

2025:PHHC:025825



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

**CWP-4178-2025 (O&M)**  
**Date of decision : 21.02.2025**

MUKHTIAR SINGH

...Petitioner

Versus

STATE OF PUNJAB AND OTHERS

...Respondents

**CORAM: HON'BLE MR. JUSTICE HARSH BUNGER**

Present : Mr. Amit Jhanji, Sr. Advocate  
with Ms. Eliza Gupta, Advocate  
for the petitioner.

Mr. Navneet Singh, Sr. D.A.G., Punjab.

**HARSH BUNGER, J. [ORAL]**

Prayer in the present writ petition, filed under Articles 226/227 of the Constitution of India, is for issuance of a writ in the nature of *certiorari* for setting aside the order dated 17.12.2024 (Annexure P-41) passed by the Principal Secretary, Irrigation Department, Punjab.

1.1 A further prayer has been made for quashing the letter dated 26.12.2024 (Annexure P-40); letter dated 16.12.2024 (Annexure P-39) and letter dated 03.01.2025 (Annexure P-42), whereby, the auction of the land in question, in favour of the petitioner, has been cancelled.

2. Briefly, an auction notice was issued on 25.03.1998 (Annexure P-1) by the Superintending Engineer, UBDC Circle, Amritsar; whereby, the land measuring 6.90 hectares situated at village Japuwal, Dhariwal, District Gurdaspur, was put to auction and the auction was

scheduled for 26.06.1998. The present petitioner gave the highest bid for the afore-said property and was declared as the successful bidder therein for an amount of Rs.29 lacs.

2.1           The auction notice dated 25.03.1998 (Annexure P-1) provided for certain terms and conditions. The relevant extract of the auction notice reads as under :-

| Auction Notice                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |            |                 |                                                          |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------------|----------------------------------------------------------|-----|
| The waste lands belonging to the Irrigation Department as indicated below are to be auctioned on freehold basis as per the terms and conditions laid down vide Government Standing Order No.5/58/97 (4)/6491 dated 25.03.98. It will be done by the committee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |            |                 |                                                          |     |
| Property Name Land                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Total area | Date of auction | Place of bid                                             |     |
| Division U.B.D.C Amritsar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            |                 |                                                          |     |
| Village Lopoke                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 20.20      | 20.6.98         | Office Executive Engineer Majitha Division UBDC Amritsar |     |
| xxx                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |            | xxx             |                                                          | xxx |
| Dhariwal (Japuwal)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 6.90       | 26.6.98         | Executive Engineer Gurdaspur Mandal UBDC Gurdaspur       |     |
| xxx                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |            | xxx             |                                                          | xxx |
| Terms and conditions :-                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |            |                 |                                                          |     |
| 1. Bidders shall deposit an amount of Rs.10,000/- in cash as deposit to be eligible to participate in the bidding before the commencement of bidding. Unsuccessful bidders will be refunded on the spot immediately after the auction.<br>2. The reserve price will be announced at the start of the auction.<br>3. At the close of bidding, the highest bidder shall immediately deposit 10 percent of the bid amount.<br>4. 25% of the total bid must be deposited within 60 days from the date of auction.<br>5. The balance of the highest bid amount can be paid in one lump sum within 60 days from the date of auction or in four equal annual installments with interest at 15 percent per annum.<br>6. Ownership rights will be transferred only upon full payment.<br>7. The site plan of the land showing the exact area, size and other details may be inspected on any working day from the office of the concerned Executive Engineer/Canals.<br>8. The auction will be held on the above mentioned dates at 11.00 am in the office of the concerned Executive Engineer/Canals.<br>9. Other terms and conditions will be announced at the time of auction commencement.<br>10.The auction conducting committee reserves the right to reject any bid without assigning any reason.<br>11. Final approval of the highest bid will be subject to the approval of the Support Officer. |            |                 |                                                          |     |

2.2 A perusal of the afore-said terms and conditions of the auction notice would show that the bidders were required to deposit an amount of Rs.10,000/- in cash so as to be eligible to participate in the bidding before the commencement of bidding. It further provided that at the close of bidding, the highest bidder shall immediately deposit 10% of the bid amount; 25% of the total bid was required to be deposited within 60 days from the date of auction and the balance of the highest bid amount could be paid either in one *lump sum* within 60 days from the date of auction or in four equal annual installments with interest at 15 percent per annum. It was also a term of the auction that the ownership rights would be transferred only upon full payment.

2.3 According to the petitioner, he being the successful bidder, deposited 10% of the bid amount i.e. Rs.2,90,000/- on the spot vide receipt No.88 dated 26.06.1998. It is submitted that the further 25% of the amount was deposited by the petitioner vide receipt No.9 dated 25.08.1998 (Annexure P-2).

2.4 It is the case of the petitioner that after he had deposited the 10% of the bid amount, he learnt that one Gurbachan Singh son of Lal Singh, was in possession of the property in question and a Civil Suit No.139 dated 18.07.1998 was filed against the petitioner, seeking permanent injunction. It is stated that another Civil Suit No.180 dated 30.04.1998 was filed. Petitioner claims that the official respondents never disclosed at the time of auction that the suit property was in possession of some other person nor it was disclosed that civil suits were pending. It is stated that upon learning about the afore-said litigation, the petitioner approached the official respondents with a prayer to return his money; however, the respondents called upon the petitioner to deposit further

25% of the bid amount with the assurance that the matter would be resolved at the earliest. It is stated that on the said assurance of the official respondents, the petitioner deposited the 25% of the bid amount, as noticed above.

2.5 It transpires that apart from the afore-said civil suits, there were other civil litigation as well, which came upto this Court in ***RSA No.2323 of 2022***, which was ultimately dismissed on 22.10.2024 (Annexure P-29). It is borne out from the pleadings in the writ petition that the official respondents filed an ejectment petition under the Public Premises and Land (Eviction and Land Recovery) Act, 1973 against the afore-said Gurbachan Singh, which was allowed by the learned Collector, Gurdaspur vide order dated 11.05.2006 (Annexure P-16) and even an appeal filed against the said eviction order came to be dismissed by the Appellate authority vide order dated 29.08.2006 (Annexure P-17). According to the petitioner, the possession of the land in question, was already taken by the official respondents on 26.10.2022.

2.6 It is the case of the petitioner that upon gaining the knowledge that the possession of the property in question, has been obtained by the official respondents, the petitioner served a legal notice dated 22.04.2024 (Annexure P-36) upon the official respondents, which was followed by another representation/letter dated 11.12.2024. Along with the said letter dated 11.12.2024, the petitioner also sent a cheque dated 11.11.2024 of the balance 65% of the bid amount i.e. Rs.18,85,000/- with a further prayer to handover him the possession and ownership of the property in question.

2.7 It transpires that vide letter dated 16.12.2024 (Annexure P-39), the afore-said cheque submitted by the petitioner for 65% of the bid amount, was returned to him by stating that he had failed to deposit the

balance amount till 26.10.1998, therefore, the auction was not approved in his favour.

2.8            Thereafter, the petitioner is stated to have again submitted the same cheque, however, the same was also returned vide letter dated 26.12.2024 (Annexure P-40) along with the impugned order dated 17.12.2024 (Annexure P-41). The petitioner is stated to have received another letter dated 03.01.2025 (Annexure P-42) informing that the auction in favour of the petitioner has been cancelled.

2.9            In the afore-mentioned circumstances, the present writ petition has been filed by the petitioner before this Court.

3.            Heard.

4.            In the present case, the impugned order dated 17.12.2024 (Annexure P-41) passed by the Principal Secretary, Punjab Government Water Resource Department, Punjab, reads as under :-

- “1. The auction of the 55 Kanal 3 Marlas of land of Water Resource Department falling within the revenue estate of village Japuwal (Dhariwal) District Gurdaspur was conducted on 26.06.1998. The auction was finalized for this land in Rs.29,00,000/- and the land was sold to Mukhtiar Singh.*
- 2. Sh. Mukhtiar Singh has deposited the following installments of the land :*

| <i>Sr. no.</i> | <i>Installment and % age</i>            | <i>Amount Deposited in (Rs.)</i> | <i>Actual Date of Deposit</i> |
|----------------|-----------------------------------------|----------------------------------|-------------------------------|
| <i>1</i>       | <i>Ist Installment (10%)</i>            | <i>Rs.2,90,000/-</i>             | <i>26.06.1998</i>             |
| <i>2</i>       | <i>2<sup>nd</sup> Installment (25%)</i> | <i>Rs.7,25,000/-</i>             | <i>25.08.1998</i>             |
|                | <i>Total</i>                            | <i>Rs.10,15,000/-</i>            |                               |

*3. As per condition No.5 mentioned in the auction terms, the bidder was required to pay the remaining bid amount in a lump sum within 60 days from the date of the auction or in four equal installments along with an annual interest rate of 15%.*

4. *The bidder deposited the second installment, which constituted 25% of the total amount, on 25.08.1998. However, the remaining amount of Rs.18,85,000/-, which was due to be deposited before 26.10.xxx, has not been paid to date.*

5. *Condition No.6 in the auction notice clearly stated that ownership rights would be transferred only upon full payment of the bid amount.*

6. *In light of the above, the bidder, Shri Mukhtiar Singh, failed to comply with the auction terms and did not deposit the remaining amount of Rs.18,85,000/-. Consequently, the bidder is not entitled to take possession of the land.*

7. *Based on the aforementioned circumstances and the recommendations of the committee constituted to review cases of lands auctioned through open bidding, the approval of the bid for 55 Kanals and 3 Marlas of land situated in Village Japuwal (Dhariwal), District Gurdaspur, is hereby cancelled in the interest of the government.”*

4.1 A perusal of the above extracted order would show that the auction in favour of the petitioner was cancelled, primarily on the ground that the petitioner had failed to comply with the terms of auction and did not deposit the balance amount of Rs.18,85,000/- within the stipulated period.

5. During the course of hearing before this Court, learned senior counsel appearing for the petitioner has not disputed the fact that the petitioner has not paid the balance amount as per the terms and conditions of the auction upto the stipulated period/date.

6. It is well settled that the terms and conditions of auction are sacrosanct and once the successful participant in auction makes a successful bid by accepting the terms and conditions of auction, he is bound to comply with those terms and conditions and any non-compliance of terms and conditions would render the auction redundant. In somewhat similar

circumstances, a Division Bench of this Court in *Sharndeeep Brar Versus State of Haryana and others* (CWP-5954-2024, decided on 14.03.2024), while dismissing the writ petition, has observed as under :-

*“5. We may have sympathy on the family front but that cannot be a sufficient or good reason to entertain this petition. The petitioner cannot be allowed to deposit the remaining amount. The conditions of auction are sacrosanct to all the bidders and a person who chooses for a bid is expected to keep his promise failing which the auction offer stands cancelled. ...”*

7. Considering the totality of circumstances, especially the fact that the petitioner, who was very well aware about the terms and conditions of the auction, had failed to comply with the same by not making the timely payments, in such eventuality, this Court would not change the conditions of auction.

8. In my considered view, the Principal Secretary, Punjab Government Water Resource Department, Punjab, has rightly rejected the claim of the petitioner vide impugned order dated 17.12.2024 (Annexure P-41).

9. Resultantly, the instant writ petition fails and the same is, accordingly, dismissed.

10. All pending application/s, if any, shall also stand closed.

**February 21, 2025**  
gurpreet

**(HARSH BUNGER)**  
**JUDGE**

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