IN THE HIGH COURT OF KARNATAKA

KALABURAGI BENCH

DATED THIS THE 13TH DAY OF JANUARY, 2025

BEFORE

THE HON'BLE MR. JUSTICE R. NATARAJ

WRIT PETITION NO.200662/2022(GM-KIADB)

BETWEEN:

RAHUL HARSOOR
S/O. REVANSIDDAPPA HARSOOR,
AGED ABOUT: 30 YEARS,
OCC: BHARAT CEMENT PRODUCT BUSINESS,
R/O. 19-1-64, SHIV NAGAR SOUTH,
BIDAR TQ.,
DIST. BIDAR-585401.

...PETITIONER

(BY SRI RAVI B. PATIL, ADVOCATE)

AND:

Digitally signed by RENUKA
Location: High Court Of Karnataka

1. THE MANAGING DIRECTOR,
   KARNATAKA STATE SMALL SCALE INDUSTRIAL DEVELOPMENT CORPORATION LIMITED,
   ADMINISTRATIVE BUILDING,
   INDUSTRIAL ESTATE, RAJAJINAGAR,
   BENGALURU-560040.

2. THE ASSISTANT CHIEF MANAGER,
   SMALL SCALE INDUSTRIAL DEVELOPMENT CORPORATION LIMITED,
   KALABURAGI DIVISION,
   KSSIDC OFFICE, INDUSTRIAL ESTATE,

MSK MILL ROAD,
KALABURAGI:585102.

3. THE CHAIRMAN/DEPUTY COMMISSIONER,
DISTRICT LEVEL SINGLE WINDOW COMMITTEE,
DC OFFICE,
BIDAR:585401

…RESPONDENTS

(BY SRI MALLIKARJUN SAHUKAR, AGA, FOR R2 AND R3
SRI ANANTH S. JAHAGIRDAR, ADVOCATE, FOR R1)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRYAING TO ISSUE A WRIT OF CERTIORARI, THEREBY, QUASH THE IMPUGNED COMMUNICATION BEARING NO.ಕೈವ/ಕ.ವಿ./ಕೋಳಾರ ಬೀದರ/ನಿವೇಶನ/ಕ್ಯೂ–03/ಹಂಚಿಕೆರದ್ದತಿ/2021–22/688 DATED 08.11.2021 AS AT ANNEXURE-D ISSUED BY THE 2ND RESPONDENT AUTHORITY, COMMUNICATING THE DECISION OF THE BOARD DATED 3.3.2021 IS ILLEGAL AND ARBITRARY IN NATURE, AND ETC.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE R.NATARAJ

ORAL ORDER

1. The petitioner has challenged the impugned communication bearing No.ಕೈವ/ಕ.ವಿ./ ಕೋಳಾರ ಬೀದರ/ನಿವೇಶನ/ಕ್ಯೂ–03/ಹಂಚಿಕೆರದ್ದತಿ/2021–22/688 dated 08.11.2021 cancelling the allotment of an industrial plot for non-commissioning of the

unit within the time stipulated. The petitioner has also challenged a Communication bearing No. ಸಮನ್ವಯ:ಪ್ರಕಟಣೆ:ಮಳಿಗೆ:ನಿವೇಶನ:ಹಂಚಿಕೆ:2021 dated 17.12.2021 issued by respondent No.1 communicating the decision of the Board. He has also sought to issue writ of mandamus to direct respondent Nos.1 to 3 to consider the predicament faced by the petitioner and extend the time to pay the allotment price.

2. The petitioner submits that he had filed an application seeking allotment of an industrial plot against the notification dated 12.02.2018. He was allotted a plot bearing No.Q-03 measuring 546 feet situated at Industrial Area at Kolhar, Bidar District, vide allotment letter dated 19.02.2019. The allotment was subject to the conditions that petitioner shall pay 25% of allotment price *i.e.,* Rs.2,33,000/- within 90 days and the balance of Rs.2,32,050/- in 08 quarterly installments of Rs.33,232/-. He was also required to obtain plan of the buildings from the competent Municipal Authority within one year and to commence commercial production within three years. The

petitioner could not comply the above since his father was diagnosed with certain medical ailments. The respondents thereafter initiated proceedings for cancellation of the allotment for non-compliance of the terms of allotment and passed the impugned order cancelling the allotment, which was intimated to the petitioner. The petitioner is therefore before this Court challenging the aforesaid orders of the respondents.

3. Learned counsel for the petitioner contends that the petitioner was prevented by sufficient cause from paying the allotment price within the time prescribed and also in implementing the project. He contended that the petitioner is willing to pay the present allotment rate. He submits that the petitioner belongs to the Scheduled Caste and therefore cancelling the allotment would cause irreparable loss and injury to the petitioner.

4. *Per contra*, learned counsel for the respondents submits that the petitioner was allotted an industrial plot subject to certain conditions. The petitioner had accepted the said conditions and had agreed to comply with the

conditions. He therefore submits that the petitioner cannot now turn around and cite reasons for non-implementing in not paying allotment price and in not implementing the project.

5. The purpose of formation of any industrial area through an instrumentality of the State is to ensure industrial growth and generate employment, for which purpose the State Government has evolved schemes, such as, granting subsidy for entrepreneurs to establish industries in remote parts of the State, tax holidays etc. Similarly, enormous benefits are provided by the State Government to persons belonging to Scheduled Caste/Scheduled Tribes, who intend to establish industries. Therefore, the whole purpose of allotment of an industrial plot is to encourage industrialization to provide employment and thereby contribute to the National Wealth. In the case on hand, though the petitioner was allotted an industrial plot by the respondents and though he was well aware of his obligation to pay allotment price within the time stipulated, he failed to do so. This Court cannot lose sight of the fact that the

development of an industrial area depends upon the timely payment of allotment price by the allottees. Therefore, the reason mentioned by the petitioner for not paying allotment price within time is unacceptable.

6. This apart, the petitioner has not even taken any steps for obtaining a plan of the building to be constructed from the concerned Municipal Authority and has not made any ground work, such as sinking a bore-well, obtaining plans of buildings, finalizing implementation of project, placing indents for supply of equipments and machineries, recruiting employees for the intended activity etc. It therefore, appears that the petitioner has obtained the allotment of the plot with no apparent desire to establish the unit. In that view of the matter respondents were justified in cancelling allotment of the industrial plot to the petitioner. Now that the respondents have already notified the auction of the subject industrial plot, this Court cannot come in the way of the respondents proceeding in the manner. Hence, this writ petition lack merits and it is dismissed.

7. Respondents shall issue a fresh publication inviting bids from any persons interested and proceed in accordance with law.

8. The same shall be complied within a period of three months from the date of receipt of a copy of this order.

Sd/-
(R. NATARAJ)
JUDGE

SBS
List No.: 1 Sl No.: 60
CT:MH