



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

RSA-711-2000

Reserved on: 30.10.2025

Pronounced on: 02.12.2025

LOVEKESH KUMAR

....Appellant

Versus

JALANDHAR IMPROVEMENT TRUST, JALANDHAR
AND OTHERS

...Respondents

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Sudeep Mahajan, Advocate and
Mr. Shiv Charanjit, Advocate
For the appellant.

None for respondent No.1.

Mr. Sandeep Khunger, Advocate
Mr. Saksham Khunger, Advocate and
Ms. Sudrishti, Advocate
for respondent No.4

Parmod Goyal, J.

Plaintiff/appellant has preferred regular second appeal being aggrieved by dismissal of his suit for declaration vide impugned judgment and decree dated 29.04.1995 passed by the Court of Sub-Judge, 2nd Class, Jalandhar and also by judgment and decree dated 30.01.1999 passed by learned Additional District Judge, Jalandhar whereby first appeal preferred by plaintiff/appellant was also dismissed.

2. Plaintiff/appellant vide his suit for declaration claimed that plot No.100 measuring 10 marlas, owned by defendant No.1 i.e. Improvement



Trust, Jalandhar was allotted to plaintiff/appellant vide allotment letter dated 01.03.1980 as per terms and conditions contained in memorandum dated 19.01.1980. Initially plaintiff/appellant deposited Rs.1,000/- on 28.09.1979 as earnest money and subsequently on 29.01.1980 another sum of Rs.5,500/- vide draft dated 24.01.1980 was paid to defendant/respondent No.1 against receipt in favour of plaintiff/appellant. Again an amount of Rs.2,303.43/- was also paid against receipt. Second half early installment was also paid by the plaintiff/appellant on receipt of letter dated 14.09.1982. It was asserted that thereafter, no letter was received by plaintiff/appellant to deposit the balance installments. That vide memo No.10712 dated 13.01.1981 allotment in favour of plaintiff/appellant was cancelled. Vide memo dated 13.08.1982, memo No.10712 was withdrawn by defendant No.1 in view of order of defendant/respondent No.3 dated 22.07.1982. It is asserted that defendant/respondent No.2 alleged himself to be the owner of said plot on the basis of Civil Court decree dated 07.05.1981 in suit titled as “Vijay Kumar Vs. Jalandhar Improvement Trust”. It is asserted that plaintiff/appellant was not a party to said lis and same is not binding on the rights of plaintiff/appellant. The allotment in favour of defendant/respondent No.2 was stated to be null and void *ab initio*. It was asserted that plot stood allotted to plaintiff/appellant on 01.03.1980 and the same could not be allotted to defendant/respondent No.2. Notice was duly served, however, defendant/respondent No.1 failed to take any steps and, accordingly, suit for declaration was filed.

3. Defendants/respondents No.1 and 2 both contested the suit



preferred by plaintiff/appellant by taking preliminary objections in their respective written statements. It was asserted that plot was allotted to plaintiff/appellant subject to approval of Punjab Government, however, no approval was received upto 05.08.1980. It was asserted that initially plot was allotted to defendant/respondent No.2 vide letter dated 07.07.1977. The said allotment was cancelled in favour of defendant/respondent No.2, however, said cancellation was challenged by defendant/respondent No.2 in a civil suit which was decreed on 07.05.1981. It is asserted that judgment and decree in favour of defendant/respondent No.2 has attained finality and accordingly, allotment in favour of plaintiff/appellant was cancelled and plaintiff/appellant was duly informed about cancellation of allotment on 13.01.1981. It was asserted that amount of upto second installment was not accepted as there was stay order in favour of defendant/respondent No.2. It was asserted that Punjab Government had also accorded approval of allotment in favour of defendant/respondent No.2 vide letter dated 04.12.1987 and allotment was also confirmed vide letter dated 09.12.1988. Accordingly, dismissal of suit was prayed for.

4. From the pleadings of parties, following issues were framed :-
1. Whether the plaintiff is entitled to the injunction prayed for? OPP
 2. Whether the suit is not maintainable in the present form? OPD
 3. Whether the suit is bad for non-joinder of parties? OPD
 4. Whether the plaintiff is estopped from filing this suit by his act and conduct? OPD
 5. Whether the suit is time barred? OPD



6. Whether defendant No.2 is allottee of disputed plot on the basis of allotment letter No.4867 dated 07.07.77, if so its effect? OPD
7. Whether there was no decree passed by the court of Shri P.S. Ahluwalia, in respect of the plot in question in favour of defendant No.2, if so its effect? OPD
- 7A. Whether no notice/s was/were served upon defendants by the plaintiff u/s 98 of the Punjab Town Improvement Act read with section 80 of the CPC, if so, whether the same was/were not legal and valid? OPD
8. Relief.

5. Issues No.1, 6 and 7 were decided in favour of defendant/respondent No.2 and against plaintiff/appellant. Issue No.2 was decided in favour of defendants/respondents. Issues No.3, 4 and 5 were decided against defendants/respondents. Issue No.7A was decided in favour of defendants/respondents and accordingly suit preferred by plaintiff/appellant was dismissed.

6. Following facts are clearly established from pleadings as well as evidence led by parties:-

- I. Plot of 10 marlas was allotted to plaintiff/appellant on 19.01.1980 by defendant/respondent No.1 in 55 Acres Development Scheme @Rs.2,200/- per marla.
- II. Plot allotted to plaintiff/appellant was bearing Plot No.100.
- III. Payment of Rs.1,000/- as earnest money + amount of Rs.5,500/- + second installment of Rs.2,303.43/- was duly



paid by plaintiff/appellant.

- IV. Allotment of plot was cancelled in favour of plaintiff/appellant vide letter dated 13.01.1981. Letter dated 13.01.1981 was withdrawn vide letter dated 13.08.1982 issued by Administrator, Jalandhar Improvement Trust.
- V. Plot No.100 was initially allotted in favour of defendant/respondent No.2 by defendant/respondent No.1 vide allotment letter dated 07.07.1977.
- VI. Allotment was subject to approval of Punjab Government and in absence of any approval allotment was cancelled vide order dated 13.07.1979.
- VII. Defendant/respondent No.2 filed a civil suit challenging cancellation order.
- VIII. The suit preferred by defendant/respondent No.2 against defendant/respondent No.1 was decreed vide judgment and decree dated 07.05.1981.
- IX. The allotment in favour of defendant/respondent No.2 was approved by Punjab Government vide letter dated 04.12.1987.
- X. Plot was restored in favour of defendant/respondent No.2 by Improvement Trust on 29.02.1988 and confirmed on 09.12.1988.

7. The above noted facts are clearly made out not only from



pleadings as well as evidence of parties but also has been admitted during the course of arguments. It is also admitted fact that plaintiff/appellant was not party to the earlier suit between defendant/respondent No.1 and defendant/respondent No.2.

8. Admittedly, in the present case, cancellation order cancelling allotment in favour of plaintiff/appellant was withdrawn by defendant/respondent No.1 itself and thereafter, they had never cancelled the allotment in favour of plaintiff/appellant nor refunded the amount of Rs.1,000/- and Rs.5,500/- initially received by them. Though they have claimed that second installment was never accepted by them though it was paid by plaintiff/appellant.

9. The Courts below in fact failed to take into consideration this aspect of the case. The entire dispute has arisen on account of fault which lies at the door of defendant/respondent No.1-Jalandhar Improvement Trust. They had initially allotted plot No.100 in favour of defendant/respondent No.2 but subsequently cancelled the same without any reason. Defendant/respondent No.2 successfully challenged said cancellation and cancellation was held to be bad by Civil Courts and on the basis of said judgment and decree of Civil Courts in favour of defendant/respondent No.2, Punjab Government had also granted approval, however, in the said process the rights of plaintiff/appellant were not taken into consideration by defendant/respondent No.1. Neither money paid was returned nor allotment was cancelled or plot in alternative was granted. Defendants/respondents No.1 and 3 merely proceeded to grant relief to defendant/respondent No.2



while forgetting about rights of plaintiff/appellant who was not at any fault. It is worth noting that this Court vide order dated 26.02.2001 on an application preferred by defendant/respondent No.2 seeking vacation of stay granted in favour of plaintiff/appellant had ordered defendant/respondent No.1- Jalandhar Improvement Trust to keep one plot measuring 10 marlas reserved for plaintiff/appellant in a scheme which may be floated in future.

10. The learned Courts below have erred in not granting appropriate relief to plaintiff/appellant once it is established on record that plaintiff/appellant was not at any fault and had duly paid amount to defendant/respondent No.1 as per allotment letter. Fault in the present case lies only with defendant/respondent No.1 who had failed to balance rights of both the parties by allotting same plot to them and accepting money from them. It is worth noting that substantial amount i.e. around 50% of total price of plot stood paid by plaintiff/appellant.

11. In the peculiar facts and circumstances of the present case where the allotment in favour of plaintiff/appellant was never cancelled by defendant/respondent No.1, the relief of declaration ought to have been granted by both the Courts below by modifying relief appropriately on account of facts and circumstances of the present case.

12. In the present case, no doubt that as far as rights of defendant/respondent No.2 are concerned, they cannot be held to be violative of any law. Defendant/respondent No.2 has already succeeded before the Civil Courts and has succeeded in getting cancellation against him to be bad in law. As far as defendant/respondent No.2 is concerned, no



relief can be granted against him to present plaintiff/appellant. As far as plot No.100 is concerned same shall continue to vest with defendant/respondent No.2, however, plaintiff/appellant shall be entitled to plot measuring 10 marlas which is available in existing scheme with defendant/respondent No.1 or in any other coming scheme under defendant/respondent No.1 or its successor. Nearly 50% amount stood paid which included second installment, therefore, it would be appropriate that 50% amount towards price of newly allotted plot shall stand paid to the extent of 50% on account of adjustment of payment made on earlier occasions by plaintiff/appellant. Remaining 50% amount shall be payable at 50% of market value fixed by defendant/respondent No.1-Jalandhar Improvement Trust. The above noted directions are being passed to balance the equity between the parties in the unique set of facts and circumstances of the present case due to passage of time.

13. Findings of both the Courts below are accordingly set aside. Suit for declaration preferred by plaintiff/appellant is decreed to the above extent. Appeal is allowed.

02.12.2025
chiranjeev

(PARMOD GOYAL)
JUDGE

Whether Speaking/Reasoned	:	Yes/No
Whether Reportable	:	Yes/No