

CWP No.20271 of 2017 &
CWP No.9482 of 2017

:1:

**232 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CWP No.20271 of 2017

Yogesh Sikri

...Petitioner

Vs.

The State of Haryana & others

...Respondents

(2)

CWP No.9482 of 2017

Savneet Kaur & others

...Petitioners

Vs.

State of Haryana & others

...Respondents

DATE OF DECISION:17.01.2019

**CORAM:- HON'BLE MR.JUSTICE MAHESH GROVER
HON'BLE MR.JUSTICE LALIT BATRA**

Present: Mr. R. S. Kundu, Advocate and
Mr. Ankit Aggarwal, Advocate
for the petitioners.

Ms. Kirti Singh, DAG, Haryana.

Mr. Deepak Balyan, Advocate
for the respondents.

MAHESH GROVER, J. (Oral)

This order will dispose of abovesaid two writ petitions as they
are interconnected.

The petitioners were allotted plots under a scheme floated by the Improvement Trust, Karnal. The short question for consideration revolves around the charging of extension fee for not constructing their building on time on the allotted plots. The terms governing the allotment letter envisage resumption in the event of non-construction. Clause 15 of Terms and Conditions relating to the sale of Trust Lands, Haryana Government Gaz. Dated 08.03.1977 is extracted here below:-

“Extensions may be granted by the Trust for the erection/completion of building in special cases, but if the tenderer/bidder fails to erect upon the plot within the period specified in clause and extension is not granted to him, the Trust may forfeit the amount of security deposited by the purchaser mentioned against clause 5 above, if after the forfeiture of the security the vendee does not construct/complete the building within a further period of one year thereafter the Trust may resume the plot and resell it at the risk of the original purchaser or may refund to the vendee such percentage of the sale money as the Trust may determine.”

It is the conceded case that extension fee was not a course available to the respondents against an allottee who failed to construct upon the allotted plot. For the first time on 25.10.2013, a policy to this effect came into being where it was stipulated that in the event of any default in construction, the allottee would be liable to pay extension fee. Accordingly, a demand was raised upon the petitioners which is now questioned by them on the ground that when the allotment was made, the terms did not envisage the payment of any extension fee in the event of

**CWP No.20271 of 2017 &
CWP No.9482 of 2017**

:3:

any default to raise construction but resumption of course was a course available to the respondents.

It is also conceded case that resumption orders were never passed against any of the allottee even though notice was issued in some cases.

Learned counsel for the petitioners contends that petitioners would have no objection to pay the extension fee either from the date of issuance of the notice or from the date of the coming into force of the Policy i.e. 25.10.2013 but under no circumstances they can be charged the extension fee particularly when the rules and the allotment letter did not stipulate so.

After hearing learned counsel for the parties, we are of the opinion that the petitioners' contention is correct. Once the rules were silent in this regard and also the terms of the allotment, the respondents could not insist on payment of extension fee as the policy came into existence in the year 2013. To the similar effect, decision has been rendered by this Court in Civil Writ Petition No.12166 of 2010. Consequently, we accept the petitions in part and permit the respondents to charge the extension fee w.e.f. 25.10.2013 when the policy came into existence but make it clear that the petitioners would not be charged any extension fee for the period prior thereto.

Disposed of.

Since it has been stated before us that the petitioners have paid the amount as demanded by the respondents Improvement

CWP No.20271 of 2017 & :4:
CWP No.9482 of 2017

Trust/Corporation, the respondents would now refund the amount after making necessary calculations & adjustments.

(MAHESH GROVER)
JUDGE

17.01.2019 (LALIT BATRA)
rimpal JUDGE

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No