

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)

FRIDAY, THE FOURTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY FOUR

PRESENT

THE HONOURABLE THE CHIEF JUSTICE ALOK ARADHE
AND
THE HONOURABLE SRI JUSTICE J. SREENIVAS RAO

WRIT PETITION NO: 17623 OF 2007

Between:

1. Campaign for Housing and Tenural Rights (CHATRI) a, registered society having its Office H.No.4-6-509, Esamia Bazar, Koti, Hyderabad, represented by its Secretary, Sri.S.Jeevan Kumar S/o.late S.V.Rama Krishna.
2. Sri.O.M.Debara, S/o.Late Sri. M.H.Debara Retired employee, R/o.H.No.4-1-913, Mani Minar, Tilak Road, Hyderabad -1.
3. Sri N. Ram Reddy, S/o.late Narayan Reddy Advocate R/o.Flat No.C-102, Ashok Gardenia Apartments, Adarsh Nagar, Hyderabad.

...PETITIONERS

AND

1. The Government of Andhra Pradesh, Represented by its, Chief Secretary to Government, Revenue Department, A.P. Secretariat, Hyderabad.
2. The Andhra Pradesh Industrial Infrastructure Corporation, Ltd. (APIIC), 6th Floor, Parisrama Bhavan, Fathemaiddan Road, Hyderabad - 500 004, Rep. by its Managing Director.
3. The Hyderabad Urban Development Authority (HUDA), Rep. by its Secretary, Begumpet, Hyderabad.
4. The Andhra Pradesh Housing Board, Nampally, Hyderabad, rep. by Managing Director.
5. M/s. Wipro Limited, Sy.No.64, Madhapur, Near Hi Tech City, Hyderabad.
6. M/s. Infosys Technologies Limited, Sy.No.210, Manikonda Village, Rajendranagar Mandal, Ranga Reddy District Hyderabad - 500 019.
7. M/s. Lanco Infratech Limited, 8-2-248/1/7/59 & 59, Saranya, Nagarjuna Hilla, Punjagutta, Hyderabad - 500 082.
8. M/s. Honey well Technology Solutions Lab Ltd., # 603, 6th Floor, Saptagiri Towers S P Road, Begumpet, Hyderabad.
9. M/s. Neuland Laboratories Limited, Registered Office 204 - Meridian Plaza, Ameerpet, Hyderabad - 500 016.

10. M/s. Mega Soft Ltd., Registered Office No.85, Kutchery Road, Mylapore, Chennai – 600 004 Rept., By It's Authorized Signatory Mr. P.V.R.K. Gandhi, S/o. Chakrapani Rao, Aged 57 years,

(Respondent No.10 C.T. IS altered as per C.O. dated 12.12.2008 in WPMP No.35541 of 2008)

11. M/s. Metro Cash and Carry India, Moosapet Village, Balanagar Mandal, Ranga Reddy Dist.

12. M/s. Indian Hotels and Health Resorts (IHHR), Hospitality Private Limited, (ISTA HOTEL), C-26, Qutab Institutional Area, New Delhi 110 016.

13. M/s. Hinduja National Power Corporation Limited, Building No.2, Khivraj Complex, 7th Floor, 477-482, Anna Salai, Nandanam, Chennai – 600035

(Respondent No.13 is amended as per C.O. dated 12.11.2009 in WPMP No.25411 of 2009)

14. The Government of Andhra Pradesh
Rep. by Pri Secretray, IT & C Dept.,
AP Secretariat, Hyderabad

15. The Government of Andhra Pradesh
Rep. by Pri Secretray, Youth Advancement, Tourism
and Culture (PMU) Department,
AP Secretariat, Hyderabad.

16. M/s Indu Techzone Pvt. Ltd.,
No. 1009, XIII Phase,
Adjacent to VII Phase, Kukatpally,
Hyderabad – 500072

17. M/s Brahmani Infratech Pvt Ltd.,
No. 6-3-1109/1,
Nava Bharat Chambers,
Rajbhaban Road, Hyderabad – 500 082

18. M/s Stargaze Properties Private Limited,
Construction House 'A'
24th Road Khar (West),
Mumbai – 400 052
19. M/s Anantha Technologies Ltd.,
Plot No. 1355 A, Road NO. 1, Jubilee Hills,
Hyderabad – 500 033.
20. M/s JT Holdings Pvt. Ltd.,
C-1, Udyog Sadan, MIDC,
Andheri East, Mumbai - 400 093
21. M/s HCL Info Systems Ltd.
HCL towers, # 44 Dwarakadas Colony,
Chikoti Gardens, Begumpet,
Hyderabad – 500 016
22. M/s Gitanjali Gems Limited,
6, Back Bay View, 3rd Floor,
Mama Paramanand Road,
Opera House, Mumbai-400 004.
23. M/s Infotech Enterprises Ltd.
Plot No. 11, Software Units Layout
Madhapur, Hyderabad – 500081.
24. M/s I Space Software Tech Ltd.,
407-410, My Home Tycoon,
Kundanbagh, Begumpet,
Hyderabad -- 500 016
25. M/s Computer Associates India Private Ltd.,
115/1, Nanakramguda, Gachibowli,
Hyderabad – 500 032.
26. M/s Kanbay Software (India) Pvt Ltd.,
115/32, Nanakramguda, Gachibowli,
Hyderabad – 500 032
27. M/s Virtusa (India) Pvt. Ltd.
3rd Floor, My Home Tycoon,
Begumpet, Hyderabad – 500 016
28. M/s Sierra Atlantic Software Services Ltd.,
Plot No.5, Software Units, Madhapur,
Hyderabad – 500 081.
29. M/s Portal Player (India) Pvt Ltd.,
249, Prashasan Nagar, Road No.72,
Jubilee Hills, Hyderabad – 500 034.

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30. M/s Dakshin Infrastructure Project (P) Ltd.,
Flat No. 303, Metro Residency, Raj Bhavan Road,
Hyderabad
 31. M/s Mack Solutions Inc.
1009, 13th Phase Kukatpally,
Hyderabad – 500 072.
 32. M/s Bhuviteja Enterprises (I) Pvt Ltd., Petrol Pump
Plot No. 40, Prashant Nagar Colony,
Miyapur, Hyderabad – 500 050.
 33. M/s Varun Motors (P) Ltd.,
1-10-177, “Varun Towers” Begumpet
Hyderabad – 500 016.
 34. M/s Franklin Templeton International Services Ltd.
Q4, 3rd Floor, Cyber Tower,
HITECH City, Madhapur,
Hyderabad – 500 081
 35. M/s RU Service Center (India) Pvt Ltd – UBS
AZB & Partners, Expres Towers,
23rd Floor, Nariman Point, Mumbai – 400 021.
 36. M/s ICICI Bank
ICICI Bank, Tower Level IV,
1-11-256, Begumpet,
Hyderabad – 500 016
 37. M/s West End Capital Management BPO
Services (India) Pvt Ltd.
305 A, Navabharat Chambers,
Rajbhavan Road, Somajiguda,
Hyderabad – 500 082
 38. M/s KARVY Stock Broking Ltd.
Karvy House, No.46, Avenue 4,
Street No.1, Banjara Hills,
Hyderabad – 500 034.
 39. M/s Shriram Financial Services Holdings Pvt Ltd.,
Mookmbika Complex,
2nd Floor, No.4, Lady Desikachary Road,
Mylapore, Chennai – 600 004.
 40. M/s Bhagyanagar Securities Private Ltd.,
5th floor, Surya Towers,
Sarda Patel Road, Secunderabad – 500 003

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41. M/s A R Fine Solutions
6/3/1246, MARVEL Residency,
Flat No. 406, 6th Floor,
Beside NASR School, Raj Bhavan Road,
Somajiguda, Hyderabad – 500 082.
 42. M/s Alif Resources & Infrastructure Pvt. Ltd.
Plot No. 508, Road No.22,
Jubilee Hills, Hyderabad – 500 034.
 43. M/s Symbiosys Technologies,
2D, Balaji Mangalagiri Chambers,
Siripuram, VIP Road, Visakhapatnam – 530 003
 44. M/s Color Chips Entertainment & Media Ltd.
Plot No. 16, Road No. 5, Jubilee Hills
Hyderabad – 500 033
 45. M/s SoftSol India Limited,
Plot No. 4, Software Units Layout,
Infocity, Madhapur, Hyderabad – 500081
 46. M/s Sankhya Technologies Pvt Ltd.,
30-15-58, 3rd Floor, Silver Willow,
Dabagardens, Visakhapatnam 530 020
 47. M/s Mahathi Software Pvt Ltd.,
10-27-14/A, Kailasmitta, Waltair Uplands,
Visakhapatnam – 530 003.
 48. M/s Navayuga Infotech Pvt. Ltd,
III & IV Floors, Pavan Plaza,
6-2-984, Khairtabad, Hyderabad – 500 004
 49. M/s SoftPro Systems Ltd.,
Plot No.12, Software Units Layout,
Cyberabad, Hyderabad – 500 081
 50. M/s NuNet Technologies Pvt. Ltd.,
4 & 5 Floors, Isnar Khazana Towers,
2nd Lane, Dwarakanagar,
Visakhapatnam – 530 016
 51. M/s ACN Infotech (India) Pvt Ltd. ,
3 A, Mangalagiri Chambers,
Siripuram, Visakhapatnam – 530 003
 52. M/s Kenexa Technologies Pvt. Ltd.,
8-2-502/1/AG, 3rd Floor,
Road No.7, Banjara Hills, Hyderabad – 500 034.

53. M/s E Centric Solutions Pvt. Ltd.,
6-3-570/1, 201, Diamond Block,
Rockdale Compound, Somajiguda,
Hyderabad – 500 082
54. M/s IIC Technologies Pvt. Ltd.,
6-3-250/2, Road No.1, Banjara Hills,
Hyderabad – 500 034
55. M/s Worldtech Software Solutions Pvt Ltd.,
6th Floor. MGR Estates,
Adj. Model House, Punjagutta,
Hyderabad – 500 082
56. M/s Satyam Computer Services Limited,
1-8-323/36, Mayfair Center, SP Road,
Secunderabad – 00 003
57. M/s Metaminds Software Solutinos Limited,
Perika Bhavan, 1st Floor, Khairtabad, Hyderabad
58. M/s IIC Sysetms Pvt. Ltd.,
405, Babhukhan Millennium Centre
Somajiguda, Hyderabad – 500 082
59. M/s 3K Technologies Limited,
8-2-120/112/P/5,6,
2nd Floor, Park View Estate,
Road No.2, Banjara Hills, Hyderabad – 500 034
60. M/s Etisbew. Com Pvt. Ltd.
1-1-1/18/1, Ranga Reddy Complex,
2nd Floor, Adj, Musheerabad Tele Exchange,
RTC 'X' Roads, Hyderabad – 500 020.
61. M/s Miracle Software Systems (I) Pvt. Ltd.
MIG – 49, Lawsons Bay Colony,
Visakhapatnam – 530017

(Respondent No.14 to 61 impleaded as per C.O. dated 18.02.2009 in
WPMP No.33307 of 2007)

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**62. The Managing Committee of Dargah Haz, Hussain Shah Vali village
Ranga Reddy District, Rep by its President S.A. Mehdi**

**(Respondent No.62 is impleaded as per C.O. dated 27.01.2012 in WPMP
No.41296 of 2011)**

**63. The State of Telangana, Represented by its Chief Secretary to
Government, Revenue Department, Telangana Secretariat, Hyderabad.**

**64. Telangana State Industrial Infrastructure Corporation, 6th floor, Parisram
Bhavan, Basheerbagh, Hyderabad, Represented by its Vice-Chairman
and Managing Director.**

**65. The Telangana Housing Board, Nampally, Hyderabad, Represented by
its Managing Director.**

**(Respondent No.63 to 65 are impleaded as per Court Order dated:
10.07.2024 Vide IA No.1 of 2024 in WP. No.17623 of 2007)**

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a writ, order or direction more particularly one in the nature of a writ of Mandamus declaring 1) Action of the respondent No.1 to 4 in allotting public properties to private companies, firms, individuals either by way of outright sale or lease without calling for tenders or advertisement as unconstitutional, in violation article 14 and Part VI of the Constitution and without jurisdiction, ultravires, void ab initio, arbitrary, illegal and violative of the doctrine of public trust and to direct the official respondents to review all the allotments made during the last ten years by way of sale/lease and to collect market value/rent from the allottees. 2) To cancel the allotments and to resume the lands in all case where the development has not commenced or the substantial progress has not been made strictly as per the terms and conditions of the allotment and regulations. 3) To declare the regulations 4 to 6 of APIIC Allotment Regulations 1988 providing for allotment without tenders or bids as arbitrary, unreasonable contrary to the provisions of Article 14 and part IV of the Constitution of India and unconstitutional. 4) To direct the official respondents to allot the Government lands either by way of lease or sale only after inviting bids/tenders from the eligible applicants by issuing advertisement in the news papers 5) Not to reserve the lands in favour of allottees for future expansion and to declare the Clause -2 of the letter dt. 28.10.2005 issued by the 2nd respondent to respondent Nos. 1 to 13 fixing the sale price for 50 acres of the land to be handed over after completion of the First Phase as arbitrary, illegal, unconstitutional and ultravires the provisions of APIIC Allotment regulations and to set aside the same.

I.A. NO: 1 OF 2007(WPMP. NO: 22583 OF 2007)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to restrain the official respondents from allotting land either way of lease or sale in favour of private companies/firms/individuals without calling for tenders/auction.

I.A. NO: 2 OF 2007(WPMP. NO: 22584 OF 2007)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the official respondents to submit the list of all allotments where the substantial development has not commenced or completed within the time frame of allotment and to resume all such lands.

Counsel for the Petitioner: SRI GANDRA MOHAN RAO, SR. COUNSEL

**Counsel for the Respondent No.1 & 2: SRI A. SUDARSHAN REDDY,
THE ADVOCATE GENERAL**

**Counsel for the Respondent No.3: SMT. T.V. SUDHA REPRESENTING FOR
SRI V. NARASIMHA GOUD**

Counsel for the Respondent No.4: M/s. G. SUDHA

Counsel for the Respondent No.5: SRI N. HARINATHA REDDY

Counsel for the Respondent No.6: SRI NITIN PRASAD

Counsel for the Respondent No.7,16 & 40: SRI CHALLA GUNARANJAN

Counsel for the Respondent No.8 & 11: SRI G.V.S. GANESH

Counsel for the Respondent No.9: SRI KOKA SATYANARAYANA RAO

Counsel for the Respondent No.10: SRI S. BHARATH KUMAR

Counsel for the Respondent No.12: SRI I. RAMESH

Counsel for the Respondent No.13: SRI T. RAJENDRA PRASAD

Counsel for the Respondent No.17: SRI S. CHAKRAPANI

Counsel for the Respondent No.18 & 20: SRI P. SRI RAGHU RAM

Counsel for the Respondent No.19 & 22: SRI J. SESHAGIRI RAO

Counsel for the Respondent No.21: SRI T.S. ANAND

Counsel for the Respondent No.23: SRI A. HANUMANTHA REDDY

Counsel for the Respondent No.24: SRI D. PAVAN KUMAR

Counsel for the Respondent No.25: SRI S. NIRANJAN REDDY

Counsel for the Respondent No.26: SRI K.V. BHANU REDDY

Counsel for the Respondent No.28: SRI ASHOK RAM KUMAR

Counsel for the Respondent No.29 & 34: SRI R. RAGHUNANDAN

Counsel for the Respondent No.32: SRI V. CH. NAIDU

Counsel for the Respondent No.33: M/s. INDUS LAW FIRM

Counsel for the Respondent No.35: SRI B.S. SIVA PRASAD

Counsel for the Respondent No.37: SMT. TARA SHARMA

Counsel for the Respondent No.38: SRI S. RAVI

Counsel for the Respondent No.39: SRI S. NIRANJAN REDDY

Counsel for the Respondent No.43 to 47 & 49 to 51: SRI K. SIRNIVASU RAO

Counsel for the Respondent No.48: SRI S.V.S. CHOWDARY

Counsel for the Respondent No.52: SRI RAVINDRA CHENJI

Counsel for the Respondent No.53: SRI C.S.N RAJU

Counsel for the Respondent No.54: SRI K.V. SUBBA REDDY

Counsel for the Respondent No.56: SRI SIVA

Counsel for the Respondent No.57: SRI K. PRABHAKAR

Counsel for the Respondent No.62: SRI M.V.S. SURESH KUMAR

Counsel for the Respondent No.63 to 65: SRI R. VINOD REDDY

Counsel for the Respondent No.14,15,27,30,31,36,41,42,55,58,59,60,61 & 62: - -

The Court made the following: ORDER

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

AND

THE HON'BLE SRI JUSTICE J. SREENIVAS RAO

WRIT PETITION No.17623 of 2007

ORDER: *(Per the Hon'ble Sri Justice J. Sreenivas Rao)*

In this writ petition filed as a public interest litigation, the petitioner has prayed for the following reliefs:

- (1) Action of the respondent Nos.1 to 4 in allotting public properties to private companies, firms, individuals either by way of outright sale or lease without calling for tenders or advertisement as unconstitutional, in violation of Article 14 and Part VI of the Constitution and without jurisdiction, ultra vires, void ab initio, arbitrary, illegal and violative of doctrine of public trust and to direct the official respondents to review all the allotments made during the last ten years by way of sale/lease and to collect market value/rent from the allottees.
- (2) To cancel the allotments and to resume the lands in all cases where the development has not commenced or the substantial progress has not been made strictly as per the terms and conditions of the allotment and regulations.
- (3) To declare the Regulations 4 to 6 of APIIC Allotment Regulations, 1998 providing for allotment without tenders or bids as arbitrary, unreasonable, contrary to the

provisions of Article 14 and Part IV of the Constitution of India and unconstitutional.

- (4) To direct the official respondents to allot the Government lands either by way of lease or sale only after inviting bids/tenders from the eligible applicants by issuing advertisement in the news papers.
- (5) Not to reserve the lands in favour of allottees for future expansion and to declare the Clause-2 of the letter dt. 28.10.2005 issued by the 2nd respondent to respondent No.13 fixing the sale price for 50 acres of the land to be handed over after completion of the First Phase as arbitrary, illegal, unconstitutional and ultra vires the provisions of APIIC Allotment regulations and to set aside the same

2. Heard Sri Gandra Mohan Rao, learned Senior Counsel appearing for the petitioners, Sri A.Sudarshan Reddy, learned Advocate General appearing for respondent Nos.1 and 2, Smt. T.V.Sudha, learned counsel representing Sri V.Narasimha Goud, learned standing counsel for respondent No.3, Sri Nitin Prasad, learned counsel for respondent No.6, Sri Challa Gunaranjan, learned counsel for respondent No.7, Sri G.V.S.Ganesh, learned counsel for respondent Nos.8 and 11, Sri Koka Satyanarayana Rao, learned counsel for respondent No.9, Sri I. Ramesh, learned

counsel for respondent No.12 and Sri P. Sri Raghunath Ram, learned senior counsel appearing for respondent Nos.18 and 20.

3. The brief facts of the case:

3.1. According to the petitioners, petitioner No.1 is a voluntary organization registered under the Societies Registration Act and is engaged in campaigning and organizing people's struggle for housing rights and working among the slum dwellers of Hyderabad and Rangareddy Districts for the last several years. The petitioner No.2 is retired from the service of VST Industries Limited, as Projects and Engineering Services Manager and is a Member and Secretary of Forum for Better Hyderabad, an NGO working for environmental issues to preserve, protect and improve the environment in order to maintain and improve the living environment in Hyderabad. The petitioner No.3 served as Airman in Indian Air Force. After discharging from the services, he was selected as Inspector in Central Excise Department and worked in the said Department for nearly 20 years and retired as Superintendent of Central Excise in the

year 2000. Since then, he is practicing as an Advocate in the Courts of Hyderabad, Ranga Reddy and also at High Court of Andhra Pradesh.

3.2. It is the case of the petitioners that the natural resources of the community i.e., land, air, water, etc., are required to be utilized for the benefit of largest number of the people. The State being custodian of the people and holding the natural resources of the community is under an obligation to utilize and apply the natural resources of the State for the common benefit of the people and to ensure that there is no concentration of the wealth in the hands of few to the detriment of common people and it is under an obligation to ensure that the natural resources of the community are protected and preserved for the next generations. The State in disposing or dealing with the public property has to act in utmost faith and due caution and to apply the same in the larger public interest.

3.3. It is averred in the writ petition that the official respondents contrary to the objectives laid down in the preamble of the Constitution of India and Directive Principles

of the State Policy and in violation of Article 14 of the Constitution of India had engaged in allotting large extents of land in and around Hyderabad City and other parts of the Andhra Pradesh to various private companies, firms and organizations at throwaway prices without calling for tenders or auction.

3.4. Respondent No.2-the Andhra Pradesh Industrial Infrastructure Corporation (APIIC) is owned and controlled by respondent No.1. The respondent No.2 was formed for development of infrastructure to promote industries in the State and it has framed Regulations known as 'APIIC Industrial Areas Allotment Regulations, 1998 (hereinafter called, brevity 'Regulations') for allotment of plots, sheds, lands, shops, godowns, etc., in industrial areas.

3.5. It is further averred that the respondent No.2 has confirmed the allotment made to the private companies and individuals on first come first basis without the knowledge of the public at large and allotted an extent of Ac.4,156.81 gts. of land from 2001 to 2006 on nomination basis, without calling for tenders and auctions. When the petitioners made an

application under the Right to Information Act, 2005, the concerned authorities issued letter, wherein it is specifically stated that the official respondents have allotted the land on nomination basis without conducting auction.

3.6. It is the further case of the petitioners that the official respondents allotted vast extent of land during the last five years to various private companies/firms for various projects below the market value without calling for applications from others. The official respondents, who are trustees of the public property, are acting contrary to the public interest. It is stated that more than 20% of the population are living below the poverty line and in need of state-aid for their fulfilment of basic necessities of life. The Statement Government alienating/allotting thousands of acres of Government land in favour of private persons at throw away prices under the guise of development. It is further stated that the official respondents, without following their own Regulations, without any notification and without conducting auction, allotted the Government valuable lands to the unofficial respondents on nomination basis and the same is contrary to law especially

violation of Articles 14, 37, 38, 39, 43 and 46 of the Constitution of India.

3.7. The Principal Secretary to Government, Revenue Department, had filed counter affidavit on behalf of respondent Nos.1 and 2 denying the averments made by the petitioners *inter alia* contending that in initial stage, demand for land in the industrial area was not high, and therefore, the procedure of sale of land by allotment was adopted. The said allotments were decided by the Zonal Officers of Andhra Pradesh Industrial Infrastructure Corporation. The allotment was being made basing on the requirement of entrepreneurs i.e., land requirement, nature of projects, etc., to encourage industrial growth in the State and later Allotment Committees were constituted comprising of the Joint Collector, District Industries Centre, as Chairman; Industrial Development Officer, Andhra Pradesh Industrial Infrastructure Corporation, as the Convener along with a representative of Andhra Pradesh State Financial Corporation. The system of auction was introduced in the year 1997 where the industrial areas were fully developed and the demand for the land was more

than the available of land. The procedure adopted by the respondent No.2 for allotment of land in 1997 is contained in Circular No.272/DW/1997, dated 19.02.1997.

3.8. It is further stated in the counter affidavit that that it is universally recognized that industrial growth is essential for the development of a country and to promote the same, respondent No.2 was established on 26.09.1973 with the following, among other, objects:

- 1) To formulate, promote, finance, aid, assist, establish, manage and control schemes, projects or programmes, to provide and develop infrastructure facilities, including factory sites, factory sheds, godowns, marking facilities, warehouses, facilities of communications, power, water drainage, housing, hospitals and other medical and health and educational institutions and other services of any description in order to promote and assist the rapid and orderly establishment, growth and development of industries and commerce in the State of Andhra Pradesh.
- 2) To aid, assist, promote and finance industries set up in the factory sheds constructed or factory sites developed by the Company, whether owned or run by Government, statutory body,

cooperatives, company, firm or individual or others and to provide them with capita, credit, means and recourses for the prosecution of their work and business and to enable them to develop and improve their management, production and marketing techniques..

- 3) To implement schemes of incentives (financial and otherwise), subsidies and the like formulated by the Government of Andhra Pradesh, Government of India or other authorities or institutions and to administer such schemes of incentives as may be devised by the company from time to time in the interest of the establishment and development of industries and commerce in the State of Andhra Pradesh.

3.9. Further, the Government embarked on another major initiative of establishment of the Indian Institute of Information Technology (IIIT) at Hyderabad. A large number of training institutions that have sprung up in the State, particularly in Hyderabad, have seen the emergency of Hyderabad as a general and major Information Technology (IT) Training Centre of the country. The State has taken other initiatives for establishment of a venture capital fund, HITVEL (Hyderabad Information Technology Venture Enterprises Limited) and another major initiative of the State Government

that has implications for the growth of the Information Technology industry to move towards ushering in an electronic Government in the State. The primary objective of this effort is to leverage the power of modern Information and Communication Technology to provide more convenient, accessible and transparent Government services to citizens and at the same time, to improve efficiency in Government. Keeping in view the intensely cost competitive nature of this sector globally, the need to have a specific set of incentives tailored to the requirements of this sector has been considered by the Government in order to attract the maximum employment potential of the industry to the State.

3.10. It is further stated that a comprehensive set of guidelines was prepared covering all aspects relating to grant of incentives to Information Technology Industries, namely, eligibility criteria, procedure for processing the applications, terms and conditions of allotment etc. A Consultative Committee on Information Technology Industry (CCITI) under the Chairmanship of the Secretary, Information Technology and Communications Department was constituted for a single

window reference for recommending grant of all the Information Technology incentives, *vide* G.O.Ms.No.3, Information Technology and Communications Department, dated 25.05.2000, and G.O.Ms.No.5, Information Technology Department, dated 16.06.2000.

3.11. It is further stated that with the growing importance of Information and Technology, to attract the Information Technology Industry, for sustained growth in the State, G.O.Ms.No.114, Finance & Planning Department, dated 25.05.1999, was issued. There was heavy competition for attracting I.T. Industry from various parts of the country. To sustain and improve the industrial growth in the State and to attract I.T. Industries to the State, several steps were taken as contained in G.O.Ms.No.114, dated 25.05.1999. The I.T. Policy of the State was revised from time to time. G.O.Ms.No.27, dated 21.06.2002, formulates the I.T. Policy for 2002-2005. G.O.Ms.No.11, Information and Communications Department, dated 21.03.2005, formulates I.T. Policy for 2005-2010.

3.12. It is averred that the allegations that allotment of land to unofficial respondents was made at throw away prices or

negligible prices and caused loss of several thousand of crores to the State exchequer and the allotment is made without any justifiable public interest; are totally misconceived and untenable. The allotments were made in the interests of sustained growth of economy. Whether the land has to be allotted without conducting auctions or at the market rate or at concessional rate to attract the establishment of industries would depend upon the factual situation and ground realities and there cannot be a uniform policy ignoring the ground realities. The respondent No.2 provide for allotment of land without tenders or bids and the power is exercised by a high ranking body depending on the need for such allotment as per Regulations 4 to 6 of the Regulations. The market value as fixed by the Government in respect of Government lands and in case of lands acquired under the Land Acquisition Act, the compensation awarded and other costs are included in evaluating the cost of the land. The development cost incurred by the respondent No.2 and interest thereon, the administrative costs, etc., are taken into consideration by the Price Fixation Committee for fixing the price of the land. The land or sheds with land are allotted by the respondent No.2 to

various entrepreneurs for the promotion of industry in accordance with the objects of Andhra Pradesh Industrial Infrastructure Corporation to promote industry. The land is allotted for industrial parks, autonagars, mini-industrial estates under special component plan of scheduled caste/scheduled tribe entrepreneurs and other industries. Where the construction activity is not commenced or completed in accordance with the terms and conditions of allotment and sale agreements, appropriate action is taken by the Andhra Pradesh Industrial Infrastructure Corporation. Generally, the object of Andhra Pradesh Industrial Infrastructure Corporation is to promote industry and for that purpose certain grace period is given to the entrepreneurs where the construction activity is not completed strictly in accordance with the terms and conditions. In cases where Andhra Pradesh Industrial Infrastructure Corporation finds that there are no *bona fides* on the part of entrepreneurs, the allotment of land/sheds with lands are cancelled and the lands/sheds are resumed. The statement showing the details of the action taken by the Andhra Pradesh Industrial Infrastructure Corporation, where the allottees have not

commenced or completed the project within the stipulated time in case of Information Technology and hardware sectors, as the main focus of the writ petition on these sectors, is filed along with the material papers.

3.13. With respect to the other industries, about 65% of the units completed the projects and have gone into production around the time stipulated. For the balance units, where the projects are under progress, the status of such units is reviewed periodically. The Andhra Pradesh Industrial Infrastructure Corporation reviews the progress of such units in each zone both at the field level and at the head office of the Andhra Pradesh Industrial Infrastructure Corporation every month. Where the work has not commenced or there is no progress, action is taken by the Andhra Pradesh Industrial Infrastructure Corporation by issuing show-cause notices and if the allottee continues to default, the allotment is cancelled and the land/shed is resumed. The action of the official respondents in dealing with the cases where allottee has not complied with the terms and conditions of allotment depends on the ground realities and factual situation. In case of Auto

Nagars and Wood Complexes (wood based industries) in order to shift the automobile activity and timber based units existing in the cities/towns to ease traffic congestion, respondent No.2 developed Auto Nagars/Wood Complexes. The units are being shifted to Auto Nagar and Wood Complexes in coordination with the district administration from time to time and the development of Auto Nagars and Wood Complexes take substantial gestation period beyond two years provided for in the terms and conditions of allotment/agreements.

3.14. In case of mini industrial estates developed under the special component plan for allotment to the entrepreneurs belonging to Scheduled Castes and Scheduled Tribes, a more liberal approach is adopted. There could also be delays in implementation of the projects due to various factors such as obtaining required statutory licences, getting financial assistance from Bankers/other Financial Institutions, the changing Industrial scenario, marketing and viability of products, etc. The respondent No.2 taking into consideration the above factors decided the issue of whether to cancel the allotments or grant extension of time. In case of industries in

I.T. Sector, they are governed by the terms and conditions of Memorandum of Understanding entered by the respective Industries and Government of Andhra Pradesh.

3.15. It is denied that respondent No.2 in the name of allotment has allotted vast extents of lands in favour of large private companies at nominal prices and made them super-rich overnight leading to concentration of economic resources in the hands of a few. In fact, lands were offered at the prevailing market prices to all the Information Technology Companies during 1996-97 to 2001-02 to attract Information Technology industry in the State. However, the State could not attract the Information Technology sector in a big way to establish the same in the State. As such, the Government had formulated the Information and Communication Technology (ICT) Policy 2002, *vide* G.O.Ms.No.27, Information Technology and Communications Department, dated 27.6.2002, allowing rebate on land cost linked to employment to attract Information Technology investments to the State, keeping in view the competition from neighboring States like, Karnataka, Maharashtra, Tamil Nadu etc. Government through the above

Information and Communication Technology Policy has fixed the land rates for allotment of land to Mega Information Technology Projects of Hitech City, Madhapur at Rs.50 Lakhs per acre and development charges at Rs.30 Lakhs per acre. As per the Information and Communication Technology Policy, 2002, the allotments in Madhapur area were given after short-listing the applications by Government in CCITI (Consultative Committee on Information Technology Industry). The main objective of providing good facilities through Information and Communication Technology Policy of the Government is to attract Information Technology investments to the State for Information Technology industry and to generate employment to the educated, which has largely been achieved. Major Information Technology Companies were attracted to Hitech City, Software Units Layout in Madhapur by the Information and Communication Technology Policy of the Government and Information Technology climate was achieved in our State in spite of competition from other States. With this growth, the Government could also attract Multi National Corporations, like Microsoft, CA, Kanbay, UBS, Franklin & Templeton, WIPRO, Honeywell, Amazon, Virtusa, Sierra Atlantic etc., to

other places like Manikonda, Nanakramguda, Gopanpalli and Vattinagulapalli. The lands in Manikonda and Raidurg villages of Ranga Reddy District were allotted to respondent No.7 and M/s Divya Sree NSL Infrastructure (P) Limited, respectively, through competitive bidding process during 2005 to create Information Technology built up spaces facility and support services. Now due to the present demand for Information Technology space in Hyderabad, the lands at Sy.No.83/1 of Raidurg village are also put to public auction. In view of the above policies, the Government has successfully attracted Information Technology industry to the State. The present criteria for allotment of Government land as prescribed by I.T. & C. Department, the Government of Andhra Pradesh is given hereunder:

1. Eligibility conditions for Hyderabad/Ranga Reddy District. As on the date of application (a) the IT company shall have been in operation for the last five financial years; (b) shall have a minimum existing employee strength of 1000 in IT or 1500 in ITES / BPO activities on its rolls and sustained for the last two years; (c) shall have a minimum annual turnover of Rs. 30 crores, from IT / ITES

activities from their existing operations continuously for the last two financial years.

2. Eligibility conditions for other locations in the State:

As on the date of application (a) the IT company shall have been in operation at least for the last two financial years; (b) shall have an existing employee strength of minimum 100 in IT/ITES activities, on its rolls.

3. The land recommended for allotment shall be based on creating a fresh direct IT employment of 500 for every one acre allotted within 3 years from the date of taking over possession of land, failing which the said allotted land is liable for cancellation and can be taken back to the extent to which proportionate employment is not generated.

3.16. Allotment of land to Information Technology companies is with a specific condition that the company shall not assign, transfer or in any manner alienate the plot to any person other than an Information Technology Industry as specified in the Information and Communication Technology Policy. It is denied the allegation made by the petitioners that allotment of land to the respondents is contrary to the public interest and caused loss to the State exchequer, arbitrary and tainted with

mala fides, a colourable exercise of power and violation of Article 14 of Constitution of India and the principle of public trust.

4. Submissions of learned counsel for petitioners:

4.1. Learned Senior Counsel submits that the official respondents have allotted valuable government land to the unofficial respondents on nomination basis with low price without conducting public auction and therefore, the same is gross violation of Articles 14, 37, 38, 39, 43 and 46 of the Constitution of India. He further submits that respondent No.2 issued Circular in 1997 mandates for allotment of the lands in industrial areas, however contrary to the said Circular allotted the valuable properties to an extent of 4,156.81 acres in favour of the unofficial respondents and others.

4.2. The learned counsel further submits that respondent No.2- Andhra Pradesh Industrial Infrastructure Corporation framed Regulations in 1998. However, the official respondents without following the mandatory procedure prescribed in the Regulations allotted the public property to the unofficial

respondents and others on nomination basis on nominal price without conducting public auction and caused grave financial loss to the public. At the time of allotment of the land, the value of the properties is very high. The official respondents themselves conducted public auction in Kokapet and the auction purchaser purchased the land @ Rs.4.5 crores per acre, whereas the official respondents allotted the land in favour of the unofficial respondents and others for very low price.

4.3. He further contends that respondent Nos.9, 30, 31, 32, 33, 35, 41 and 42 do not come within the purview of Information Technology Companies. In spite of the same, official respondents have allotted the land in their favour on nomination basis. He also contends that respondent No.33 submitted letters dated 07.07.2006 and 10.07.2006 for allotment of 1.00 acre of land at the tail end of Information Technology Park, Nanakramguda i.e., after the land allotted to respondent No.23. On 12.07.2006, a note was put up by the Manager of respondent No.2 for allotment of 1.00 of land @ Rs.5,000/- per sq. meter + 10% of frontage charges and to

keep a balance area of 0.50 acres for the development of green space. The Vice Chairman and Managing Director of the respondent No.2 directed for allotment of 1.00 acre of land and further directed to take a decision on the balance area of 0.50 acres after payment received from respondent No.33. On 14.07.2006, respondent No.33 filed application for allotment of 1.00 acre of land with Earnest Money Deposit (EMD) and process fee. On the very same day, the Manager of respondent No.2 forwarded the application. On 20.07.2006, respondent No.33 wrote a letter expressing their willingness to take the balance area of 0.50 acres at 25% of the cost at which 1.00 acre was allotted and on the same day, respondent No.2 forwarded the same and on 18.08.2006, the remaining area of 0.50 acres was also allotted to respondent No.33, though the said land is earmarked for development of green space. He urges that the official respondents allotted the land on similar lines to the respondent Nos.9, 31, 32, 34, 35, 39, 41 and 42.

4.4. Learned Senior Counsel vehemently contended that the Government had issued G.O.Ms.No.114, dated 25.05.1999, providing incentives for promotion of Information Technology

Industries and Information Technology Enabled Services in the State. As per the above said G.O., Government had granted several benefits and exemptions to Information Technology industries and also provided incentives, on the other hand allotted the land to the unofficial respondents and others on nomination basis. Once the Government providing incentives for promoting Information Technology industries and Information Technology Enabled Services, the official respondents ought not to have allotted the lands on nomination basis without conducting public auction and the same is contrary to the Regulations framed by the respondent No.2 and also contrary to G.O.Ms.No.114 dated 25.05.1999 issued by the Government.

4.5. He has further contended that as per the Regulations, when two alternative modes i.e., allotment of the lands by way of auction or by way of nomination are available, the official respondents ought to have followed the mode by way of auction only and not by way of nomination basis. If the official respondents want to allot the land by way of nomination basis, they have to record specific reasons. As per the Regulations,

the respondent No.2 has to frame guidelines and in the absence of such guidelines, the official respondents are not entitled to allot the lands on nomination basis and the same is contrary to law and gross violation of Article 14 of the Constitution of India.

4.6. He points out that the Government acquired the land from the poor farmers and allotted the same to the private individuals with low price and the allottees have not complied the terms and conditions of the allotment and they are not provided employment. In such circumstances, the official respondents ought to have taken action against the unofficial respondents. Though the official respondents initiated proceedings by issuing show-cause notices in respect of some of the allottees for non compliance of the conditions, they have not taken steps to cancel the allotment and not taken physical possession of the properties.

4.7. He further points out that respondent Nos.9, 31, 32, 33, 34, 37, 39 41 and 42 are not eligible for allotment of the lands. Though the allotments were made in the year 2006 in favour

of respondent Nos.9, 10, M/s.Paradigm and respondent No.12, no construction activity was undertaken by them and they have completed constructions recently and doing real estate ventures in the subject property by giving the same for development to third parties contrary to the allotment conditions.

4.8. In support of the aforesaid submissions, he has placed reliance on the decisions of the Supreme Court in **Ramana Dayaram Shetty v. International Airport Authority of India**¹, **M/s.Kasturi Lal Lakshmi Reddy, etc. v. the State of J and K and another**², **New India Public School and others v. HUDA and others**³, **Akhil Bhartiya Upbhokta Congress v. State of Madhya Pradesh and others**⁴, **Natural Resources Allocation, In re, Special Reference No. 1 of 2012**⁵ and **Indian Medicines Pharmaceuticals Corporation Ltd. v. Kerala Ayurvedic Co-operative Society Ltd. and Others**⁶.

¹ (1979) 3 SCC 489

² AIR 1980 SC 1992

³ (1996) 5 SCC 510

⁴ (2011) 5 SCC 29

⁵ (2012) 10 SCC 1

⁶ 2023 SCC OnLine SC 5

5. Submissions of learned Advocate General for respondent Nos.1 and 2 :

5.1. Learned Advocate General submitted that respondent No.1-Government had introduced the scheme of inviting companies/entrepreneurs for investment and also for establishment of Information Technology projects for the welfare of the State, especially for providing employment to the unemployed youth, by allotting the lands on nomination basis. He has further submitted that the official respondents have initiated proceedings under Land Acquisition Act, 1894, for acquiring the lands for public purpose for allotment in favour of the companies and passed Awards. Questioning the acquisition proceedings, the land owners have filed Writ Petitions before erstwhile High Court of Andhra Pradesh, Hyderabad, and the same were dismissed.

5.2. He has contended that the State Government is having power to introduce new policies, schemes in the interest of public and also having power to withdraw the old policies and schemes basing on the requirement. Initially the erstwhile State of Andhra Pradesh and several other States have

no loss to public exchequer. Under Information Technology policy comprehensive set of guidelines were prepared covering all aspects for grant of incentives and allotment of land etc., the Government constituted CCITE under the Chairmanship of Secretary, ITC Department for a single window reference for recommending for grant of incentives to Information Technology industry. The TSIIC as a nodal agency to the State Government made allotment of land to the Information Technology companies basing upon the MOUs and issued specific directions. The allotment of lands to companies encouraging industrialization and socio-economic development in phases for establishing industrial parks was continued even after filing the writ petition. The State has made several allotments before and after bifurcation of the State in similar lines. He also contended that the allotments are part of the policy decisions and in the interest of public only. Hence, this Court cannot interfere with soundness and wisdom of a policy. The petitioners have not attributed any *mala fides* and raised any ground of discrimination.

5.5. In support of his contentions, he has relied on the decisions of the Supreme Court and the High Court of Andhra Pradesh in **Sachidanand Pandey and another v. State of West Bengal and others**⁷, **Chairman & MD, BPL Ltd. v. S.P. Gururaja and others**⁸, **Sooraram Pratap Reddy and others v. District Collector, Ranga Reddy District and others**⁹, **Centre for Public Interest Litigation v. Union of India and others**¹⁰, **Odisha Industrial Infrastructure Development Corporation Ltd. v. Pitabasa Mishra and Others**¹¹, **State of Tamil Nadu v. National South Indian River Interlinking Agriculturist Association**¹², **Union of India v. Cosmo Films Limited**¹³ and **Sri.T.Harish Rao, v. the Government Of Andhra Pradesh**¹⁴.

6. Submissions of learned counsel for respondent Nos.6, 7, 12, 18 and 20:

6.1. Learned counsel for respondent Nos.6, 7, 12, 18 and 20 submits that they are adopting the very same submissions

⁷ (1987) 2 SCC 295

⁸ (2003) 8 SCC 567

⁹ (2008) 9 SCC 552

¹⁰ (2016) 6 SCC 408

¹¹ (2018) 3 SCC 732

¹² (2021) 15 SCC 534

¹³ (2023) 9 SCC 244

¹⁴ 2024 (4) ALD 606 (TS) (DB)

made by the learned Advocate General, except the following additional submissions which are mentioned as below.

6.2. Sri P. Sri Raghu Ram, learned Senior Counsel appearing on behalf of respondent Nos.18 and 20 submits that the petitioners have not questioned the initial allotment made in favour of the respondent Nos.18 and 20 and also they have not established or proved the arbitrariness and discrimination.

6.3. Sri I.Ramesh, learned counsel appearing for respondent No.12 submits that respondent No.12 complied with all the conditions imposed by the official respondents while allotting the land in its favour and they completed the construction and established the company and they have provided employment to the unemployed youth and the petitioners have not made any allegations against respondent No.12.

6.4. Sri Nithin Prasad, learned counsel appearing for respondent No.6, submits that respondent No.6 has complied with all the terms and conditions mentioned by the official respondents while allotting the land and respondent No.6 constructed building and established the company within the

prescribed time and invested huge amount of Rs.900 crores in the said project and as on today respondent No.6 had provided employment to 14,000 people and at this stage, if any adverse orders are passed, respondent No.6 as well as the employees who are working in the said company would be put to great irreparable loss and hardship.

6.5. Sri Challa Gunaranjan, learned counsel for respondent No.7, submits that the official respondents allotted the land after conducting bid process and in the said process, respondent No.7 was declared as highest bidder/L-1 and he paid the entire amount. The official respondents have executed registered sale deed in favour of respondent No.7 and construction of the entire project completed long back and the petitioners have not made any specific allegations against respondent No.7.

7. Reply submissions of learned Senior counsel for petitioners:

7.1. Learned Senior Counsel submits that the allotments made in favour of the unofficial respondents on nomination basis only, without inviting any applications and without

conducting any auction. The allotment made in favour of unofficial respondents is not in the interest of public and huge valuable lands were allotted to the unofficial respondents under the guise of industrial and economic development. He further submitted that official respondents have not disputed the *locus standi* of the petitioners. The unofficial respondents have not complied with the conditions of allotment and not provided 100% employment and they only provided employment below 50%. He further submitted that the judgments relied upon by the learned counsel for the respondents are not applicable to the facts and circumstances of the case.

Analysis of the case:

8. We have considered the rival submissions made by the respective parties and perused the material available on record. Regulations 4 to 6 of the Regulations are extracted for the facility of reference:

“4. APPLICATIONS FOR ALLOTMENT

4.1. Applications for allotment of Plot/ Shed/Shop/godown in industrial areas for industrial

purpose and also for common use facilities for industries shall be made in the prescribed format in Form 1.

4.2. The application forms can be obtained on payment of application cost from the Zonal/Sub Zonal and Head Office of the Corporation. The application will be delivered free of cost to SC/ST entrepreneurs on production of a copy of caste certificate issued by the competent authority.

4.3. Wherever sufficient application forms are not available, Photostat copy of the prescribed application form for allotment of plot/shed/godown can be used by entrepreneurs for filling applications. However at the time of submission of application, the applications cost shall be remitted along with other payments.

4.4. Separate application for each industrial unit or for expansion of the existing industrial unit shall be submitted.

4.5. The applicant should not leave any blank column in the application form. If a particular column/item is not applicable, the applicant shall write "Not applicable" (N.A.). No blanks shall be left over.

4.6. The application in full shape shall be accompanied by Earnest Money Deposit as detailed below together with non-refundable process fee of Rs.250/- per application. The entrepreneurs who belong to SC or ST category are exempted from payment of Earnest Money Deposit. However they must pay the non-refundable process fee.

- (a) For Plots upto 1.00 Acre
- (b) For Plots beyond 1.00 Acre

- (c) For each Shed
- (d) For each Mulgi / small godown
- (e) For each shop in Commercial Complex
- (f) For each house/flat
- (g) In the case of allotment through auction-5% of the upset price fixed by the Corporation for each Plot/Shop/godown etc.

4.7. The applicant must also enclose the following documents to the application:-

- (a) Detailed Project Report/profile justifying/ the extent of the land/shed applied for with break-up, details of plot/shed already possessed, whether the premises are required for re-location (Shifting) or expansion purpose manufacturing process, proposed installed capacity (quantity and value), power, water requirement etc, for the project.
- (b) Copy of partnership deed, in case of existing partnership firm. In the case of proposed partnership firm, it should be stated "promoter of proposed partnership firm", giving the names and full addresses of all partners.
- (c) A copy of Memorandum and Articles of Association in case of limited companies and a copy of resolution authorizing the applicant to apply on behalf of the company; if the application is made in the capacity of a promoter of proposed company, same should clearly be stated as "Promoter of Proposed Private/Public Ltd. Company" and names and full addresses of all promoters may be indicated. If application is being made on behalf of a group of companies and if at the time of making application, it is known as to which of the companies or a new private/public company from the group will

implement the project, the applicant should clearly mention this in the application form, and also enclose a list of the companies or individuals with full addresses who are likely to take part in implementation or promotion of the new company.

(d) In the case of Co-operative Societies/Societies registered under the Societies Registration Act similar details as in the case of limited company may be furnished.

(e) Wherever applicable the copies of certificates relating to following items may be enclosed.

(I) SSI Registration Certificate issued by the District Industries Centre or any other relevant certificate.

(II) Technical Education/Qualification of entrepreneurs/promoters.

(III) Caste certificate issued by the competent authority in case of SC/ST Entrepreneurs.

(IV) Discharge Certificate in case of ex-service men.

(V) Self-employment registration in case of self-employed entrepreneurs.

(VI) No Objection Certificate from A.P. Pollution Control Board (APPCB).

4.8. The Application duly filled-in along with enclosures must be delivered in any one of the concerned offices i.e.;

(a) Sub-Zonal Office (AZM/DZM): Or

(b) Zonal Office;

4.9. Acknowledgement for the receipt of the application and a receipt towards payment of Earnest Money Deposit and Process fee in the prescribed format in Form 2 must be issued immediately by the concerned zonal office or the sub-zonal office.

4.10. Receipt issued specifying the particular plot/shed or for which the EMD paid does not constitute any commitment on the part of the Corporation to allot the same to such applicant.

5. REGISTRATION & SCRUTINY OF APPLICATIONS

5.1. The Zonal Manager & Assistant Zonal Manager must get all the applications received in Zonal/Sub-Zonal Offices entered in the Applications Register maintained in the prescribed format in form 3 at the Sub-Zonal Office.

5.2. All the applications received and registered in the Application Registers of the Sub-Zonal office shall be verified by Zonal Manager/Assistant Zonal Manager as per the prescribed check memo in form 4 within (3) days of receipt to find out whether the same are in full shape. Incomplete applications should be returned to the applicant along with Earnest Money Deposit immediately within 3 days of receipt of the same.

5.3. The applications received on the same date shall be categorized into the following categories and priority for allotment shall be given in the following order:-

(a) SC applicants: 15% of the vacancies existing as on the date of consideration of application.

(b) ST applicants: 6% of the vacancies existing as on the date of consideration of application;

(c) Ex-Servicemen: 5% of the vacancies existing as on the date of consideration of application:

(d) The allocates who seek for adjoining plot/shed for expansion of their existing units in the same Industrial Area involving a minimum 25% expansion in the original

installed capacity of the unit for the same line of manufacture.

(e) Women entrepreneurs;

(f) EDP trainees;

(g) Techno crafts having experience in the line of manufacture who intend to resign from the service in Government, Public or Private undertakings for the purpose of setting up of industrial units;

(h) Others

5.4. The above priorities will not apply in the case of the industrial areas where allotment is through public auction.

5.5. The Managing Director of the Corporation may issue guidelines for deciding allotments in case of certain industrial areas.

6. PROVISIONAL ALLOTMENT

6.1. All the applications received shall be decided and the provisional order or rejection of application as the case may be shall be issued within (15) days from the date of receipt of application in the Zonal/Sub-Zonal Office in full shape.

6.2. (a) Zonal Manager is competent to make allotment upto two acre of land in any industrial area under his jurisdiction.

(b) Zonal Manager can make allotments in industrial areas in his jurisdiction beyond two acres of land with the prior approval of Managing Director.

6.3 (a) On verification as per Check Memo

If the application is in order and the plot/shed/godown sought by the applicant is vacant the Zonal Manager shall make provisional allotment in the prescribed proforma in form 5 in favour of the applicant.

(b) If the plot/shed/godown sought by the applicant is not vacant, the Zonal Manager shall return the EMD duly giving reasons for not considering the application.

(c) Applications from the allocates, their firms, companies who were having plots/sheds/land in the industrial areas developed by the Corporation and who are in arrears on any account like cost of plot/shed, interest, penalties, property tax, etc. shall be returned by the Zonal Manager/Assistant Zonal Manager to the applicant along with the Earnest Money Deposit.

6.4. The provisional allotment letter should indicate the plot/shed/godown/No, extent, purpose of allotment, and cost of land/shed/cost development charges.

6.5. Wherever possible a sketch with boundaries of plots and copy of site plan, items of the infrastructure to be provided shall also be indicated along with the provisional allotment letter.

6.6. The allottee shall be liable to pay the entire cost of the land/shed/shop/godown as indicated in the provisional allotment with undertakings as prescribed therein within 90 days of the receipt of the provisional allotment letter failing which the provisional allotment shall stand cancelled without any further notice.

6.7. Provisional Allotment letter should be dispatched to the address of the allottee by registered post with

acknowledgement due or handed over in person to the allottee under proper acknowledgement.”

9. It is well settled legal proposition that every action/decision of the State or its agencies in dealing with the public property must be founded on a fair, discernible and well defined policy. The scope of judicial review in dealing with such matters is also well delineated by catena of decisions. In **Sachidanand Pandey and another v. State of West Bengal and others**¹⁵, it was held as under:

“40. ... State-owned or public-owned property is not to be dealt with at the absolute discretion of the executive. Certain precepts and principles have to be observed. Public interest is the paramount consideration. One of the methods of securing the public interest, when it is considered necessary to dispose of a property, is to sell the property by public auction or by inviting tenders. Though that is the ordinary rule, it is not an invariable rule. There may be situations where there are compelling reasons necessitating departure from the rule but then the reasons for the departure must be rational and should not be suggestive of discrimination. Appearance of public justice is as important as doing justice. Nothing should be done which gives an appearance of bias, jobbery or nepotism.”

¹⁵ (1987) 2 SCC 295

10. In **Chairman & MD, BPL Ltd v. S.P.Gururaja and others**¹⁶ is a case where dispute arose over the decision of the High Court to question the validity of a policy decision by the State regarding the pricing of industrial land allotments. The appellants argued that the High Court improperly reviewed the State's policy decision, which had been based on expert assessments and a High-Level Committee's recommendations. The High Court had criticized the State for haste and for offering a lower price per acre than what was received from another entrepreneur. The Apex Court held that the High Court erred by intervening in the State's policy decisions, which were within the expertise of statutory authorities and based on relevant regulations. The Court emphasized that judicial review should not extend to policy decisions made by experts unless there is clear evidence of arbitrariness or illegality. The principle in the said decision highlighted is that courts should exercise self-restraint and not interfere with well-considered policy decisions made by expert bodies, as long as they are within the bounds of statutory provisions and do not reflect irrationality or illegality.

¹⁶ (2003) 8 SCC 567

11. In **Sooraram Pratap Reddy and others v. District Collector, Ranga Reddy District and others**¹⁷, the Hon'ble Apex Court upheld that the land acquisition made by the Government of Andhra Pradesh for a construction of Information Technology Park, despite allegations of misuse of power and violations of the Land Acquisition Act, 1894. The appellants argued that the acquisition was unfairly benefitted private entities rather than serving a genuine public purpose, but the Court ruled that land acquisition for public purposes, including projects involving private entities, is permissible as long as the process follows legal and procedural norms and is not driven by *mala fides*. The Supreme Court emphasized that judicial review in such cases is confined to ensuring legality and fairness, without examining into the merits of policy decisions, reaffirming that eminent domain can be lawfully exercised for infrastructure development in the public interest. In para 129, the Hon'ble Apex Court held that:

“As already adverted to earlier, the State of Andhra Pradesh in the background of “World Tourism Organisation Report” and “Vision 2020 Document” took a policy decision for the development of the city of Hyderabad. For the said purpose, it

¹⁷ (2008) 9 SCC 552

decided to establish an integrated project which would make Hyderabad a major business-cum-leisure tourism infrastructure centre for the State. The project is both structurally as well as financially integrated. It is to be implemented through Andhra Pradesh Infrastructure and Investment Corporation (APIIC) which has taken all steps to make Hyderabad a world class business destination”.

12. In **Vallianur Iyarkkai Padukappu Maiyam vs. Union of India**¹⁸, a three-Judge Bench of the Supreme Court held that the State is not bound to allot resources such as power, water and raw-materials through tender and is free to negotiate with a private entrepreneur. In the aforesaid case, the Government of Pondicherry entered into an agreement for development of Pondicherry Port without issuing an advertisement or inviting tenders. The Supreme Court held that the action of the Government of Pondicherry was justified. In paragraphs 171 and 172, the Supreme Court has held as under:

“171. In a case like this where the State is allocating resources such as water, power, raw materials, etc. for the purpose of encouraging development of the port, this Court does not think that the State is bound to advertise and tell the people that it wants development of the port in a particular manner and invite those interested to come up

¹⁸ (2009) 7 SCC 561

with proposals for the purpose. The State may choose to do so if it thinks fit and in a given situation it may turn out to be advantageous for the State to do so, but if any private party comes before the State and offers to develop the port, the State would not be committing breach of any constitutional obligation if it negotiates with such a party and agrees to provide resources and other facilities for the purpose of development of the port.

172. The State is not obliged to tell Respondent 11 “please wait I will first advertise, see whether any other offers are forthcoming and then after considering all offers, decide whether I should get the Port developed through you”. It would be most unrealistic to insist on such a procedure, particularly, in an area like Pondicherry, which on account of historical, political and other reasons, is not yet industrially developed and where entrepreneurs have to be offered attractive terms in order to persuade them to set up industries. The State must be free in such a case to negotiate with a private entrepreneur with a view to inducing him to develop the Port and if the State enters into a contract with such an entrepreneur for providing resources and other facilities for developing the Port, the contract cannot be assailed as invalid because the State has acted bona fide, reasonably and in public interest.”

13. In **Akhil Bhartiya Upphokta Congress v. State of Madhya Pradesh and others**¹⁹, the Supreme Court had an occasion to examine the validity of the action taken by the Government of

¹⁹ (2011) 5 SCC 29

Madhya Pradesh to allot 20 acres of land to a Trust on an application being made by it. The Supreme Court while placing reliance on its earlier judgments, namely **S.G.Jaisinghani vs. Union of India**²⁰, **Ramana Dayaram Shetty** (supra), **Kasturilal Lakshmi Reddy** (supra), **Shrilekha Vidyarthi vs. State of Uttar Pradesh**²¹, **LIC vs. Consumer Education and Research Centre**²², **New India Public School vs. HUDA**²³ and **Common Cause (Petrol Pumps Matter) vs. Union of India**²⁴ held as under:

“What needs to be emphasised is that the State and/or its agencies/instrumentalities cannot give largesse to any person according to the sweet will and whims of the political entities and/or officers of the State. Every action/decision of the State and/or its agencies/instrumentalities to give largesse or confer benefit must be founded on a sound, transparent, discernible and well-defined policy, which shall be made known to the public by publication in the Official Gazette and other recognised modes of publicity and such policy must be implemented/executed by adopting a non-discriminatory and non-arbitrary method irrespective of the class or category of persons proposed to be benefited by the policy. The distribution of largesse like allotment of land, grant of quota, permit licence, etc. by the State and its agencies/instrumentalities should always be done in a fair

²⁰ AIR 1967 SC 1427

²¹ (1991) 1 SCC 212

²² (1995) 5 SCC 482

²³ (1996) 5 SCC 510

²⁴ (1996) 6 SCC 530

and equitable manner and the element of favouritism or nepotism shall not influence the exercise of discretion, if any, conferred upon the particular functionary or officer of the State.”

14. In **Centre for Public Interest Litigation vs. Union of India**²⁵, the Supreme Court held that first come first serve policy was arbitrary while alienating natural resources. It was further held that though auction is a preferred method of allocation, it cannot be construed to be a constitutional requirement.

15. In **Natural Resources Allocation, In Re, Special Reference No.1 of 2012**²⁶, a Presidential Reference was whether the only permissible method for disposal of all natural resources across all sectors and in all circumstances is by conduct of auction, the Supreme Court held as under:

“107. From a scrutiny of the trend of decisions it is clearly perceivable that the action of the State, whether it relates to distribution of largesse, grant of contracts or allotment of land, is to be tested on the touchstone of Article 14 of the Constitution. A law may not be struck down for being arbitrary without the pointing out of a constitutional infirmity as McDowell case [(1996) 3 SCC 709] has said.

²⁵ (2012) 3 SCC 1

²⁶ (2012) 10 SCC 1

Therefore, a State action has to be tested for constitutional infirmities qua Article 14 of the Constitution. The action has to be fair, reasonable, non-discriminatory, transparent, non-capricious, unbiased, without favouritism or nepotism, in pursuit of promotion of healthy competition and equitable treatment. It should conform to the norms which are rational, informed with reasons and guided by public interest, etc. All these principles are inherent in the fundamental conception of Article 14. This is the mandate of Article 14 of the Constitution of India.

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148. In our opinion, auction despite being a more preferable method of alienation/allotment of natural resources, cannot be held to be a constitutional requirement or limitation for alienation of all natural resources and therefore, every method other than auction cannot be struck down as ultra vires the constitutional mandate.

149. Regard being had to the aforesaid precepts, we have opined that auction as a mode cannot be conferred the status of a constitutional principle. Alienation of natural resources is a policy decision, and the means adopted for the same are thus, executive prerogatives. However, when such a policy decision is not backed by a social or welfare purpose, and precious and scarce natural resources are alienated for commercial pursuits of profit maximising private entrepreneurs, adoption of means other than those that are competitive and maximise revenue may be arbitrary and face the wrath of Article 14 of the Constitution. Hence, rather than prescribing or proscribing a method, we believe, a judicial scrutiny of methods of disposal of natural

resources should depend on the facts and circumstances of each case, in consonance with the principles which we have culled out above. Failing which, the Court, in exercise of power of judicial review, shall term the executive action as arbitrary, unfair, unreasonable and capricious due to its antimony with Article 14 of the Constitution.

150. In conclusion, our answer to the first set of five questions is that auctions are not the only permissible method for disposal of all natural resources across all sectors and in all circumstances.”

16. In **Centre for Public Interest Litigation v. Union of India and others**²⁷, the petitioner challenged the Government of India's decision to grant a voice telephony license to Reliance Jio Info Limited for 1658 crores, arguing that the fee was significantly undervalued compared to an estimated 25,000 crores, and that Reliance Jio was given a preferential treatment with lower spectrum usage charges (SUC) compared to other operators. The Supreme Court rejected the challenge and held that the policy decision to grant the license was made after thorough deliberation and was based on expert recommendations from the Telecom Regulatory Authority of India (TRAI). The principle highlighted in the said decision is

²⁷ (2016) 6 SCC 408

that that judicial review Court should not interfere with policy decisions in exercise of its power unless it is arbitrary, *mala fide*, or in violation of statutory provisions. It was further held that the courts should respect the separation of powers and not interfere with well-considered administrative decisions unless they are demonstrably irrational or illegal.

17. In **Indian Medicines Pharmaceuticals Corporation Limited v. Kerala Ayurvedic Cooperative Society Limited and others**²⁸, in para 23 the Supreme Court held as under:

“23. The following principles emerge from the discussion above:

- (i) Government action must be just, fair and reasonable and in accordance with the principles of Article 14; and
- (ii) While government can deviate from the route of tenders or public auctions for the grant of contracts, the deviation must not be discriminatory or arbitrary. The deviation from the tender route has to be justified and such a justification must comply with the requirements of Article 14.”

18. In **City Montessori School vs. State of Uttar Pradesh**²⁹, a two-Judge Bench of the Supreme Court referred

²⁸ 2023 SCC OnLine SC 5

²⁹ 2024 SCC OnLine SC 1867

to with the approval the law laid down in **Akhil Bhartiya Upbhokta Congress v. State of Madhya Pradesh and others**³⁰, wherein it was held as under:

“65. What needs to be emphasised is that the State and/or its agencies/instrumentalities cannot give largesse to any person according to the sweet will and whims of the political entities and/or officers of the State. Every action/decision of the State and/or its agencies/instrumentalities to give largesse or confer benefit must be founded on a sound, transparent, discernible and well-defined policy, which shall be made known to the public by publication in the Official Gazette and other recognised modes of publicity and such policy must be implemented/executed by adopting a non-discriminatory and non-arbitrary method irrespective of the class or category of persons proposed to be benefited by the policy. The distribution of largesse like allotment of land, grant of quota, permit licence, etc. by the State and its agencies/instrumentalities should always be done in a fair and equitable manner and the element of favouritism or nepotism shall not influence the exercise of discretion, if any, conferred upon the particular functionary or officer of the State.

66. We may add that there cannot be any policy, much less, a rational policy of allotting land on the basis of applications made by individuals, bodies, organisations or institutions de hors an invitation or advertisement by the State or its agency/instrumentality. By entertaining applications made by individuals, organisations or

³⁰ (2011) 5 SCC 29

institutions for allotment of land or for grant of any other type of largesse the State cannot exclude other eligible persons from lodging competing claim. Any allotment of land or grant of other form of largesse by the State or its agencies/instrumentalities by treating the exercise as a private venture is liable to be treated as arbitrary, discriminatory and an act of favouritism and/or nepotism violating the soul of the equality clause embodied in Article 14 of the Constitution.

67. This, however, does not mean that the State can never allot land to the institutions/organisations engaged in educational, cultural, social or philanthropic activities or are rendering service to the society except by way of auction. Nevertheless, it is necessary to observe that once a piece of land is earmarked or identified for allotment to institutions/organisations engaged in any such activity, the actual exercise of allotment must be done in a manner consistent with the doctrine of equality. The competent authority should, as a matter of course, issue an advertisement incorporating therein the conditions of eligibility so as to enable all similarly situated eligible persons, institutions/organisations to participate in the process of allotment, whether by way of auction or otherwise. In a given case the Government may allot land at a fixed price but in that case also allotment must be preceded by a wholesome exercise consistent with Article 14 of the Constitution."

19. After having noticed the well settled parameters with regard to the disposal of the public property, now we may refer

to the scope of judicial interference in policy matters. In **M.P.Oil Extraction vs. State of M.P.**³¹, the Supreme Court held that Court cannot and should not outstep its limit and tinker with the policy decision of the executive functionary. In paragraph 41, it was held as under:

“41. After giving our careful consideration to the facts and circumstances of the case and to the submissions made by the learned counsel for the parties, it appears to us that the Industrial Policy of 1979 which was subsequently revised from time to time cannot be held to be arbitrary and based on no reason whatsoever but founded on mere ipse dixit of the State Government of M.P. The executive authority of the State must be held to be within its competence to frame a policy for the administration of the State. Unless the policy framed is absolutely capricious and, not being informed by any reason whatsoever, can be clearly held to be arbitrary and founded on mere ipse dixit of the executive functionaries thereby offending Article 14 of the Constitution or such policy offends other constitutional provisions or comes into conflict with any statutory provision, the Court cannot and should not outstep its limit and tinker with the policy decision of the executive functionary of the State. This Court, in no uncertain terms, has sounded a note of caution by indicating that policy decision is in the domain of the executive authority of the State and the Court should not embark on the unchartered ocean of

³¹ (1997) 7 SCC 592

public policy and should not question the efficacy or otherwise of such policy so long the same does not offend any provision of the statute or the Constitution of India. The supremacy of each of the three organs of the State i.e. legislature, executive and judiciary in their respective fields of operation needs to be emphasised. The power of judicial review of the executive and legislative action must be kept within the bounds of constitutional scheme so that there may not be any occasion to entertain misgivings about the role of judiciary in outstepping its limit by unwarranted judicial activism being very often talked of in these days. The democratic set-up to which the polity is so deeply committed cannot function properly unless each of the three organs appreciate the need for mutual respect and supremacy in their respective fields.”

20. In **Directorate of Film Festivals vs. Gaurav Ashwin Jain**³², the Supreme Court reiterated the scope of judicial review in policy matters and held that the Courts cannot correct or examine the correctness, appropriateness of a policy and cannot act as an advisor to the executive on matters of policy. It was further held that the Court cannot interfere with policy either on the ground that the same is erroneous or on the ground that a better, fairer or wiser alternative is available. In para 16 of the aforesaid decision, it was held as under:

³² (2007) 4 SCC 737

“16. The scope of judicial review of governmental policy is now well defined. Courts do not and cannot act as Appellate Authorities examining the correctness, suitability and appropriateness of a policy, nor are courts advisors to the executive on matters of policy which the executive is entitled to formulate. The scope of judicial review when examining a policy of the Government is to check whether it violates the fundamental rights of the citizens or is opposed to the provisions of the Constitution, or opposed to any statutory provision or manifestly arbitrary. Courts cannot interfere with policy either on the ground that it is erroneous or on the ground that a better, fairer or wiser alternative is available. Legality of the policy, and not the wisdom or soundness of the policy, is the subject of judicial review.”

21. In **Federation Haj PTOs of India vs. Union of India**³³, it was held that it is not within the realm of the Courts to examine whether there could have been a better policy and on that parameters direct the executive to formulate, change, vary or modify the policy which appears better to the Court. It was further held that it is well settled that in complex social, economic and commercial matters, decisions have to be taken by the Government authorities keeping in view several factors and policy decisions of the executive are best left to it and a

³³ (2020) 18 SCC 527

Court cannot be propelled into the unchartered ocean of government policy. It is equally well settled legal proposition that the Court cannot sit in judgment over the wisdom of the policy evolved by the executive. Similar principles were reiterated with approval by the Supreme Court in **Vivek Narayan Sharma (Demonetisation Case-5J) vs. Union of India**³⁴.

22. In the backdrop of aforesaid well settled legal principles, we may refer to the facts of the case in hand. From the perusal of averments made in the counter affidavit, it is evident that in order to ensure the industrial growth and for development of the State, Andhra Pradesh Industrial Infrastructure Corporation was established on 26.09.1973 with the object to formulate, promote, finance, aid, assist, establish, manage and control scheme, projects or programmes, to provide and develop infrastructure facilities in the State. From the perusal of the counter affidavit, it is further evident that the State Government had taken an initiative to leverage the power of modern information and

³⁴ (2023) 3 SCC 1

communication technology to provide more convenient, accessible and transparent Government services to the citizens. The avowed object of the policy was to attract maximum employment potential of the industry to the State.

23. A comprehensive set of guidelines was prepared covering all aspects relating to incentives to the Information Technology industries, namely eligibility criteria, procedure for processing the applications, terms and conditions of allotment etc. A Consultative Committee on Information Technology Industry was constituted vide G.O.Ms.No.3, dated 25.05.2000 and G.O.Ms.No.5, dated 16.06.2000 for recommending grant of all Information Technology incentives. In furtherance of the aforesaid policies to promote the growth of Information Technology industries in the State and to make the erstwhile State of Andhra Pradesh an Information Technology Hub, in the year 2004-05, the growth rate in Information Technology sector in the State was 64.5% as against the national average of 34%. The export turnover of the industry was at Rs.8,270 crores and in the year 2007-08 the growth rate was 41% as against the national average of 33.88%. From the perusal of

the counter, it is evident that the growth of Information Technology in the State from 1997 to till 2007-08 is as follows:

Year	Growth in Exports		No. of Employees (cumulative)	Investments (Rs.crores) (cumulative)
	No. of Units (cumulative)	Exports (Rs.crores) Year wise		
1997-98	112	284	8700	605
1998-99	194	574	12000	859
1999-00	977	1059	25500	1423
2000-01	1206	1917	48700	2025
2001-02	1322	2907	64000	2350
2002-03	1401	3668	71445	2849
2003-04	909	5025	85945	3533
2004-05	1061	8270	126920	4341
2005-06	1234	12521	151789	6101
2006-07	1408	18582	187450	8001
2007-08	1584	26122	239000	10101

24. From the perusal of the counter, it further reveals that in order to sustain and improve the industrial growth in the State and to attract the Information Technology industries to the State, Information Technology Policy of the State was revised from time to time and the Information Technology Policy vide G.O.Ms.No.27, dated 21.06.2002, was formulated for the years 2002-2005 and thereafter, another Information Technology Policy vide G.O.Ms.No.11, dated 21.03.2005, was formulated for the years 2005-2010. In pursuance of the policy framed by the State Government to attract revenue as

well as to generate employment in the erstwhile State of Andhra Pradesh, the allotment of land was made without conducting auctions at the concessional rate to attract the establishment of industries. Under the policy, the rebate also was linked to employment to attract Information Technology investments in the State keeping in view the competition from the neighbouring States like Karnataka, Maharashtra and Tamil Nadu etc. The object of providing facilities through Information and Communication Technology Policy is to attract investments for the State for Information Technology industry and to generate employment for the residents of the State. On account of the Policy decision taken by the State Government, the State was able to attract major Information Technology Companies to Hitech City, Software Units Layout in Madhapur as well as Multi National Companies like Microsoft, CA, Kanbay, UBS, Franklin & Templeton, WIPRO, Honeywell, Amazon, Virtusa, Sierra Atlantic etc. The allotment of land to Information Technology Companies has been made with a specific condition that the Company shall not assign, transfer or alienate the land to any other person other than

the Information Technology industries as specified in the Information and Communication Technology Policy.

25. The Policy was framed by the State Government with a view to attract investment in the State, to provide employment and to generate the revenue for the State. In order to attract investment in the State and to generate employment as well as revenue, the land was allotted to the industries who were interested in setting up their establishments in the State. There is no allegation of *mala fides* against the respondents. The Policy of the State Government cannot be said to be arbitrary or irrational and the same is also not *mala fide*. Therefore, no case for interference with the policy decision of the State Government to allot the land on concessional rate to the industries in order to provide employment and to generate revenue for the State is made out.

26. We may refer to the tabular statement produced by the learned Advocate General which is extracted below for the facility of reference:

Respondent No.	Name of the Park	Name of the Company	Purpose of Allotment	Date of MoC	Date of allotment	Plot No.	Extent of allotment (In Acres)	PROPOSED		GENERATED		Status as on	Date of sale deed	Present Status
								Investment (Rs.In Crores)	Employment (Nos)	Investment (Rs. In Crores)	Employment (Nos)			
Respondents 1 to 4 are Government Departments														
5		M/S. WIPRO Limited	IT Software	29.01.2001	10.01.2003	Land	30.00	100	3000	615.71	12245	07/2015	03.08.2016	Operational
6	IT Park, Mamikonda	M/S. Infosys Technologies Limited	IT Software	11.01.2001	12.09.2000 19.11.2003 21.12.2005	Land	30 20 0.39	--	--	450	11000	05/2010	--	Operational
7		Lanco Hills Technology Park Private Limited	IT/ITES Park	--	17.08.2005 26.06.2008	U.D.L. U.D.L.	50.00 27.29	--	--	3500	54000	10/2022	22.06.2010 04.11.2015	Operational
8		Honeywell Technology Solutions Lab (P.Ltd.)	IT/ITES	27.01.2006	29.05.2006	11	10.00	50	2000	130	1030	08/2019	--	Operational
9	IT PARK NANAKRAM GUDA	M/S. Neuland Laboratories Ltd.	R & D Centre for drug discovery	--	14.12.2004	4	5	30	--	800	300000	01/2022	05.02.2009	Operational. Implemented through IDA as approved by Government
10		Megasoft (M/S. Vistalsoft Technologies Ltd.)	IT Software	23.03.2004	28.03.2005	8	15.61	--	3398	700	30000	06/2024	22.05.2015	Operational. Retained and surrendered balance land
11	HUDA (Allotment not made through TGHC)	Metro Cash and Carry Indira Mossapet Village, Balamnagar	--	--	--	--	--	--	--	--	--	--	--	--
12	IT PARK NANAKRAM GUDA	Tourism Department (SPA-ISTA Hotel (Hyatt Hotel))	SPA/Hotel and Training Centre in Beauty Care and Hospitality	18.04.2005	28.06.2005	7	14.94	--	--	--	--	--	08.07.2007	Operational (Joint venture of Government with 26% Equity)
RESPONDENT 13 PERTAINS TO STATE OF ANDHRA PRADESH, VISHAKAPATNAM														
13	VIZAG	Hinduja Group India	Vizag	--	--	--	--	--	--	--	--	--	--	--
RESPONDENT 14 & 15 ARE GOVERNMENT DEPARTMENTS														

Respon- dents No.	Name of the Park	Name of the Company	Purpose of Allotment	Date of MoU	Date of allotment	Plot No.	Extent of allotm- ent (In Acres)	PROPOSED		GENERATED		Status as on	Date of sale deed	Present Status
								Investm- ent (Rs.In Crores)	Employ- ment (Nos)	Investment (Rs. In Crores)	Employ- ment (Nos)			
16		Indo Techzone Pvt.Ltd. Mamidipally	IT/ITES- SEZ	12.07.2006	13.07.2006	UDL	250	1000	45000	--	--	02.09.2009	Allotment cancelled ED/CBI ED attached the property	
17		Brahmani Infotech Pvt. Ltd. Mamidipally & Ravivajal	IT/ITES - SEZ	08.05.2006 / 12.05.2006	13.07.2006	UDL	250	1000	45000	--	--	--	Allotment cancelled and possession resumed. Land developed as Hardware Park II and allotment to prospective units are being made	
18	Hardware Park	Stargate Properties, Pvt.Ltd. Ravivajal	IT/ITES - SEZ	12.07.2006	13.07.2006	UDL	250	1000	45000	--	--	31.01.2009	Partly implemented. Allotment under cancellation	
19		Anantha Technologies Limited	Set up an IT facility/Campus	15.10.2005	15.10.2005	UDL 6	25.00	37	250	--	--	--	Allotment Cancelled (Total land effected in RCI Buffer zone)	
20		J.T. Holdings Private Limited	IT Software Development, IT Hardware, Electronic Manufacturing	23.03.2005	18.06.2005	UDL 8	70.00	200	14000	--	--	18.05.2009	Partly utilised. Allotment under cancellation	
21		HCL Info Systems Limited	Business activities relating to Information Technology	28.04.2004	28.04.2004	42, 43, 44, 45, 46, 47, 48, 49	15.81	--	--	11.56	2010	10.02.2010	Operational	
22		Gitanjali Gems Ltd (Hyderabad Gems)	Gems & Jewellery	G.O.	05.08.2005	UDL	75	--	--	92.55	11/2013	-- 25.04.2014	Seized by FD	
23	SUL MADHAP UR	Infotech Enterprises Ltd (Now Cyient)	IT Software	--	14.08.1996	11	1.001	--	--	--	2001	16.01.2001	Operational	
24		iSpace Software Technologies	IT/ITES CAMPLS	08.10.2003	06.11.2003	8, 9, 10	1.294	50	500	--	2009	20.01.2009	Land surrendered by the company on 06.02.2007	
25		Computer associates	IT Software	26.02.2004	24.06.2004	UDL	30.50	50	4425	270.45	04/2014	25.06.2004	Operational	

Respo ndent No.	Name of the Park	Name of the Company	Purpose of Allotment	Date of MoU	Date of allotment	Plot No.	Extent of allotment (In Acres)	PROPOSED		GENERATED		Status as on	Date of sale deed	Present Status
								Investment (Rs. In Crores)	Employment (Nos)	Investment (Rs. In Crores)	Employment (Nos)			
26		M/s. Capgemini (India) Pvt. Ltd., (Kaabay)	IT Software	19.08.2004	17.09.2004	1	15.00	50	3000	284.24	3205	10/2014	12.05.2015	Operational
27		M/s. Virusa Consulting services Pvt. Ltd (formerly) Virusa (India) Private Ltd.	IT Software	09.12.2004	15.01.2005	10	6.32	50	2104	112.61	2358	09/2010	27.11.2007 (Lease Deed)	Operational
28		M/s. Hitachi Consulting Ltd (formerly Sierra Atlantic Software Service Ltd..	IT Software	09.12.2004	16.02.2005	9	7.20	60	2331	91.93	2484	06/2016	05.02.2009 (Lease Deed)	Operational
29		M/s. NYEDIA Graphics Pvt. Ltd	IT Software	02.05.2005	04.06.2005 03.11.2005	6	3.00 2.18	10	--	34.56	500	02/2007	26.02.2007	Operational Operational
30	IT PARK NANAKRAMGU DA	Dakshin Infrastructures Private Limited	Common facilities	--	30.12.2005	UDL	1.35	--	--	120	--	11/2013	24.01.2009	Operational
31		Mack Soft(Tech (P) Ltd..	IT/ITES	--	13.10.2005 31.03.2006	Land 109/110	2.25 3.725	--	--	215.04	6279	02/2013	23.07.2007	Operational
32		Bhuviteja Enterprises (India) Pvt. Ltd.,	IT/ITES Integrated Petrol Bank with Hotel & Restaurant, Business Support and other amenities	--	24.12.2008 31.12.2005	UDL	0.47 1.00	5	--	80	--	11/2013	15.11.2008	Operational
33		Varun Mixors Private Limited	Servicing of four wheelers	--	14.07.2006 18.08.2006	UDL	1.00 0.50	5	170	--	250	11/2013	28.05.2014	Operational
34		Franklin Templeton International Services Ltd.,	Finance services and related head quarters campus	--	06.12.2004	18, 19, 20, 21, 22, 23	15.26	--	--	--	--	--	15.07.2005	Operational

Respo ndent No.	Name of the Park	Name of the Company	Purpose of Allotment	Date of MoU	Date of allotment	Plot No.	Extent of allotment (In Acres)	PROPOSED		GENERATED		Status as on	Date of sale deed	Present Status
								Investment (Rs.In Crores)	Employme nt (Nos)	Investme nt (Rs. In Crores)	Employme nt (Nos)			
35		RU Services Center (India) Pvt. Ltd., CBS	IT Software Development & IT enabled services (ITES) campus	--	18.08.2005	25, 26, 24	11.04	--	--	--	--	--	18.08.2005	Operational
36		ICICI Bank	Complete Office to House ICICI Group Companies	--	03.10.2005	12, 13, 14, 15, 16, 17	8.46	--	--	--	--	--	24.12.2022	Operational
37		West End Capital Management BPO Services (I) Pvt. Ltd.,	BPO (IT, Investment Management for Insurance Back Office	--	07.11.2005	36, 37	0.99	--	--	--	--	--	19.03.2008	Operational
38	Financial District Nanakramguda	KARVY Stock Broking Ltd.,	Financial Services (Stock Broking, Distribution of Financial Product, Depository Participant Services)	--	24.12.2005	31A	1.00	--	--	--	--	--	30.06.2016	Operational
39		Shriram Financial Services Holds Pvt. Ltd.,	Corporate Office Back Office and IT Support and Training Centre	--	16.01.2006	31B, 32	3.38	--	--	--	--	--	04.08.2009	Operational
40		Bhagyanagar Securities Private	Merchant Banking, Finance	--	02.03.2006	30 Land	1.00 0.04	--	--	--	--	--	05.09.2007	Operational Operational
41		AR Fine Solutions	Technology & Software Financial Services	--	10.03.2006	33, 34	1.00	--	--	--	--	--	28.03.2016	Operational

Respondent No.	Name of the Park	Name of the Company	Purpose of Allotment	Date of MOU	Date of allotment	Plot No.	Extent of allotment (In Acres)	PROPOSED		GENERATED		Status as on	Date of sale deed	Present Status
								Investment (Rs. In Crores)	Employment (Nos)	Investment (Rs. In Crores)	Employment (Nos)			
53	VIZAG	Centric Solutions Pvt. Ltd	..	..	..	..	..	..	..	..	..	..	..	..
54	VIZAG	IIC Technologies Pvt. Ltd	..	..	..	..	..	..	..	..	..	..	..	..
55	VIZAG	Worldtech Software Solutions Pvt Ltd	..	..	..	..	..	..	..	..	..	..	..	..
56	Hitech City Madhapur	Sacyam Computer Services Ltd. (Now Tech Mahindra Ltd)	IT Software	18.05.2002	26.06.2002	33,33A,H	2	..	..	..	..	..	..	..
				2	12.10.2004	22,24,25,	2,79	50	6500	593	12000	13.10.2014	04.12.2014	Operational
				..	17.03.2006	30,31,32	14,93	..	..	..	..	..	..	..
RESPONDENTS 57 TO 61 PERTAINS TO STATE OF ANDHRA PRADESH, VISHAKAPATNAM														
57	VIZAG	Metaindas Software Solutions Pvt. Ltd.	..	..	..	..	..	..	..	..	..	..	..	..
58	VIZAG	IIC Systems Pvt Ltd	..	..	..	..	..	..	..	..	..	..	..	..
59	VIZAG	3K Technologies Ltd	..	..	..	..	..	..	..	..	..	..	..	..
60	VIZAG	Estibew Com Pvt. Ltd.	..	..	..	..	..	..	..	..	..	..	..	..
61	VIZAG	Miraack Software Systems Pvt. Ltd	..	..	..	..	..	..	..	..	..	..	..	..
OTHER COMPANIES REFERRED IN W.P.														
	IT Park Vaitheegulapalli & Gopurapalli	Wipro Limited, Vaitheegulapalli & Gopurapalli	IT/ITES	20.10.2005	20.03.2006	Land	101.03	100	10000	917	10088	03/2024	..	Operational
	FAB CITY	SEMINDIA PVT LTD	SEMICONDUCTOR FACILITY	..	25.07.2006	Land	100	..	..	..	..	..	..	Allotment cancelled and possession resumed

27. From perusal of the aforesaid Table, it is evident that respondent Nos.13 (M/s.Hinduja National Power Corporation Limited), 43 (M/s.Symbiosys Technologies), 44 (M/s.Color Chips Entertainment & Media Limited), 45 (M/s.Softsol India Limited), 46 (M/s.Sankhya Technologies Private Limited), 47 (M/s.Mahathi Software Private Limited) and 48 (M/s.Navayuga Infotech Private Limited) as well as respondent Nos.50 (M/s.NuNet Technologies Private Limited), 51 (M/s.ACN Pinfotech (India) Private Limited), 52 (M/s.Kenexa Technologies Private Limited), 53 (M/s.E Centric Solutions Private Limited), 54 (M/s.IIC Technologies Private Limited) and 55 (M/s.Worldtech Software Solutions Private Limited) and respondent Nos.57 (M/s.Metaminds Software Solutions Limited), 58 (M/s.IIC Systems Private Limited), 59 (M/s.3K Technologies Limited), 60 (M/s.Etisbew Company Private Limited) and 61 (M/s.Miracle Software Systems (India) Private Limited) are situated in the State of Andhra Pradesh, which has come into existence with effect from 02.06.2014. Therefore, no relief in the writ petition with regard to the aforesaid respondents can be granted.

28. The respondent Nos.5 (M/s.Wipro Limited), 6 (M/s.Infosys Technologies Limited), 7 (M/s.Lanco Infratech Limited) and 8 (M/s.Honey Well Technology Solutions Lab Limited) are operational and have invested a sum ranging from Rs.50 crores to Rs.100 crores and have provided employment to around 3000 to the unemployed youth.

29. The respondent Nos.9 (M/s.Neuland Laboratories Limited), 10 (M/s.Meghasoft Limited), 11 (M/s.Metro Cash and Carry India) and 12 (M/s.Indian Hotels and Health Resorts (IHHR) Hospitality Private Limited) are operational and have invested a sum of around Rs.30 crores and have provided employment to around 6000 to the unemployed youth.

30. The respondent Nos.21 (M/s.HCL Info Systems Limited), 22 (M/s.Gitanjali Gems Limited), 23 (M/s.Infotech Enterprises Limited), 24 (M/s.I Space Software Tech Limited) and 25 (M/s.Computer Associates India Private Limited) are operational and have invested a sum ranging from Rs.20 crores to around Rs.270 crores and have provided employment to around 6000 to the unemployed youth.

31. The respondent Nos.26 (M/s.Canbay Software (India) Private Limited), 27 (M/s.Virtusa (India) Private Limited), 28 (M/s.Sierra Atlantic Software Services Limited), 29 (M/s.Portal Player (India) Private Limited) and 30 (M/s.Dakshin Infrastructure Projects (Private) Limited) are operational and have invested a sum ranging from Rs.34 crores to around Rs.284 crores and have provided employment to around 7500 to the unemployed youth.

32. The respondent Nos.31 (M/s.Mack Solutions Inc), 32 (M/s.Bhuviteja Enterprises (India) Private Limited), 33 (M/s.Varun Motors (Private) Limited), 34 (M/s.Franklin Templeton International Services Limited) and 35 (M/s.RU Service Center (India) Private Limited) are operational and have invested a sum ranging from Rs.80 crores to around Rs.200 crores and have provided employment to around 6500 to the unemployed youth.

33. The respondent Nos.36 (M/s.ICICI Bank, 37 (M/s.West End Capital Management BPO), 38 (M/s.Karvy Stock Broking Limited), 39 (M/s.Shriram Financial Services Holdings Limited), 40 (M/s.Bhagyanagar Securities Private

Limited), 41 (M/s.A.R.Fine Solutions), 42 (M/s.Alif Resources & Infrastructure Private Limited), 49 (M/s.SoftPro Systems Limited) and 56 (M/s.Satyam Computer Services Limited) are operational and have invested huge sum and have provided employment opportunities to a number of unemployed youth.

34. Now, we may advert to the relief, which the petitioners may be entitled. In pursuance of the policy of the State Government to promote the Information Technology industry in Hyderabad and to provide source of employment to the residents of the State as well as to generate revenue, the allotment of lands have been made to various industries between the period from 05.02.1997 to till 13.07.2006. The writ petition by way of public interest litigation was filed on 07.08.2007 after a period of one year from the last allotment made. Admittedly, during the pendency of the writ petition, private respondents have set up the industries and have provided employment to thousands of persons. The industries have acted upon the representation made by the State Government for allotment of the land at concessional rate. Acting on such representation, the industries have made huge

investments and had set up the industries. Therefore, at this point of time, if a direction is issued to collect the market rate from the allottees, the same would be in contravention of the policy framed by the State Government. Therefore, we are not inclined to grant the aforesaid relief to the petitioners.

35. So far as the issue with regard to the validity of the Regulations 4 to 6 is concerned, suffice it to say that the same are in consonance with the policy of the State Government for allotment of land. The existence of power and exercise thereof are two different aspects. Therefore, they do not suffer from any infirmity. Needless to state that while disposing of the public property, the official respondents are under obligation to bear in mind well settled principles as well as the mandate contained in Article 14 of the Constitution of India.

36. We find sufficient force in the submission made on behalf of the writ petitioners that the State Government should cancel the allotment made in favour of the industries who have not commenced the construction and have not taken any steps to set up the industries. Therefore, the State Government shall take steps to cancel the allotment of land

made to the industries which have not taken any steps to set up the industries, including the allotment made in favour of respondent Nos.16 (M/s.Indu Techzone Private Limited), 17 (M/s.Brahmani Infratech Private Limited), 18 (M/s.Stargaze Properties Private Limited), 19 (M/s.Anantha Technologies Limited) and 20 (M/s.JT Holdings Private Limited) within a period of four months from today.

37. With the aforesaid directions, the writ petition is disposed of. No order as to costs.

Miscellaneous petitions, pending if any, shall stand closed.

SD/-P. PADMANABHA REDDY
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

One fair copy to the HON'BLE THE CHIEF JUSTICE ALOK ARADHE
(For His Lordship's Kind Perusal)

One fair copy to the HON'BLE SRI JUSTICE J. SREENIVAS RAO
(For His Lordship's Kind Perusal)

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5. The Managing Director, The Andhra Pradesh Industrial Infrastructure Corporation, Ltd. (APIIC), 6th Floor, Parisrama Bhavan, Fathemaiddan Road, Hyderabad - 500 004.
6. The Secretary, The Hyderabad Urban Development Authority (HUDA), Begumpet, Hyderabad.
7. The Prl. Secretary, IT & C Dept., The Government of Andhra Pradesh, AP Secretariat, Hyderabad.
8. The Prl. Secretary, Youth Advancement, Tourism and Culture (PMU) Department, AP Secretariat, Hyderabad.

Con't

9. The Managing Director, The Andhra Pradesh Housing Board, Nampally, Hyderabad.
10. The Chief Secretary to Government, Revenue Department, The State of Telangana, Telangana Secretariat, Hyderabad.
11. The Vice-Chairman and Managing Director, Telangana State Industrial Infrastructure Corporation, 6th floor, Parisram Bhavan, Basheerbagh, Hyderabad.
12. The Managing Director, The Telangana Housing Board, Nampally, Hyderabad.
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HIGH COURT

DATED:04/10/2024



ORDER

WP.No.17623 of 2007

**DISPOSING OF THE WRIT PETITION
WITHOUT COSTS**

65
KMS
26/10/2024