

THE HON'BLE SRI JUSTICE A.RAMALINGESWARA RAO

WRIT PETITION No.19874 OF 2007

ORDER:

Heard learned counsel for the petitioner and learned standing counsel for the respondents.

The second respondent conducted an auction for sale of plot No.1/HIG, admeasuring 266.66 square yards of vacant land situated at Balajinagar, Balanagar Mandal, Ranga Reddy District, on 27.04.2004. The petitioner participated in the said auction and became the highest bidder. The bid was knocked down in his favour at Rs.11,800/- per square yard. As per the terms and conditions of the auction, he is required to deposit 25% of the bid amount and 1% auction expenses within twenty four hours and the balance 75% of the bid amount to be paid within three months from the date of confirmation of auction by the Vice Chairman and Housing Commissioner. However, for payment of the balance amount beyond the period of three months, simple interest at 10% would be charged by the Board. In case of failure to remit the balance amount within three months at 10% interest, the allotment would automatically deemed to be cancelled by forfeiting the amount paid earlier. The petitioner accordingly paid an amount of Rs.7,68,113/- towards 25% of the plot cost and 1% auction expenses. The auction was confirmed in favour of the petitioner on 27.04.2004 by the second respondent making it clear that the confirmation of sale would be subject to result in W.P.No.5594 of 2004 pending before this Court. Thereafter, the petitioner was informed by the second respondent, by letter dated 23.07.2004, to pay the balance amount through a Demand Draft within a period of three months from the date of confirmation by the first respondent on 09.07.2004. The balance amount came to Rs.23,60,641/-. The second respondent issued a notice on 28.10.2004 asking the petitioner to pay the balance amount along with

10% interest per annum and if the amount is not paid, the auction would be cancelled and re-auction would be conducted. On receipt of the said notice, the petitioner addressed a letter on 10.11.2004 requesting the respondents to grant extension of time for payment of balance amount and accordingly time was extended upto 08.01.2005. The petitioner made a further representation on 05.01.2005 seeking three months time to enable him to pay the balance amount as well as interest accrued thereon. The petitioner was permitted to pay the amount by 15.02.2005, but he committed default in payment of the balance amount. After ten months of such default, the petitioner addressed a letter on 09.12.2005 to the Vice Chairman and Housing Commissioner to permit him to pay the balance amount within thirty (30) days and to register the plot in his name and by another letter, dated 12.12.2005, the petitioner enclosed a cheque for Rs.23,60,641/- and requested to accept the same and waive the interest. The petitioner was issued a letter on 23.12.2005 that his request to accept the amount cannot be considered as he did not pay the amount by 15.02.2005 and bid lapsed automatically. The petitioner submitted a representation on 20.01.2006 narrating the circumstances under which he could not make the payment and it was followed by another representation, dated 30.01.2006 and there was no response from the respondents. He submitted another representation on 26.10.2006 to the first respondent. While so, when a notification was issued on 17.08.2007, published in the newspapers on 10.09.2007, seeking to conduct public auction of several plots including the plot, for which the petitioner became highest bidder, the petitioner filed the present writ petition.

The above facts are not disputed and they are borne out by the record. The learned counsel for the petitioner submitted that the petitioner could not make payment in view of the death of his mother on 24.03.2005. Even after the death of the mother, the petitioner did not take any steps

and addressed a letter only on 09.12.2005. Since the auction was held subject to the terms and conditions, which were made clear at the time of action, no relief can be granted to the petitioner. Admittedly, the petitioner committed default in payment of the balance amount within three months and even after granting extension of time by charging 10% interest and asking the petitioner to pay the balance amount by 08.01.2005, the petitioner committed default. When he was granted time till 15.02.2005, the petitioner did not pay the amount. Ultimately, the petitioner enclosed a cheque for Rs.23,60,641/- and requested for waiver of interest and the same was not accepted. The decision was communicated on 23.12.2005 and the petitioner was making only representations and when the petitioner came to know that the plot is notified for auction, he approached this Court. In this regard, the learned counsel for the petitioner submits that the said order was not communicated to the petitioner. Even if it is not communicated to the petitioner, as per the terms and conditions of the auction, the bid of the petitioner would automatically be cancelled by reason of non-payment of balance amount within the stipulated time. In the circumstances, in view of the violation of conditions of auction, no relief can be granted to the petitioner.

The writ petition is accordingly dismissed. Miscellaneous petitions, if any pending, in this writ petition, shall stand closed.

A.RAMALINGESWARA RAO, J

13.06.2017
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