

HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

WRIT PETITION No.33746 of 2012

25.06.2015

Between:

K.Ranga Chandra Raju,
S/o Narasimha Raju

...Petitioner

And:

A.P. Rajiv Swagruha Corporation Limited,
Hyderabad, repled., by its Managing Director
and another.

...Respondents

Counsel for the petitioner: Sri S.U.V.Srinivas

Counsel for the respondents: Sri M.Soloman Raju
for Sri J.Prabhakar

-

The Court made the following:

ORDER:

This Writ Petition is filed for a *Mandamus* to declare Circular No.424/MD/GM/(P&M)/APRSCL/2008, dated 06.11.2010, issued by respondent No.1, imposing the condition of deduction of 10% on the cost of the house allotted to the petitioner for opting out of the housing scheme launched under Rajiv Swagruha Corporation Limited, as illegal and arbitrary. The petitioner sought for a consequential direction to the respondents to refund the entire amount of Rs.6,66,500/- with interest to him.

I have heard Sri S.U.V.Srinivas, the learned counsel for the petitioner and Sri M.Soloman Raju, the

learned counsel representing Sri J.Prabhakar, the learned counsel for the respondents, in detail.

Initially, the learned counsel for the respondents has sought to justify withholding of 10% of the amount paid by the petitioner towards 25% of the estimated cost of the house under Classic Category allotted to him. However, the learned counsel has, ultimately, submitted that as an offer was made by the General Manager (Projects) of respondent No.1 that if the petitioner is willing to opt out of the housing scheme, the Corporation will refund the sum of Rs.6,61,250/- without interest, the respondents will honour this commitment.

Considering the fact that the housing project with respect to Classic Category, under which the petitioner was allotted the house, was unsuccessful as, the respondents could only ground 14 units as against the contemplated units of 268 and the respondents have decided to forego the condition of withholding of 10% on the cost of the house, which was stipulated as an additional condition, I am of the opinion that the offer of the respondents to refund the amount paid by the petitioner in full without any deduction is fair and reasonable.

Accordingly, the Writ Petition is partly allowed directing the respondents to refund the entire sum of Rs.6,66,500/- to the petitioner without any deduction within two months from the date of receipt of a copy of this order. If the respondents commit delay in refund of this amount beyond the period of two months, the petitioner shall be entitled to interest at the rate of 18% per annum on the delayed payment.

As a sequel to disposal of the Writ Petition, WPMP.No.42897 of 2012 filed by the petitioner for interim relief is disposed of as infructuous.

C.V.NAGARJUNA REDDY, J

25th June, 2015
DR