

THE HONB'E SRI JUSTICE CHALLA KODANDARAM

WRIT PETITION No.13655 OF 2007

ORDER:

The writ petition is filed questioning the action of the respondents in demanding the arrears of the erstwhile sick unit i.e., M/s. Siri Vennala Dhaba Gardens, with respect to Service Connection No.1046.

It is the case of the petitioner that the petitioner had purchased the property through a registered sale deed dated 18.12.2006 in a public auction from the A.P. State Financial Corporation and the petitioner has nothing to do with the arrears of the erstwhile owner M/s. Siri Vennala Dhaba Gardens.

Learned counsel for the petitioner submits that there is no justification for demanding the said amount. He placed reliance on the judgment reported in **Isha Marbles vs. The Rajasthan State Electricity Board**¹ to support his contention.

While admitting the writ petition, this Court granted stay on the condition of petitioner paying a sum of Rs.11,000/- and the petitioner had complied with the same.

Though in the counter-affidavit the respondents have raised various other issues, did not dispute that the petitioner is a subsequent owner of the property and he came into the property by virtue of acquiring the same through the public auction. As it is well settled that the Corporation cannot demand dues from subsequent purchaser in a public auction, the demand made by the respondents is totally illegal and unsustainable and the issue is no longer a *res integra* as rightly contended by the learned counsel for the petitioner.

In those circumstances, the writ petition is allowed and the amount which has been deposited by the petitioner in terms of the interim orders dated 02.07.2007 passed by this Court, shall be adjusted in future bills of the petitioner. No order as to costs.

¹ AIR 1999 SC 581

Miscellaneous petitions, if any pending in this writ petition shall stand closed.

CHALLA KODANDA RAM,J

Date:17.10.2016

Gk.



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