

IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH

CWP No. 17911 of 2015 (O&M)

Date of Decision: 14.09.2015

M/s Powergrid Corporation of India Ltd.

--Petitioner

Versus

Haryana Urban Development Authority
& others

--Respondents

**CORAM:- HON'BLE MR.JUSTICE S.J. VAZIFDAR.
HON'BLE MR.JUSTICE TEJINDER SINGH DHINDSA.**

Present:- Mr. Akshay Bhan, Sr. Advocate with
Mr. Aman Bansal, Advocate for the petitioner.

Mr. Deepak Balyan, Advocate for respondents.

S.J. VAZIFDAR, A.C.J. (Oral)

The petitioner seeks a Writ of Mandamus directing the respondents to allow it to continue with the tendering process after granting necessary permission and to allow it to take up the construction of the office building and the residential complex.

2. The petitioner was allotted two plots of land in the year 1996. On 4.1.1999 the petitioner was given possession in Sector 21-D, Faridabad admeasuring 10,000 sq. meters for putting up a residential complex to accommodate its employees. On 21.1.2000 petitioner obtained possession of the plot in Sector 16-A, Faridabad admeasuring approximately 1600 sq. meter for the purpose of constructing the office complex which was to be the Regional Headquarters of the petitioner for Northern India. The petitioner's employees stationed at this office are to be accommodated at in the residential colony to be constructed on the other plot.

3. The petitioner was to complete the construction on both the plots within 12 years. As it failed to do so, a notice dated 18.3.2009 was

issued calling upon it to show cause why the plots ought not to be resumed. However, vide order dated 2.6.2009 the respondents granted the petitioner an extension of two years by levying an extension fee of about Rs.49 lacs which was paid by the petitioner. The date for completion of construction stood extended up to 12.12.2011.

4. As the petitioner failed to complete the construction by the extended date, an order resuming the plots was passed on 9.4.2012. The petitioner filed an appeal against this order. The Appellate Authority by an order dated 20.11.2013 while noting that there was a delay on the petitioner's part in completing the construction, ordered as under:-

“Now, the Corporation has finally decided to construct the staff quarters. Moreover, HUDA has now issued policy on 12.4.2013, whereby all cases of resumption on account of non-construction are to be set-aside and allottee has to pay extension fees. In view of HUDA policy dated 12.4.2013, the resumption orders issued by the Estate Officer, HUDA, Faridabad vide memo No.9807-10 dated 9.4.2012 are hereby set aside.”

It is important to note that this order had attained finality as the respondents did not challenge the same.

5. The petitioner's case is that it thereafter addressed several letters to the respondents calling upon them to inform it the extension fee payable as per the order of the Appellate Authority but that the respondents neglected to do so. The petitioner, therefore, contends that it cannot be faulted for the extension fee not having been paid in pursuance to the order passed by the Appellate Authority.

6. Instead of informing the petitioner the extension fee, the respondents by an order dated 3.12.2014 stated that the allotment of land for

the Regional Office could now only be considered *de novo* at the current rate of allotment of Rs.12,500/- per sq. meter. It further stated that the allotment of land for the township of the Regional Office Tower can only be considered *de novo* at the current financial year's allotment rates as applicable to group housing societies for the year 2014-15 circulated by a memo issued by HUDA dated 26.6.2014. The earnest money deposited by the petitioner towards the original allotment was permitted to be refunded after deducting 10% as per the policy.

7. The petitioner has filed an appeal against the said order. The appeal is pending. The application for interim reliefs also has not been decided. The importance of completing the construction of the residential complex as well as of the office cannot be overemphasized. It is obvious. The delay in completing the construction is adversely effecting the petitioner's interests. The petitioner contends that the appeal has been adjourned from time to time. For whatever reasons even the interim application has not been decided by the appellate authority.

8. Considering the facts and circumstances of the case we have no hesitation in granting interim reliefs which would protect the interests of the petitioner as well as of the respondents. The delay in construction will adversely effect not only the petitioner but the respondents also. We have no hesitation in passing the interim order for more than one reasons. Firstly, this is a project of public importance. Secondly the project is implemented by the petitioner which is wholly owned Government of India undertaking. Thirdly and most important, the only issue involved is the amount to be paid by the petitioner for the allotment of the said land. The respondents contend that the price ought to be as stated in the impugned communication dated

3.12.2014. The petitioner, on the other hand, relying upon an order of the Appellate Authority dated 20.11.2013 contends that it is liable to pay only the extension fee as applicable at that time. The difference is of about Rs.20 crores. Lastly and equally important is the fact that the petitioner-Corporation has confirmed before us that it intends retaining the allotment under any circumstances and irrespective of the amount that is finally held to be due and payable by it to the respondents. Thus, the allotment will stand. The petitioner will utilize the land. It is in view of this representation that we have passed this order. The only issue that falls for adjudication is the amount payable by the petitioner. The order we intend passing will not only protect both the parties but will advance their respective interests.

9. The writ petition is, therefore, disposed of by the following order:-

(i) The respondents shall inform the petitioner the amount payable towards the extension fee on the basis of the order dated 20.11.2013, passed by the Appellate Authority together with interest thereon, if any.

(ii) The petitioner shall within two weeks of being so informed, pay the amount to respondent no.1 subject to their right to challenge to the same. However, in the first instance the amount shall be paid and the challenge if any shall only be to recover the amount. The payment may therefore be made under protest.

(iii) The petitioner shall file an undertaking to pay the balance amount that may finally be found due by the Appellate Authority subject to the challenge thereto, if any. It is clarified that this interim order is passed only in view of the petitioner's undertaking that it will retain the plot and pay the amount as finally assessed irrespective of any market fluctuation.

(iv) The respondents shall process the petitioner's application for construction forthwith subject to the petitioner meeting all other requirements and conditions.

(v) Needless to add that the appeal of the petitioner will be decided without any delay in view of the observations made in this petition.

Disposed of.

(S.J. Vazifdar)
Acting Chief Justice

(Tejinder Singh Dhindsa)
Judge

14.09.2015
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