



WEB COPY



W.P. No. 3662 of 2016

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.02.2024

CORAM

THE HON'BLE MR. JUSTICE P.D. AUDIKESAVALU

W.P. No. 3662 of 2016

and

W.M.P. Nos. 3015 and 3016 of 2016

N.V.Prasad

... Petitioner

-VS-

1. The Tamil Nadu Small Industries Development Corporation Ltd.,
Rep. By its Chairman and Managing Director,
having registered office at
Thiru. Vi.Ka. Industrial Estate,
Near SIDCO Electronics Complex,
Guindy, Chennai – 600 032.

2. The Branch Manager,
SIDCO Industrial Estate,
Krishnagiri.

... Respondents

Prayer:- Writ Petition filed under Article 226 of the Constitution of India, 1950, praying to issue a Writ of Certiorarified Mandamus, to call for the records relating to the impugned order of the Second Respondent dated 21.10.2014 in Rc. No. 516/C/2009 and quash the order dated 26.08.2015 in Rc. No. 516/C/2009 and to direct the Respondents herein to forthwith execute the sale deed in favour of the Petitioner herein with respect to plot No. 77 with an extent of 1.022 acres at SIDCO, Industrial Estate, Bargur.

For Petitioner : Mr. Ramesh Kumar Chopra

For Respondents : Ms. Sithara Sarangan



W.P. No. 3662 of 2016

WEB COPY

ORDER

Heard Mr. Ramesh Kumar Chopra, Learned Counsel for the Petitioner and Ms. Sithara Sarangan, Learned Counsel for the Respondents and perused the materials placed on record, apart from the pleadings of the parties.

2. The Petitioner was allotted developed Plot No. 77 measuring an extent of 1.022 acre situated in SIDCO Industrial Estate, Bargur by Proceedings in Rc. No. 6250/K1/09 dated 10.11.2009 by the Respondent, which was handed over to him on 05.08.2013. It is the case of the Petitioner that after he had completed payment of the land cost, the Respondent by Proceedings in Rc. No. 516/C/2009 dated 21.10.2014 demanded the Petitioner to pay an additional amount of Rs. 14,33,832/- along with 13% penal interest towards revised cost for the year 2010-2011 within 15 days from the date of its receipt, failing which it was warned that further action would be taken in that regard. The Petitioner had sent replies dated 10.11.2014 and 19.11.2014 stating that the plot is situated in hilly terrain which is 1.5 meters lower than the road level for which he had incurred huge expenditure for levelling of land, breaking of rocks, etc., and as such, requested for waiver of the demand for revised cost and penal interest.



W.P. No. 3662 of 2016

However, the Respondent by Proceedings in Rc. No. 516/C/2009 dated 26.08.2015 reiterated the demand for revised cost highlighting the conditions in the allotment order itself providing for the same. The said orders are challenged in this Writ Petition.

3. At the outset, it would be appropriate to straightaway refer to the relevant conditions in the allotment of plot in Proceedings in Rc. No. 6250/K1/09 dated 10.11.2009, which reads as follows:-

“1 (a) The tentative cost of the developed Plot(s) is Rs. 14,67,400/- (Rupees Fourteen Lakhs Sixty Seven Thousand Four Hundred only) at the rate of Rs. 14,35,800/- per acre which is inclusive of SIDCO's Administrative Charges. The above said cost is valid upon 31.03.2010.

(b) The tentative cost of the Developed Plot shall be paid in the manner indicated below.

(i) 25% of the balance cost of the Developed Plot of Rs. 3,66,900/- (Rupees Three Lakhs Sixty Six Thousand Nine Hundred only) shall be paid within two months from the date of issue of this order.

(ii) 75% of the balance cost of the Developed Plot of Rs.



W.P. No. 3662 of 2016

11,00,500/- (Rupees Eleven Lakhs and Five Hundred only) shall

be paid within six months from the date of issue of this order.

However, belated payment interest will be changed after expiry of 2 months and for the balance cost after expiry of 6 months.

The cost is subject to revision based on the land cost to be fixed by the Government. Further, if the erstwhile owners of the lands acquired for the above estate happen to go to civil Court appealing against the award passed by the land acquisition officer and the Courts pass a decree or decrees in their favour, the extra compensation that has to be paid thereon by this office and also due to extraneous unavoidable circumstances in the increased rate of taxes or cost of development and provision of amenities, it will be made good from the allottees by revising the cost of the plots.

The Chairman and Managing Director of TANSIDCO shall after due conclusion of every proceedings initiated or likely to be initiated under the Land Acquisition Act by the erstwhile owners as the land acquired and after a finality regarding the price of land so acquired is obtained by conclusive adjudication thereon by the concerned Tribunals/Courts, fix the final price payable the



W.P. No. 3662 of 2016

WEB COPY

allotees in respect of the Developed Plot hereby allotted and such decision of the Chairman and Managing Director as to the price of the plot is final and binding on the allottee.

The final price of the developed plot due to the increased cost of development charges and provision of amenities etc. shall be determined at any time from the date of allotment excepting in the case of acquisition proceeding pending in civil Courts and as fixation of price by TANSIDCO is conclusive and final. With reference to the final price fixed by SIDCO, the allottee shall pay the difference in cost of the land, proportionate to the extent of the Developed Plot allotted, on demand from SIDCO, with any demor and an undertaking to this effect should be furnished by you to the Branch Manager, SIDCO, Krishnagiri is Rs. 50/- Stamp Paper agreeing to remit the difference in cost in one lumpsum.”

The aforesaid terms are unequivocal and categoric that an allottee would have to pay the revised cost, when required, and the Petitioner cannot wriggle out of that obligation by contending that he had spent on further development of the plot by levelling the land and breaking of rocks, etc., especially when the Petitioner was expected to have visited the land to ascertain its physical features before seeking its allotment in his favour. Moreover, the Government



W.P. No. 3662 of 2016

of Tamil Nadu by G.O (Ms) No. 31, Micro, Small and Medium Enterprises (C)

Department dated 19.06.2013 has issued the guidelines for fixation of the land cost by the Respondent, and the demand for the revised cost has been worked out relying on it. In any event, the work carried out by the Petitioner in the property are for his own benefit, which would not absolve him of his liability to pay the revised cost as per the terms of the allotment order itself. In that view of the matter, there does not appear to be any infirmity in the decision-making process of the Respondent requiring any interference by this Court in the exercise of discretionary powers of judicial review under Article 226 of the Constitution. In the event of the Petitioner failing to pay the revised cost with accrued interest as demanded from him, the Respondent shall be entitled to proceed further to recover it or cancel the allotment, if warranted, in accordance with law.

In the result, the Writ Petition is dismissed with the aforesaid observations. Consequently, the connected Miscellaneous Petitions are closed.
No costs.

22.02.2024

Index: Yes/No

NCC: Yes/No

Note: Issue order copy by 29.05.2024.



W.P. No. 3662 of 2016



W.P. No. 3662 of 2016

To

WEB COPY

1. The Chairman and Managing Director,
The Tamil Nadu Small Industries Development Corporation Ltd.,
having registered office at
Thiru. Vi.Ka. Industrial Estate,
Near SIDCO Electronics Complex,
Guindy, Chennai – 600 032.
2. The Branch Manager,
SIDCO Industrial Estate,
Krishnagiri.



WEB COPY



W.P. No. 3662 of 2016

P.D. AUDIKESAVALU, J.

kv

W.P. No. 3662 of 2016

22.02.2024