



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

WRIT PETITION NO. 16475 OF 2022 (LB-RES)

BETWEEN:

SRI H V GAJARAJ,
S/O SRI VENKATAPPAREDDY HALANAYAKANAHALLI,
AGED ABOUT 72 YEARS,
R/AT NO 111, F-2, BOMMASANDRA,
INDUSTRIAL AREA, HOSUR ROAD,
BENGALURU 560 099.

...PETITIONER

(BY SRI AJIT KALYAN, ADVOCATE)

AND:

1. STATE OF KARNATAKA,
REP. BY ITS SECRETARY,
DEPARTMENT OF HOUSING,
VIKAS SOUDHA, BENGALURU-560 001.

2. THE COMMISSIONER,
KARNATAKA HOUSING BOARD,
KAVERI BHAVAN, K G ROAD,
BENGALURU 560 009.

...RESPONDENTS

(BY SMT. CHANDINI SINGH S, HCGP FOR R-1;
SRI V.N MURTHY, ADVOCATE FOR R-2)

THIS WP IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA PRAYING TO-DIRECT THE R-2 TO CONSIDER THE REPRESENTATION OF THE PETITIONER DATED 28.01.2022 PRODUCED VIDE ANNEXURE-P AND ISSUE A NEW EXCHANGE LETTER IN RESPECT OF HIG II SITE NO.303-B1-ODD TO THE PETITIONER AT THE PREVAILING RATE AS ON THE DATE OF PRIOR ALLOTMENT IN ACCORDANCE WITH LAW ETC.

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





CORAM: HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

ORAL ORDER

1. The petitioner is before this Court, seeking for the following reliefs:

"a. Issue a writ of Mandamus directing the second Respondent to consider the representation of the Petitioner dated 28.01.2022 produced vide ANNEXURE-P and issue a new exchange letter in respect of HIG II Site No. 303- B1-ODD to the Petitioner at the prevailing rate as on the date of prior allotment in accordance with law.

*a(1). Issue a writ of certiorari, by quashing the allotment cancellation order dated 13.04.2022 bearing No. 60/2021-22 issued by the 2nd Respondent, produced herewith as Annexure-Q. Alternatively if the 2nd respondent has already allotted site No. 303-B1-ODD HIG II situated in Suryanagar III phase in favour of III parties, the 2nd respondent shall be directed to allot 50*80 site in favour of the petitioner at the price which was in force in year 2013 (When the first allotment was made).*

b. Grant such other and further relief/s as this Hon'ble Court deems fit in the interest of justice and equity."

2. The petitioner initially approached this Court contending that his request for enhancement of the size of the plot allotted to him had not been considered by the respondents. The original allotment made in his favour was in respect of a site



measuring 50 × 35 ft., admeasuring 1,750 sq.ft. According to the petitioner, the said extent was insufficient for his requirements and he had, as early as in the year 2013, sought allotment of a larger site. Since no decision was taken on his representation, he sought appropriate relief before this Court. Upon notice being issued, the respondents entered an appearance and filed their objections. During the course of proceedings, it was contended on behalf of the respondents that even the earlier allotment stood cancelled. In view of this development, the petitioner sought an amendment to the writ petition, which was allowed, and additional reliefs were incorporated.

3. It is not in dispute that the petitioner was originally allotted a site measuring 1,750 sq.ft. at the rate of ₹950/- per square foot and that the entire consideration in respect thereof was paid by 04.02.2017. The payment was accepted by the



respondents without demur. Thus, in so far as the original extent of 1,750 sq.ft. is concerned, the contractual obligations stood fully discharged and the transaction attained finality.

4. Subsequently, on 20.01.2022, the respondents issued an intimation of allotment granting an exchange site admeasuring 4,359 sq.ft. The rate fixed for this allotment was ₹1,550/- per square foot. Within eight days thereof, the petitioner submitted a representation dated 28.01.2022 requesting reconsideration of the rate and contending that he should not be required to pay the enhanced rate in respect of the entire extent, particularly when he had already paid the full consideration for 1,750 sq.ft. at ₹950/- per square foot. The petitioner has consistently maintained that he is ready and willing to pay the differential amount for the enhanced extent.



5. The respondents, however, contend that the allotment was subject to payment within the stipulated time and that upon failure to comply with the demand calculated at ₹1,550/- per square foot for the entire 4,359 sq.ft., the allotment was cancelled by notice dated 15.03.2022. It is submitted that such cancellation is strictly in accordance with the terms and conditions governing allotment and that this Court ought not to interfere in contractual matters.
6. The short but significant question that arises for consideration is whether the respondents are justified in applying the enhanced rate of ₹1,550/- per square foot to the entire extent of 4,359 sq.ft., notwithstanding the admitted position that the petitioner had already paid in full for 1,750 sq.ft. at ₹950/- per square foot several years earlier.
7. In the considered view of this Court, the original allotment in respect of 1,750 sq.ft. constituted a



concluded contract. The consideration was fixed, the amount was paid in full, and the respondents accepted such payment. In the absence of any stipulation permitting retrospective revision of rate after full payment, the respondents cannot reopen or revalue the earlier concluded transaction. To permit such revaluation would amount to unsettling vested rights and imposing a retrospective financial burden, which would offend basic principles of contractual certainty and administrative fairness.

8. At the same time, it cannot be gainsaid that the enhanced extent constitutes additional allotment. Upon enlargement, the total extent now allotted is 4,359 sq.ft. The differential extent therefore works out to 4,359 minus 1,750, which equals 2,609 sq.ft. In respect of this additional 2,609 sq.ft., the respondents are fully justified in applying the prevailing rate of ₹1,550/- per square foot. The petitioner cannot insist that the additional extent be



valued at the old rate, as that would amount to conferring upon him an unintended financial advantage inconsistent with prevailing norms.

9. Thus, the legally sustainable approach lies in a rational bifurcation. The extent of 1,750 sq.ft., having been fully paid for at ₹950/- per square foot, must retain that valuation. The enhanced rate of ₹1,550/- per square foot can apply only to the differential extent of 2,609 sq.ft. Any attempt to apply the enhanced rate to the entire 4,359 sq.ft. would effectively compel the petitioner to repurchase the original extent at a higher rate, which is neither contractually sanctioned nor equitable.
10. The cancellation of the allotment appears to have been premised upon non-payment calculated on the basis that the entire 4,359 sq.ft. attracted the enhanced rate. Since such computation itself cannot be sustained to the extent it revalues the earlier 1,750 sq.ft., the consequential cancellation cannot



stand in its present form. However, the petitioner must discharge the lawful liability arising in respect of the additional 2,609 sq.ft. within a reasonable time. Hence I pass the following:

ORDER

- i. The writ petition is partly allowed.
- ii. Certiorari is issued, the cancellation of the allotment dated 13.04.2022 at Annexure Q is quashed.
- iii. Petitioner is directed to make payment of a sum of ₹ 1,550/- per square foot for the differential measurement of 2609 square feet within a period of 30 days from the date of receipt of a copy of this order.
- iv. If the payment is made by 30.03.2026, the respondents are directed to execute the necessary sale deed by 30.04.2026. If the petitioner does not make payment of the



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money by 30.03.2026, the petitioner would lose
the entitlement to the benefit of the order.

Sd/-
(SURAJ GOVINDARAJ)
JUDGE

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List No.: 2 SI No.: 27