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HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 2535 of 2019

1 - Surjeet Singh Khurana S/o Trilok Singh Khurana Aged About 46 Years R/o 7, Ward No. 23, Darripara, Kawardha, District Kabirdham Chhattisgarh., District : Kawardha (Kabirdham), Chhattisgarh

... **Petitioner**

Versus

1 - State of Chhattisgarh Through Secretary, Urban Administration And Development Department, Mahanadi Bhawan, New Raipur Chhattisgarh., District : Raipur, Chhattisgarh

2 - Collector Kabirdham Chhattisgarh., District : Kawardha (Kabirdham), Chhattisgarh

3 - Director Nagar Palika Parishad, District Kabirdham Kawardha Chhattisgarh., District : Kawardha (Kabirdham), Chhattisgarh

4 - Chief Municipal Officer Nagar Palika Parishad, Kawardha, District Kabirdham Chhattisgarh., District : Kawardha (Kabirdham), Chhattisgarh

... **Respondents**

(Cause title is downloaded from CIS Periphery.)

For Petitioner	:	Mr. Anoop Majumdar, Sr. Advocate along with Mr. Basant Dewangan, Advocate.
For State	:	Dr. Saurabh Kumar Pande, Dy. A.G.
For Respondent No. 4	:	Mr. Bhupendra Singh, Advocate.

Hon'ble Mr. Justice Amitendra Kishore Prasad

Order on Board

09/09/2026

1. The petitioner has preferred the instant petition against the illegal, arbitrary, and unjustified actions of the authorities of Nagar Palika, Kawardha, whereby the authorities have failed to reimburse the amount incurred by the petitioner towards the construction of shops acquired by him from the respondent authorities pursuant to the auction process. Despite the petitioner having incurred the expenditure for construction in accordance with the terms and conditions applicable to the auction, the respondent authorities have arbitrarily refused to reimburse the said amount, thereby causing serious prejudice and financial loss to the petitioner.
2. Brief facts of the case, as adumbrated by the petitioner is that in the year 2014, the respondent-Nagar Palika, Kawardha, District Kabirdham, invited bids for construction of 14 shops on the first floor of a shopping complex situated towards the eastern side of Gandhi Maidan, Kawardha. The petitioner emerged as the highest bidder by offering a bid amount of Rs. 2,12,00,000/- (Rupees Two Crores Twelve Lakhs). As per the terms and conditions of the auction, the construction was required to be completed within 36 months, i.e. from 01.09.2015 to 31.08.2018. With the approval and under the supervision of the respondent authorities, the petitioner undertook the construction work, including removal of the transformer, provision for staircase and parking, and arrangements for storage of construction material, and completed the construction in accordance with the approved drawing and design by incurring the expenditure from his own funds. Upon

completion of the work, the petitioner submitted the requisite bills to the respondent authorities, which were scrutinized; however, despite repeated oral and written representations, the payment/reimbursement was not released. Thereafter, on 28.09.2018, a meeting of 23 Municipal Councillors was convened, wherein it was resolved that the amount deposited by the petitioner with Nagar Palika, Kawardha would be reimbursed to him within seven days. The said decision was subsequently approved by the State Government. Pursuant thereto, the petitioner submitted his representation on 06.10.2018 seeking reimbursement of the amount due to him. However, despite the aforesaid resolution and approval, the respondent authorities released only a part of the amount, leaving the remaining amount unpaid, which has led the petitioner to the filing of the present petition. The petitioner is seeking following reliefs:-

“10.1 The Hon’ble Court may kindly be pleased to call for the entire records pertaining to the instant case.

10.2 That, the Hon’ble Court may kindly be pleased to direct the respondent authorities to reimburse the amount of Rs. 2,12,00,000/- (Rupees Two Crores Twelve Lakhs) with interest 18% which aggregates to Rs. 4,74,00,000/- (Rupees Four Crores Seventy Four Lakhs) and further interest upon the unpaid amount at the rate of 18 % per annum till date of payment.

10.3 That the Municipal Council, Kawardha may be directed to compensate the petitioner for loss suffered in business to a tune of Rs. One Crore and further directions be issued to suitably punish the erratic employees of the Council responsible for the loss and mental agony suffered by petitioner.

10.4 Any other relief, which the Hon'ble Court deems fit and proper under the facts and circumstances, may also be provided to the petitioners."

3. After hearing learned counsel for the parties at length, it is jointly submitted that the dispute may be resolved by conducting an enquiry and carrying out measurement of the shops in question. The petitioner has agreed that upon such measurement and determination of the amount payable, he shall accept the amount so determined. However, it is submitted on behalf of the petitioner that in the event the amount so determined is found to be inadequate, he shall be at liberty to avail such appropriate remedy as may be available to him in law. Learned counsel appearing for the Municipal Council has no objection to the course of action so proposed.
4. Learned counsel appearing for the State submits that, in order to effectively resolve the dispute, it would be appropriate to direct measurement of the shops in question in the presence of the petitioner, the respondent authorities and a duly approved Valuer. Upon completion of such measurement, the concerned Municipal Council may assess and determine the amount payable to the

petitioner in accordance with the applicable rules and norms. It is submitted that the petitioner may accept the amount so determined; however, in the event he is not satisfied with the amount, he would be at liberty to avail such remedy as may be available to him in law. He further submits that the claim of the petitioner towards interest may also be considered by the respondent authorities and an appropriate order may be passed thereon.

5. Having considered the submissions made by learned counsel for the parties and having regard to the nature of the dispute, this Court is of the considered view that the dispute can appropriately be addressed, at the first instance, by undertaking a physical measurement of the shops in question. Accordingly, the concerned Municipal Council is directed to ensure that the shops are measured by a duly approved Valuer in the presence of the petitioner and the concerned representatives of the Municipal Council. On the basis of such measurement, the Municipal Council shall assess the amount, if any, payable to the petitioner strictly in accordance with the applicable statutory provisions, rules and norms, and shall thereafter pass a reasoned and appropriate order regarding the petitioner's claim, including his claim for interest. The entire exercise shall be completed within a period of **60 days** from the date of receipt of a copy of this order.
6. It is made clear that this Court has not expressed any opinion on the merits of the respective claims of the parties, and the

respondent authorities shall take a decision independently, upon due consideration of the relevant facts, documents and applicable rules. The determination made pursuant to the aforesaid exercise shall not preclude the petitioner, if aggrieved by the decision or the amount so determined, from availing such alternative or other remedy as may be available to him in accordance with law. However, considering that the construction in question was completed as far back as in the year 2017, the respondents shall ensure that the exercise is undertaken expeditiously and in accordance with law. The petitioner shall, upon completion of the aforesaid exercise and in accordance with the decision of the competent authority, hand over possession of the shops in question to the Municipal Council.

7. With this observation and direction, this petition stands **disposed of**.

Sd/-

(Amitendra Kishore Prasad)

Judge