

(2012) 01 JH CK 0124
In the Jharkhand High Court
Case No : Writ Petition (C) No. 926 of 2011

Mahabeer Enterprises

APPELLANT

Vs

Steel Authority of India Ltd. and Others

RESPONDENT

Date of Decision : 31-01-2012

Acts Referred:

Citation : (2012) 01 JH CK 0124

Hon'ble Judges : Narendra Nath Tiwari, J

Bench : Single Bench

Advocate : R.S. Mazumdar and Mr. Rohit Roy, for the Appellant; Ananda Sen, for the Respondent

Final Decision : Allowed

Judgement

Narendra Nath Tiwari

1. The petitioner is aggrieved by the order dated 24.12.2010 issued by the Deputy General Manager (T.A.-Land), Bokaro Steel Plant -respondent No. 4, whereby the said respondent has regretted and informed that they are unable to execute a formal Lease Agreement in furtherance to the allotment order referred to in the said letter. They further advised the petitioner to furnish bank details, etc. so that the sum of Rs. 93,19,942/- deposited by him can be remitted. The case of the petitioner is that the said respondent No. 5 had proposed to allot a plot of land in Sector-IV measuring an area of 21,780 sq.ft. on lease basis, for a period of 33 years, on deposit of a sum of Rs. 93,19,942/- within two months. Accepting the said proposal the petitioner arranged the amount and deposited the entire sum of Rs. 93,19,942/-, receipt of which was acknowledged by the respondents by issuing a receipt. After accepting the said deposit the respondents did not execute the formal lease deed even after repeated requests and pursuation of the petitioner. Suddenly by the impugned letter dated 24.12.2010 (Annexure-19) they regretted and showed their inability to execute the formal lease deed agreement in furtherance to the said allotment.

2. Mr. R.S. Mazumdar, learned senior counsel appearing on behalf of the petitioner submitted that on the proposal and assurance to lease out the aforesaid land, the petitioner had arranged the said heavy amount and had deposited the same in the hope of getting the lease for the purpose of construction of multi-storied complex, but the impugned letter has blighted the said plan of the petitioner and has caused him serious prejudice and irreparable loss and injury. The petitioner, in the hope of getting the lease, had changed his position by withdrawing the entire money from other accounts and projects. He could not take part in any other business which could have been beneficial for him. He further submitted that once the entire amount of allotment was accepted and the petitioner was assured of granting lease in his favour and on that assurance the petitioner had changed his position and was in the hope of getting lease for the purpose of construction of multi-storied building, the respondents are estopped from withdrawing their promises.

3. Learned counsel submitted that in any event sudden denial of the respondents, without any notice informing the reasons and giving any opportunity of representation or hearing, is arbitrary and violative of principle of natural justice and the order, on that ground alone, is nonest.

4. Writ petition has been contested by the respondents by filing counter affidavit, it has been, inter-alia, stated that the impugned letter is innocuous and has not at all caused damage to the petitioner. The letter has been sent informing the petitioner that the entire amount shall be refunded to the petitioner with interest. Therefore, there is no question of any loss or injury as claimed by the petitioner.

5. Mr. Ananda Sen, learned counsel appearing on behalf of the respondents, in course of argument, however, conceded that no notice was served on the petitioner before issuing the said impugned letter dated 24.12.2010. Learned counsel submitted that there was no provision in the tender for issuing such notice and there was nothing to be heard. The impugned order does not have any civil consequence and the respondents have already informed that they will refund the money with interest. No notice was required to be served on the petitioner before issuing the said impugned order. According to the learned counsel, the order is perfectly valid and legal and there is no arbitrariness in issuing the said notice.

6. I have heard learned counsel for the parties and perused the facts and materials on record. It is an admitted fact that the respondents had proposed to lease out the land in question and for that purpose they had already allotted the same to the petitioner on the condition of deposit of a sum of Rs. 93,19,942/-. It is also admitted that the petitioner had deposited the said amount within the stipulated time.

7. In view of the above, I find substance in the submission of learned counsel for the petitioner that there was a bonafide expectation of the petitioner of getting the said lease in his favour. He has also changed his position by transferring the

huge amount in favour of the respondents in the hope of getting the lease of the said land. The sudden withdrawal of the proposal or refusal of execution of lease deed without giving any notice or without informing any reason to the petitioner is a sudden shock and surprise to the petitioner and the same also leads to civil consequence. The impugned order, therefore, certainly affects the petitioner's interest adversely and he was entitled to know the reason and to get an opportunity of representation/hearing, but no notice was issued to the petitioner and no reason was informed. The action of the respondents as well as the impugned letter dated 24.12.2010 is, thus, violative of principle of natural justice and is unsustainable.

8. For the reasons aforesaid, this writ petition is allowed. The letter dated 24.12.2010, contained in Annexure-19 is quashed. However, this order does not mean to impede the respondents in taking steps in accordance with the procedure established by law.