

19.09.2023
Item No.16
Ct. No.5
CHC
(dismissed)

M.A.T.1346 of 2023

**Kolkata Metropolitan Development Authority &
anr.
Vs.
Maruti Suzuki India Ltd.**

Mr. Satyajit Talukdar,
Mr. Sirsanya Bandhopadhyay,
Ms. Piu Karmakar
...for the appellants/KMDA

Mr. Jaydip Kar, Ld. Sr. Advocate
Mr. Souradeep Banerjee,
Ms. Sanjana Sinha
...for the respondent
opposite party

The appeal is directed against the judgment and order dated June 15, 2023 passed by learned Single Judge in W.P.A.6764 of 2010.

By the impugned judgment and order, learned Single Judge quashed the demand of the appellants requiring the respondent to pay 10% of the current land value for the purpose of recording change of name.

Learned advocate appearing for the appellants submits that, the decision of the appellants to levy 10% of the current market value for any change of name of the allottee subsequent to the allotment was not challenged by the respondent in the writ petition filed by it. Learned Single Judge also did not return a finding that, such a decision of the

appellants was bad in law. Therefore, it was open to the appellants to apply such a decision on the request of the respondent for change of name, in the facts of the present case.

Learned advocate appearing for the appellants submits that, indisputably, the appellants changed its name from Maruti Udyog Limited (MUL) to Maruti Suzuki India Limited (MSIL). This was done subsequent to the allotment. Therefore, on the strength of the decision 155th Authority Meeting held on March 26, 2008, the appellants were entitled to levy 10% of the current market value for change of name.

Referring to various portions of the impugned judgment and order, learned advocate appearing for the appellants submits that, the learned Single Judge misconstrued and mis-applied the decision of the appellants to levy 10% fee for change of name. He submits that, since, the decision was not held to be bad and in fact was never challenged by the respondent, its applicability should also be allowed.

Learned advocate appearing for the appellants submits referring to various documents that, the respondent took possession of the plot in question and is in possession since December 18, 2008.

Learned Senior Advocate appearing for the respondent submits that, MUL was the original allottee. MUL changed its name to MSIL under the provisions of Section 21 of the Companies Act, 1956. Change of name therefore cannot attract the provisions of the resolution adopted in the 139th Meeting of the respondent.

Learned Senior Advocate appearing for the respondent refers to the resolution of the appellants and submits that, such resolution is required to be read and understood in the context of sub-leasing, sub-letting, assignment or otherwise alienating a portion of the land concerned. The authorities were wrong in demanding 10% of the current market value for the change of name.

From the materials made available in record, it transpires that, appellants allotted land to MUL in 2004. By a letter dated May 16, 2005, MUL was informed about the provisional allotment of land. There is a writing dated August 24, 2005 with regard to the allotment.

It is not in dispute that land was allotted in the name of MUL. It is also not in dispute that, MUL changed its name to MSIL under Section 21 of the Companies Act, 1956 and a Fresh Certificate of Incorporation consequent upon change of name was

issued by the Registrar of Companies on September 17, 2007.

MSIL applied for change of name with the appellant consequent upon the change of its name from MUL to MSIL. By writings dated July 21, 2009 and March 23, 2010, appellants demanded 10% of the current market value from the MSIL for the purpose of recording the change of name on the strength of the resolution.

The bone of contention is a resolution of the appellants taken in the 155th Authority Meeting held on March 26, 2008.

The resolution on the basis of which appellants issued two demand notices to the respondent and which such demands were challenged by the respondent in the writ is as follows:-

**“KOLKATA METROPOLITAN DEVELOPMENT
AUTHORITY PROSHASAN BHAVAN, DD-I, SECTOR-
I, SALT LAKE CITY, KOLKATA -700064.**

**155TH Authority Meeting
Agenda Item No.9.2**

Sub: Change of name of the different allottees of bulkland service charge thereof.

The issue of sub-leasing, sub-letting, assigning or otherwise alienating a portion of the constructed area on bulkland allotted by KMDA to different allottees charging 10% at the current land value as service charge was approved in the 15th Executive Committee meeting held on 2nd July, 2002 and subsequently ratified by the 139th Authority meeting held on 30th July, 2002. Depending on the spirit of the decision any

change in allotment by the allottee, be it lease, alienation, assigning by any means etc. 10% service charge is being levied by KMDA. Since the decision this principle has been followed in all cases of change of name. It is now proposed that to make the decision crystal clear and put to rest any ambiguity regarding its interpretation, a clarification to the above is proposed. It may be specified that a fee of 10% of the current land value will be charged for any change in name by the allottee subsequent to allotment as this amounts to alienation of the land. Similarly any change made by the allottee through lease, sub-lease, alienation, assignment will be permitted only on reasonable ground and on payment of 10% on current land value as service charge.”

It is the contention of the appellants that any change of name would attract the levy imposed by the resolution. Such an interpretation would result in an absurdity if the allottee is a natural person. If for any reason the natural person allottee changes his name, then, on the strength of the interpretation of the appellants, such natural person is required to pay the levy.

The levy of fee for change of name, as resolved by the appellants, in our view, relates to situations where there is a parting of interest, by the allottee, in respect of the plot of the land allotted, be it by way of sub-leasing, sub-letting, or assignement or any other alienation. Simpliciter change of name

under Section 21 of the Companies Act, 1956 does not attract the mischief of such a resolution.

In the facts of the present case, nothing is placed before us to suggest that, there was any sub-leasing or sub-letting or assignment or any alienation of the plot concerned by MUL, the original allottee when it changed its name to MSIL, in any manner whatsoever. MUL changed its name to MSIL invoking Section 21 of the Companies Act, 1956 as noted above.

In such circumstances, we are of the view that, the resolution as noted above, was not attracted to the request made by the MSIL for recording the change in its name in the records of the appellants. The two demand letters of the appellants therefore were misplaced. The learned Single Judge correctly quashed both of them.

In view of the discussions above, we find no merit in the appeal.

M.A.T. 1346 of 2023 is dismissed without any order as to costs.

(Debangsu Basak, J.)

(Md. Shabbar Rashidi, J.)