IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 17624 of 2014 (O&M)

Date of decision : 26.2.2016

Sumit Singla .. Petitioner

versus

Permanent Lok Adalat and others .. Respondents

Coram: Hon'ble Mr. Justice Rajesh Bindal

Present: Mr. Sanjiv Gupta, Advocate, for the petitioner.

Mr. Lokesh Sinhal, Advocate, for respondent nos. 2 and 3.

Rajesh Bindal, J.

1. The petitioner has approached this Court impugning the award of the Permanent Lok Adalat, Public Utility Services, Sirsa (for short, 'the Lok Adalat') passed on 8.8.2013 (Annexure P-8) vide which his application, was rejected.

2. Learned counsel for the petitioner submitted that the petitioner purchased Plot No. 21, situated in New Grain Market, Mallekan, vide allotment letter dated 12.7.2006. As per the terms of the allotment letter, the construction was to be completed within two years from the date of offer of possession. The possession was offered on 20.2.2007. It was further provided in the allotment letter that the allottee could get extension for construction of plot upto a maximum period of three years on payment of extension fee. Subsequently, a policy was notified by the Haryana State Agricultural Marketing Board, Panchkula (hereinafter to be referred as 'the Board') on 12.3.2013, vide which extension of period for construction was available even on expiry of three years on payment of prescribed fee. The submission is that the petitioner was issued a letter on 29.5.2013 requiring him to deposit extension fee of ₹ 1,70,000/-, which was paid under protest as in terms of the conditions laid down in the allotment letter and further as

per the policy notified by the Board, the maximum amount which could be recovered from the petitioner was ₹ 75,000/- and not ₹ 1,70,000/-. The submission is that extension fee cannot be charged on cumulative basis. It is as per the rate prescribed for the year in which the extension is sought.

3. On the other hand, learned counsel for respondent nos. 2 and 3 submitted that conditions in the allotment letter provided two years time for raising construction and on failure the plot was liable to be resumed. The submission is that as per the conditions of the allotment, an allottee was provided two years for raising construction from the date of offer of possession and on failure the plot was liable to be resumed, however, concession was given to the allottee to get extension for raising construction for a period of three years on payment of fee specified in the allotment letter itself. On expiry of period of five years, in case the construction was not raised, the plot was liable to be resumed. The Board came up with a benevolent policy for the purchasers of plots by providing time beyond the period of five years for raising construction on payment of specified extension fee. The fee was chargeable on year to year basis as per the rates specified. The contention of learned counsel for the petitioner that the fee prescribed only for the year in which the extension is sought was leviable, is totally misconceived. The award passed by the Lok Adalat does not call for any interference.

4. Heard learned counsel for the parties and perused the paper book.

5. The petitioner in the present case was allotted Plot No. 21, situated in New Grain Market, Mallekan, vide allotment letter dated 12.7.2006. As per the terms of allotment, an allottee was to raise construction within a period of two years from the date of offer of possession. Admittedly, the possession was offered on 20.2.2007. On failure to raise construction within two years from the date of offer of possession, the period could be further extended upto a maximum period of three years on payment of extension fee of ₹ 10,000/-, ₹ 15,000/- and ₹ 20,000/- for the first year, second year and third year respectively. The relevant clause of the allotment letter is extracted below:-

> "[14.] The allottee shall construct the buildings as

per approved design within a period of two years from the date of offer of possession of the plot which may be extended further by the Market Committee, Sirsa upto a maximum period of three years on payments of extension fee Rs. 10,000/-, Rs. 15,000/- and Rs. 20,000/- for the first, second and third year of extension respectively. In the event of such resumption, the Market Committee shall deduct 10% of the price of the plot and 15% interest on balance overdue installments and interest."

6. It is not in dispute that the petitioner did not raise construction within the period initially permitted. On failure to raise construction within the maximum period of five years, the plot was liable to be resumed. The Board came out with a policy on 12.3.2013 providing opportunity to the allottees to get extension for raising the construction even for the period beyond three years upto twelve years. The rates notified in the aforesaid policy are extracted below:-

CLASS OF Media	Annual income of Mandi	Extension fee for 4th year	Extension fee for 5th year	Extension fee for 6th year	Extension fee for 7th year	Extension fee for 8th year	Extension fee for 9th year	Extension fee for 10th year	Extension fee for 11th year	Extension fee for 12th year
'A'	Rs. 2.50 Crore & above	Rs. 50,000/-	Rs. 75,000/-	Rs. 1,00,000/-	Rs. 1,25,000/-	Rs. 1,50,000/-	Rs. 1,75,000/-	Rs. 2,00,000/-	Rs. 2,25,000/-	Rs. 2,50,000/-
'B'	Rs. 1.50 to 2.50 Crore	Rs. 40,000/-	Rs. 60,000/-	Rs. 80,000/-	Rs. 1,00,000/-	Rs. 1,20,000/-	Rs. 1,40,000/-	Rs. 1,60,000/-	Rs. 1,80,000/-	Rs. 2,00,000/-
'C'	Rs. 0.50 to 1.50 Crore	Rs. 30,000/-	Rs. 45,000/-	Rs. 60,000/-	Rs. 75,000/-	Rs. 90,000/-	Rs. 1,05,000/-	Rs. 1,20,000/-	Rs. 1,35,000/-	Rs. 1,50,000/-
'D'	Upto Rs. 0.50 Crore	Rs. 20,000/-	Rs. 25,000/-	Rs. 30,000/-	Rs. 35,000/-	Rs. 40,000/-	Rs. 45,000/-	Rs. 50,000/-	Rs. 55,000/-	Rs. 60,000/-

7. The petitioner deposited ₹ 1,70,000/- as demanded by the Market Committee vide communication dated 29.5.2013 as extension fee for the period from 20.2.2007 to 20.2.2014. Thereafter, the issue was raised before the Lok Adalat, where the application of the petitioner was dismissed. The contention raised by learned counsel for the petitioner was that the amount of extension fee had not to be cumulative, but to be charged only as per the prescribed rate for the year in which the extension was sought. The contention is rejected being misconceived. The extension fees for first three years have been specifically provided in the allotment letter i.e. ₹ 10,000/- for the first year, ₹ 15,000/- for the second year and ₹ 20,000/- for the third year. The amount has to be paid year wise. In case

extension for the period of construction is not sought on payment of fee prescribed for that year, the plot was liable to be resumed.

8. Though the plot on account of non-construction within a period of five years from the date of offer of possession was liable to be resumed, however, the Board came out with a policy providing further extension on payment of construction fee prescribed i.e. ₹ 50,000/- for extension for fourth year and ₹ 75,000/- for the fifth year. The aforesaid fee prescribed was also to be paid independently for each year for seeking extension.

9. For the reasons mentioned above, I do not find any merit in the present petition. The same is accordingly dismissed.

26.2.2016 (Rajesh Bindal)
vs Judge

(Refer to Reporter)