



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 10TH DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE R. NATARAJ

WRIT PETITION NO. 6400 OF 2023 (BDA)

BETWEEN:

SRI R. SAGAR
S/O G. RAJASHEKAR
AGED ABOUT 32 YEARS
PRESENT R/AT NO. 4047,
23RD MAIN, 35TH CROSS,
BANASHANKARI 2ND STAGE,
BANGALORE - 560070.

...PETITIONER

(BY SRI. B SHARATH KUMAR, ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
DEPARTMENT OF URBAN DEVELOPMENT,
(BDA COMMISSIONER)
VIKASA SOUDHA,
BANGALORE - 560001.
REPRESENTED BY ITS ADDITIONAL CHIEF SECRETARY
2. THE COMMISSIONER,
BANGALORE DEVELOPMENT AUTHORITY,
T.CHOWDAIAH ROAD,
KUMARA PARK WEST,
BANGALORE - 560020

...RESPONDENTS

(BY SMT. POOJA M KOORSE, HCGP FOR R1;
SRI. MURUGESH V CHARATI, ADVOCATE FOR R2)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE
CONSTITUTION OF INDIA PRAYING TO QUASH THE ORDER DATED
08.02.2023 PASSED IN CASE NO.BDA/E-HARAJU/BSK-6-



3/1568/2022-23 PASSED BY THE R2 WHICH IS PRODUCED AND MARKED AS ANNEXURE-A.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING IN B-GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE R. NATARAJ

ORAL ORDER

The petitioner has challenged an order dated 08.02.2023 passed in case No.BDA/E-Haraju/BSK-6-3/1568/2022-23 by the respondent No.2, in terms of which, the site auctioned in his favour was cancelled. He has also sought for a writ in the nature of mandamus to direct the respondent Nos.1 and 2 to execute a sale deed and convey the site and also issue a possession certificate.

2. (i) The petitioner contends that respondent No.2 invited bids for the auction of corner sites, one of which was a corner site bearing No.1568, situate in 3rd block, Banshankari 6th stage, Bengaluru. The petitioner was the successful bidder at a sum of Rs.18,09,000/-. The petitioner deposited earnest money of Rs.4,52,250/- and was required to deposit the balance sum of Rs.13,56,750/- within 45 days.



(ii) The petitioner claims that he deposited a sum of Rs.7,50,000/- on 17.11.2020 being the 45th day from the date of the auction, a sum of Rs.5,00,000/- on 09.03.2021 being the 153rd day from the date of the auction and a sum of Rs.1,06,750/- on 04.08.2021, being the 300th day from the date of auction. He claims that the last payment of Rs.1,06,750/- was delayed due to COVID-19 pandemic. He claims that he had assured respondent No.2 that he was ready and willing to pay interest for the delayed period. However, respondent No.2 received the payment of Rs.1,06,750/- without any demur.

(iii) The petitioner claims that he was anticipating that respondent No.1 would take steps to convey the site by executing the necessary conveyance deed. However, he received an intimation dated 08.02.2023 from respondent No.2, by which he was informed that the auction of the site in his favour was cancelled and that 25% of the amount deposited would be forfeited and that the balance would be refunded.

3. Being aggrieved by the same, the petitioner is before this Court.



4. (i) The learned counsel for the petitioner submits that prior to cancelling the auction in question, respondent No.2 issued a letter bearing No.ಬೆಂಗಳೂರು/ಆಸ್ತಿ/ಇ-ಹರಾಜು/BSK-6-3/1568/2020-21 dated 12.01.2021, intimating the petitioner that the 45-day period for depositing the remaining 75% of the auction price expired on 06.12.2020 and that he was liable to pay interest at the rate of 18% per annum for 90 days commencing from 07.12.2020 and thereafter at the rate of 21% per annum from 07.03.2021 and if he failed to deposit the balance sale consideration on or before 05.07.2021, 25% of the amount already deposited would be forfeited.

(ii) He contends that by 05.07.2021, the petitioner had deposited a sum of Rs.17,02,250/- and there was a delay only in depositing the remaining sum of Rs.1,06,750/-. He submits that the delay in depositing the balance auction price was due to the COVID-19 pandemic which had gripped the country. He invited the attention of the Court to the judgment of the Hon'ble Supreme Court in ***Suo Motu Writ Petition (Civil) No.3 of 2020*** where the period from 15.03.2020 to 28.02.2022 was excluded for the purpose of computing



limitation prescribed under any general or special law in respect of all judicial or quasi-judicial proceedings. He therefore submits that the petitioner was genuinely under difficulty to deposit the balance auction price within the stipulated time and the respondent No.2 without considering the same, proceeded to cancel the auction. He therefore prays that the impugned cancellation be set at naught and a direction be issued to respondent No.2 to conclude the transaction by executing the sale deed and hand over possession of the auctioned site.

5. The petition is orally opposed by the learned counsel for respondent No.2 who contends that the petitioner was fully aware that at the auction held on 05.10.2020, he was permitted to avail loan from a financial institution for payment of the balance auction price. He submits that the auction itself contained the conditions which contemplated that the petitioner had to deposit 75% of the auction price within 45 days. He submits that since the petitioner failed to comply with the said condition, the natural consequence was cancellation of the auction. He contends that respondent No.2 has merely acted in accordance with the statutory provisions governing the auction.



He therefore, submits that the impugned endorsement issued by respondent No.2, cancelling the auction deserves to be upheld.

6. I have considered the submissions of the learned counsel for the petitioner as well as the learned counsel for respondent No.2.

7. The auction in question was held on 05.10.2020, in which the petitioner was declared as successful bidder and auction confirmation was issued on 16.10.2020. One of the conditions prescribed in the auction confirmation was that the petitioner had to deposit a sum of Rs.13,56,750/- within 45 days from the date of the auction. The petitioner deposited a sum of Rs.7,50,000/- on 17.11.2020 and Rs.5,00,000 on 05.03.2021 which amounted to Rs.12,50,000/- out of the total amount of Rs.13,56,750/-. In the meanwhile, respondent No.2 addressed a letter dated 12.01.2021 to the petitioner calling upon him to deposit the balance sale consideration along with interest at the rate of 21% per annum on or before 05.07.2021. Thereafter the respondent No.2 accepted the deposit of the balance sum of Rs.1,06,750/- on 04.08.2021



from the petitioner. As rightly contended by learned counsel for the petitioner, the Hon'ble Apex Court in ***Suo Motu Writ Petition (Civil) No.3 of 2020*** excluded the period from 15.03.2020 to 28.02.2022 for the purpose of computing limitation prescribed under any general or special law in respect of all judicial or quasi-judicial proceedings. During the Covid-19 period, there was a moratorium on payment of loans to banks and financial institutions. Therefore, there cannot be any doubt that the benefit of the said moratorium/exclusion should be granted to the petitioner. The petitioner deposited the balance sum of Rs.1,06,750/- on 04.08.2021 within a month from 05.07.2021 and has fairly stated before respondent No.2 that he is willing to pay interest for the delayed period.

8. In that view of the matter, respondent No.2 could not have taken the harsh step to cancel the auction sale in favour of the petitioner. Consequently, the following order is passed:



ORDER

- (i) The impugned order dated 08.02.2023 bearing No.BDA/E-Haraju/BSK-6-3/1568/2022-23 passed by respondent No.2 cancelling the allotment of the corner site bearing No.1568 situate at 3rd Block, Banashankari 6th Stage, Bengaluru is quashed.
- (ii) The respondent No.2 is directed to execute necessary deeds conveying the auction site in favour of the petitioner and also hand over possession of the auction site to the petitioner. This is however subject to the petitioner paying up interest on the delayed payment as stated in the letter bearing No.ಬೆಂಗಳೂರು/ಅಸ/ಇ-ಹರಾಜು/BSK-6-3/1568/2020-21 dated 12.01.2021. He shall also pay interest on Rs.1,06,750/- @ 18% per annum from 07.12.2020 till 07.03.2021 and @ 21% per annum from 08.12.2020 till 04.08.2021.
- (iii) The respondent No.2 shall issue a fresh demand to the petitioner within a period of one month from the date of receipt of a copy of this order, which shall



be paid within a month thereafter. Thereafter, respondent No.2 shall execute the deed of absolute sale, conveying the corner site stated in para 2(i) above, within a period of two months and contemporaneously hand over possession of the auctioned site to the petitioner.

- (iv) If the respondent No.2 fails to hand over possession, it is open for the petitioner to take over possession also take necessary steps to protect his possession of the auctioned site.

Sd/-
(R. NATARAJ)
JUDGE