



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF MARCH, 2026

PRESENT

THE HON'BLE MR. JUSTICE S.G.PANDIT

AND

THE HON'BLE MR. JUSTICE K. V. ARAVIND

WRIT PETITION NO.22142 OF 2024 (S-KSAT)

BETWEEN:

H.A.KUMAR
SON OF LATE ALLAKATTAIAH,
AGED ABOUT 53 YEARS,
WORKING AS CHIEF OFFICER,
CHIKKABANAVARA TOWN
MUNICIPAL COUNCIL,
BENGALURU URBAN
DISTRICT-560 090

RESIDENT OF SRI MYLARA NILAYA,
BILVA ROAD, 1ST CROSS,
KUMUTIAH LAY OUT,
BANASHANKARI 2ND PHASE,
TUMAKUR,
TUMAKUR-DISTRICT., 572102.

...PETITIONER

(BY SRI. N RAMAKRISHNA, ADV.)

AND:

1. THE STATE OF KARNATAKA



REP. BY ITS UNDER SECRETARY,
DEPARTMENT OF URBAN DEVELOPMENT,
M.S.BUILDING, DR. AMBEDKARVEEDHI,
BANGALORE-560001.

2. THE DIRECTOR,
DIRECTORATE OF MUNICIPAL
ADMINISTRATION, 9TH FLOOR,
VISHWESHWRAIAH TOWER,
DR. AMBEDKAR VEEDHI,
BENGALURU-560001.

...RESPONDENTS

(BY SRI. V.SHIVAREDDY, AGA)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 &
227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A
WRIT OF CERTIORARI OR DIRECTION OR ANY OTHER
APPROPRIATE WRIT, QUASHING THE ORDER PASSED BY THE
HON'BLE KAT IN A.No-2692/2023 DATED 11.07.2024
PRODUCED AT ANNEXURE-B AND ETC.

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

CORAM: HON'BLE MR. JUSTICE S.G.PANDIT
and
HON'BLE MR. JUSTICE K. V. ARAVIND



ORAL ORDER

(PER: HON'BLE MR. JUSTICE K. V. ARAVIND)

Heard Sri N. Ramakrishna, learned counsel appearing for the petitioner, and Sri V. Shivareddy, learned Additional Government Advocate appearing for the respondents.

2. The applicant in Application No. 2692/2023 is before this Court, assailing the order dated 11.07.2024 passed by the Karnataka Administrative Tribunal, Bengaluru.

3. The petitioner, while serving as the Chief Officer of the Municipal Council, Savanur, allotted shops without conducting a public auction. A complaint in this regard was submitted to the Director of Project, District Urban Development Authority, Haveri. Pursuant to an investigation, an enquiry report was submitted. Thereafter, a show-cause notice was issued to the petitioner proposing recovery of a sum of Rs. 6,81,484/- towards the alleged monetary loss caused by allotting shop Nos. 40 to 52 in the shopping complex at Jolada Market, constructed under the IDSMT scheme, to persons of his choice.



3.1 The petitioner submitted a detailed reply to the allegations. An enquiry was thereafter conducted by the Enquiry Officer, who submitted his report. Based on the findings, a second show-cause notice was issued, and by the order of penalty, the petitioner was held responsible for causing a monetary loss of Rs. 6,81,484/-, with interest at the rate of 8% per annum.

3.2 Aggrieved by the said order, the petitioner approached the Tribunal. The Tribunal, by the impugned order, upon considering the evidence recorded by the Enquiry Officer, the findings rendered against the petitioner, and the order imposing penalty, dismissed the application.

4. Sri N. Ramakrishna, learned counsel appearing for the petitioner, submits that no proper enquiry has been conducted. It is contended that the proceedings were initiated on the basis of an enquiry report submitted by the Assistant Executive Engineer, pursuant to directions issued by the Project Director. It is further contended that neither the Project Director nor the Assistant Executive Engineer has been examined, which is fatal to the case of the Disciplinary Authority.



4.1 It is also submitted that the primary witnesses have not been examined to substantiate the charges against the petitioner. Learned counsel further contends that the shops were allotted without auction only to ensure that they did not remain vacant and that no financial loss was caused to the Town Municipal Council.

4.2 It is further submitted that the order of penalty directing recovery of a sum of Rs. 6,81,484/- is without any basis. According to the learned counsel, neither the Enquiry Officer nor the Disciplinary Authority has furnished any material or reasoning indicating the basis or break-up for the determination of the alleged loss.

5. Sri V. Shivareddy, learned Additional Government Advocate appearing for the respondents, submits that the calculation of the alleged loss is based on the Circular dated 14.08.2015. The learned AGA has filed a memo dated 24.03.2026, along with a copy of the said Circular and the calculation sheet dated 23.03.2026.



5.1 Placing reliance on the documents produced along with the memo, it is contended that the Circular prescribes the complete formula for computation of the loss and that the amount determined is strictly in accordance with the said Circular. The learned AGA further submits that the Tribunal, upon due consideration of the evidence on record, has rightly rejected the application by upholding the order of penalty.

6. Having considered the submissions made by the learned counsel for the petitioner and the learned Additional Government Advocate, this Court is inclined to interfere with the order passed by the Tribunal as well as the order of penalty dated 13.04.2023. This Court finds that the determination of penalty in a sum of Rs. 6,81,484/- is without any discernible basis.

7. It is open to the petitioner to dispute the quantum. Unless the basis or a complete break-up for arriving at the sum of Rs. 6,81,484/- is made available in the order of penalty, it would prejudice the rights and defence available to the petitioner. It appears that the quantification has been arrived at without proper application of mind. However, merely on the



ground that the basis for such quantification is not forthcoming, the order of penalty cannot be set aside without affording an opportunity for reconsideration.

8. In view of the finding of this Court that there is no discernible basis for arriving at the penalty, it is deemed appropriate to set aside the order dated 13.04.2023 and remit the matter for reconsideration to respondent No. 2, with a direction to furnish a detailed break-up, computation, or the basis for computation of the alleged loss.

9. In view of the setting aside of the order dated 13.04.2023, the order passed by the Tribunal dated 11.07.2024 in Application No. 2692/2023 also stands ***set aside***.

10. The respondents shall complete the aforesaid exercise within a period of four months from the date of receipt of a copy of this order. It is needless to observe that the petitioner shall be afforded an opportunity to submit his explanation before concluding the exercise in terms of the above directions.



**NC: 2026:KHC:16797-DB
WP No. 22142 of 2024**

Accordingly, the writ petition stands ***allowed***.

**Sd/-
(S.G.PANDIT)
JUDGE**

**Sd/-
(K. V. ARAVIND)
JUDGE**

SMJ;
List No.: 1 SI No.: 5