

**(2015) 06 KAR CK 0200**

**In the Karnataka High Court**

**Case No : Writ Petition No. 49950/2012 (KSSIDC)**

V. Gurunandana

APPELLANT

Vs

Karnataka State Small Industries Development Corporation  
Ltd. and Others

RESPONDENT

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**Date of Decision : 08-06-2015**

**Acts Referred:**

**Citation : (2015) 06 KAR CK 0200**

**Hon'ble Judges : A.S. Bopanna, J**

**Bench : Single Bench**

**Advocate : D.N. Nanjunda Reddy, Senior Counsel for Reuben Jacob for Jacob and Co., for the Appellant; Manjula N. Tejaswi, Advocates for the Respondent**

**Final Decision : Disposed off**

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## **Judgement**

A.S. Bopanna, J.

1. The petitioner is before this Court assailing the demand of Rs. 21,66,600/- and Rs. 27,11,200/- which are impugned at Annexures-H and R to the petition, as also the communication dated 28.05.2012 at Annexure-P to the petition.

2. The issue in this petition is with regard to the price that is required to be paid by the petitioner to the respondent Corporation in respect of the allotment of the plot bearing SPL No. 15 measuring 402.3 sq mts which was indicated in the notification dated 13.07.2007. By the said notification, the petitioner was initially allotted plot bearing No. SM-48 measuring 90 sq.mts. The said allotment was made on 04.10.2007. The petitioner sought for alternate allotment since the said allotment did not satisfy the requirement of the petitioner. Hence, the alternate allotment of plot bearing No. SPL-15 measuring 402.3 sq. mts was made to the petitioner on 30.06.2008.

3. The petitioner contends that the price prevailing as on 04.10.2007 when the initial allotment was made or at best when the alternate allotment was made on 30.06.2008 is to be taken into consideration and the price as notified therein is

to be levied on the petitioner. The respondents through their objection statement has referred to the procedure contemplated with regard to the fixation of the price in respect of the plots to be allotted. In that view, it is contended that the initial indication of the price is only with regard to the tentative value of the plot to which the cess and other levies are to be taken into consideration and the final allotment price is to be levied. Insofar as the allotment of plot bearing No. SPL-15 allotted in favour of the petitioner, the respondents through their communication dated 21.03.2010 (Annexure-H) demanded the tentative price of Rs. 21,66,600/-. The petitioner contending that the price fixed is excessive as against what had been indicated earlier, had made representations with the respondent seeking reduction in the value. The representations were rejected by the respondents by their communication dated 28.05.2012. Further a communication as at Annexure-R was issued indicating that as during the year 2012 the price of such plot being allotted by the respondent was Rs. 27,11,200/-. Therefore, the said price was demanded from the petitioner. It is in that circumstance the petitioner has approached this Court.

4. Before advertng to the consideration of the appropriate price that is directed to be paid, what is also necessary to be noticed is that during the pendency of this petition, in view of certain interim directions issued by this Court, the petitioner has undertaken to pay the sum of Rs. 21,66,600/- and the memo has been recorded by this Court on 14.07.2014. The respondents through their objection statement and the Annexures thereto have indicated the list of the other allottees to whom the sites in the same layout has been allotted and price that had been fixed. Further by Annexure-R.2 the value in respect of such plots as prevailing in the year 2007-08 up to the year 20.11.2012 has been indicated. In that light, it is pointed out that since the alternate plot was allotted in favour of the petitioner in the year 2008, the price prevailing in 2009-10 at Rs. 21,66,600 had been demanded at the first instance from the petitioner as the tentative price which was excluding cess and other levies which are required to be made in respect of the plots allotted. Since the said amount has not been paid and transaction was not finalised, the price prevailing in 2011-12 had been demanded by the subsequent communication.

5. The learned senior counsel appearing for the petitioner would contend that though the demand of Rs. 21,66,600/- was made on 01.03.2010 the petitioner had submitted a representation on 10.03.2010 indicating that the price demanded is excessive and to reduce the same. Despite the said representation, no intimation was given to the petitioner until the representations were rejected on 28.05.2012. Immediately thereafter, the enhanced demand of Rs. 27,11,200/- has been made. In the present circumstance, what cannot be in dispute is that the price as on the date of allotment would be indicated on a tentative basis and the cess and thereafter other levies which is to be included would be made and the final price will be demanded from the allottees. However, a uniform procedure would have to be followed in that regard in respect of all the allottees. At this juncture, the exact amount of the cess and other levies in

respect of the allottees need not be considered since the same could be appropriately demanded from the petitioner based on the exact amount that had been levied on the other allottees.

6. The consideration in this petition is limited only with regard to the initial price in respect of the plot and the relevant point at which the price is to be indicated. Though in the instant case the alternate site was allotted in favour of the petitioner in the year 2008, the demand in respect of the same was made on 01.03.2010. Even though the petitioner contends herein that the said amount demanded was excessive, the petitioner had not chosen to immediately deposit the amount and secure allotment of the site without prejudice and thereafter seek for reduction of the same. Therefore, in my opinion, the payment of Rs. 21,66,600/- cannot be questioned by the petitioner at this stage. Certainly the manner in which the respondents have taken time to consider the representation and thereafter reject the same only in the year 2012 and subsequent thereto apply the price that was prevailing at that stage was not justified. Though the learned counsel for the respondent has referred to the very same note sheet to which the learned senior counsel for the petitioner had referred and she contended that since there was no clear guidelines with regard to the payment to be made in respect of the alternate allotment, some time had been taken by the respondents to consider the representation of the petitioner and reject it, the said explanation cannot be accepted when the representation had been kept pending for a period of 2 years, more particularly in a circumstance when the respondents contend that the price would be revised every year at 10% of the value. Since the respondents have delayed consideration, the revised price cannot be levied on the petitioner in the present facts.

7. However, having already taken into consideration and having noticed that the petitioner was also required to deposit the earlier demand which was made on 01.03.2010 and thereafter agitate the matter and to that extent, since the public money had been withheld by the petitioner in the guise of making representation and seeking reduction of the amount and at the same time taking note of the delay caused by the respondents in considering the representation, in the present circumstance though I am of the opinion that the demand which was made vide the communication at Annexure-R is not sustainable, the amount of Rs. 21,66,600/- which is payable by the petitioner will have to be paid by the petitioner along with interest at 6% p.a from the date on which the representation of the petitioner was rejected by the communication dated 28.05.2012 till the date of deposit of the said amount.

8. Therefore, for the above reasons, the communication at Annexure-R is quashed. The petitioner is directed to pay the sum of Rs. 21,66,600/- as demanded vide Annexure-H along with interest at 6% p.a. from 28.05.2012 till the date of payment of the said amount. The said amount shall be paid by the petitioner within a period of six weeks from the date of receipt of a copy of this order. If the said amount is not deposited within the time frame as stated herein,

the respondents would be at liberty to either withdraw the allotment made or to impose the present price which is prevailing. It is further clarified that with regard to the cess and other levies in respect of the plot, since I have already indicated that the same is not a subject matter of consideration in this petition, similar rate at which the other levies have been imposed on similarly placed allottees shall be demanded from the petitioner. The said aspect relating to the same is left open.

The petition stands disposed of accordingly.