitioner is that Budget and Interest Subsidy Eligibility Certificate (ISEC) for year 2023-2024 and 2024-2025 have not been issued by the respondent, despite of undisputed fact that petitioner is a registered Khadi Sansthan with the respondents and its registration is valid upto year 2026 and further a team, constituted by the respondent No.1, has made inspection of the petitioner- Sansthan in month of September-2024 (from 01.09.2024 to 05.09.2024) and petitioner fulfills all eligibility for sanction of budget. It has been submitted that withholding of budget and issuance of ISEC by respondents is causing grave hardship to petitioner as much as near about 300 artisans deployed in the petitioner-Sansthan are facing financial crisis, hence, at least budget for year 2024-2025 be directed to be issued before end of March, 2025.

3. Counsel appearing on behalf of respondents, while opposing the prayer of interim relief, has raised an objection that out of budget sanctioned against year 2018-2019 to 2021-2022, Rs.68.42 lacs is outstanding against petitioner, which was demanded vide order dated 08.12.2023, whereagainst petitioner-Sansthan preferred appeal before the Chairman, Khadi and Village Industries Commission (KVIC), New Delhi, which has been dismissed vide order dated 05.02.2025 (Ann.R/3). Hence, unless petitioner does not deposit/pay its dues, budget for subsequent years cannot be sanctioned. Hence, interim budget for year 2024-2025 cannot be sanctioned.

4. Learned counsel for the petitioner having instructions from the petitioner, reserving his right to assail the order dated 05.02.2025 passed by Chairman, KVIC, affirming the demand of Rs.68.42 lacs, against the petitioner, is ready to deposit such amount under protest and prays that on deposition of the dues, the budget and ISEC for year 2024-2025 be directed to be issued by the Respondents in furtherance to the inspection report made during 01.09.2024 to 05.09.2024.

5. Having considered the rival submissions of both parties and taking into consideration the fact that the eligibility of petitioner-Sansthan for sanctioning the budget as per the circular dated 10.04.2023, is not in question, however, taking into consideration the objection of Respondents, as an interim measure, it is hereby directed that respondents shall ensure to issue Budget & ISEC, provisionally in favour of petitioner-Sansthan for year 2024-2025 forthwith, in furtherance to the inspection made by the respondent No.1 of the petitioner-Sansthan from 01.09.2024 to 05.09.2024,

subject to deposition of amount of Rs.68.42 lacs by petitioner, under protest with the respondent No.1.

6. However, it is made clear that this interim relief, for grant of budget, has been passed just to maintain the balance of interest of both the parties and to preserve the survival of the petitioner-Sansthan and 300 artisans attached with it. However, this interim relief will not prejudice the rights of either parties to be adjudicated in the writ petition on merits.

7. List the matter on 20.05.2025 for final hearing.

(SUDESH BANSAL),J