IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP-34060-2024 (O&M)
Reserved on : 22.05.2026
Pronounced on :_29.05.2026
Judgment uploaded on : 29.05.2026

Whether only the operative part of the judgment is pronounced or whether the full judgment is pronounced : Full

SARVJIT SINGH BEDI & ANR ....PETITIONERS

VERSUS

CHANDIGARH ADMINISTRATION & ORS ....RESPONDENTS

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN
HON'BLE MR. JUSTICE RAMESH CHANDER DIMRI

Present: Mr. Chetan Mittal, Senior Advocate with
Mr. Vikas Jain, Advocate for the petitioners.

Mr. Amit Jhanji, Senior Standing Counsel with
Mr. Sumeet Jain, Addl. Standing Counsel and
Mr. Himanshu Arora, Addl. Standing Counsel
for the respondents.

ALKA SARIN, J.

1. The present writ petition has been filed under Articles 226/227 of the Constitution of India *inter alia* for quashing the impugned letter/order dated 16.05.2024 (Annexure P-23) whereby the predecessor-in-interest of the petitioners was asked to execute the conveyance deed by affixing stamp duty on the basis of the current circle value/Collector rate.

2. Shorn of all unnecessary details, the facts as relevant to the present *lis* are that the predecessor-in-interest of the petitioners was issued an allotment letter dated 13.05.1953 (Annexure P-1) allotting old Plot No.5, Street-B, Sector-10/A (House No.291), Chandigarh admeasuring 2000 square

yards for the price of ₹10,000. As per the allotment letter, an amount of ₹1,000 remitted as earnest money with the application was to be adjusted against the first installment of 25%. It was further stated in the said letter that in case the allotment was accepted, a further amount of ₹1,500 was to be paid within a period of 30 days from the receipt of the allotment letter by way of a demand draft or a cheque drawn on any Scheduled Bank at Chandigarh or Ambala City. Clause 9 of the said letter reads as under :

> *'The Deed of conveyance can be executed by you personally or through you authenticated attorney recognizable under section 38 of the Indian Registration Act. In both the case it will not be necessary for the executant to be present personally before the Estate Officer. The Deed can be executed at any place convenient to the executant. Full directions in this respect will issue after possession of the site has been taken over by you. The authority letter of possession will issue on receipt of the amount due on allotment as given in para 1 above as soon as the plots have been laid on ground. Possession can be taken by you personally or through an authorized representative'.*

3. The allotment was accepted by the predecessor-in-interest of the petitioners vide letter dated 25.06.1953 (Annexure P-2) and an amount of ₹1,500 was also remitted. On 06.09.1954 a letter was written by the predecessor-in-interest of the petitioners requesting the Estate Officer to intimate the amount to be paid towards the first allotment and also to inform

whether the balance price was to be paid or could be adjusted against the verified claims. Vide letter dated 21.07.1955 (Annexure P-4) possession of the old Plot No.5, Street B, Sector-10/A, Chandigarh (House No.291) was handed over to the predecessor-in-interest of the petitioners. It transpired at the time of handing over the possession that though the allotment letter had stated that the plot measured 2000 square yards, however, it actually measured 1844.2 square yards (3 Kanal 13.77 Marla). Vide letter dated 29.07.1955 the predecessor-in-interest of the petitioners was informed that the possession of the plot delivered measured 1844.2 square yards and its price at the scheduled rate amounted to ₹9,277 (rupees nine thousand two hundred seventy seven). It was further stated in the said letter that the stamp duty payable on the above price worked out to ₹190. Clause 3 of the said letter dated 29.07.1955 (Annexure P-5) reads as under :

> *'3. You should please immediately remit Rs.190/- by means of a Demand Draft or Cheque in favour of 'The Estate Officer, Chandigarh Project, Chandigarh Capital' drawn on any Scheduled Bank at Chandigarh. On receipt of the Stamp Duty the Deed of Conveyance will be got embossed from the Financial Commissioner, Revenue and forwarded to you for execution at any place, convenient to you. Registration of the Deed will not be insisted upon.'*

4. A letter dated 19.08.1955 (Annexure P-6) was written by the predecessor-in-interest of the petitioners addressed to the Estate Officer wherein it was stated that though the price of the plot was ₹9,277, however,

interest was being charged on ₹10,000 hence the amount paid in excess be adjusted towards the stamp duty payable. On 10.04.1956 (Annexure P-7) a letter was sent by the Estate Officer to the predecessor-in-interest of the petitioners stating therein that installment of ₹2,792.7/- was overdue plus interest @ 4.5% per annum from 27.06.1955 to the date of payment as penalty. Vide letter dated 27.04.1956 (Annexure P-8) the predecessor-in-interest of the petitioners wrote to the Estate Officer stating that the amount due be adjusted out of his verified claim and the Regional Settlement Commissioner, Jalandhar may be asked to adjust the said amount. Vide letter dated 03.08.1959 (Annexure P-9) the plot in question was transferred in the name of Mrs. Hardip Kaur Bedi wife of Tikka Jagjit Singh Bedi on the same terms and conditions as contained in the allotment letter dated 13.05.1953. The said transfer was on the basis of a registered gift deed dated 19.09.1969 (Annexure P-11) executed by Tikka Jagjit Singh Bedi in favour of his wife. Vide letter dated 08.02.1960 (Annexure P-10) the Estate Officer informed Mrs. Hardip Kaur Bedi that a sum of ₹4,479.25 had been adjusted by the Regional Settlement Commissioner, Patiala on account of unpaid price of the plot. An amount of ₹4,410.37 was adjusted towards principal and ₹68.88 towards interest. Subsequently, the ownership in respect of House No.291 built on old Plot No.5, Street B, Sector-10/A Chandigarh was transferred in favour of the father of the petitioners vide letter dated 12.05.2010 (Annexure P-12) on the basis of a registered Will dated 09.03.2006 executed by Mrs. Hardip Kaur Bedi. Clause 3 of the said letter reads as under :

> *'3. You shall abide by the terms and conditions as laid down in the allotment letter and Conveyance Deed as well.'*

5. Vide a separate letter dated 12.05.2010 (Annexure P-13), the father of the petitioners was asked to deposit an amount of ₹1,000 which was outstanding on account of Government dues as also to furnish the death certificate of Tikka Jagjit Singh Bedi and the copy of the occupation certificate or sewerage connection. Vide letter dated 10.09.2010 (Annexure P-14) a bank draft of ₹1,000 along with the required documentation was sent to the Estate Officer. The receipt of ₹1,000 dated 14.09.2010 is appended with the writ petition as Annexure P-15. For the first time on 06.10.2022 (Annexure P-16) a letter was issued to the father of the petitioners stating therein that deed of conveyance had not been executed and the same be executed within a period of 15 days. A show cause notice was issued on 26.09.2023 (Annexure P-17) regarding non-execution of the conveyance deed. A letter dated 11.03.2024 (Annexure P-18) was written by the father of the petitioners detailing all the facts as well as the fact that excess amount was lying with the Estate Office and the amount of ₹190 towards stamp duty was to be adjusted out of the said amount, however, without prejudice to his rights, a stamp paper of ₹500 was also enclosed for execution of the conveyance deed. Copy of the same has been appended with the writ petition as Annexure P-19. Vide a letter dated 15.04.2024 (Annexure P-20) the conveyance deed was returned as the same was stated not to be in the prescribed format and the father of the petitioners was asked to attend the office on any working day between 12:00 noon to 1:00 pm. Vide letter dated 30.04.2024 (Annexure P-21) three sets of conveyance

deed in original in the prescribed format was sent to the Estate Officer. Copy of the same has been annexed as Annexure P-22. Vide letter dated 16.05.2024 (Annexure P-23) the father of the petitioners was informed by the Estate Office to deposit deficiency in the stamp duty for deed of conveyance on the basis of letter dated 14.02.2020. The letter dated 14.02.2020 (Annexure P-25) is a letter by the Sub-Registrar, UT Chandigarh addressed to the Assistant Estate Officer, UT Chandigarh regarding *'charging of stamp duty on Lease Deed/Deed of Conveyance'*. The contents of the said letter read as under :

> *'Reference your letter No.345420/(MA)/2019/450171 dated 19-12-2019 on the subject cited above.*
>
> *It is intimated that the Chandigarh Administration vide Memo No.843-UTFI(4)-2019/13293 dated 07-08-2019 has decided that the Conveyance Deed/Lease deed is to be executed in the favour of applicant only on the payment of stamp duty at the current collector rate i.e. date on which the document is presented. Moreover, the relevant Article i.e. Article 23 (Conveyance) of Schedule 1-A of Indian Stamp Act, also says that the stamp duty be charged on the value of the property or amount of consideration. As per Section 9 of the Chandigarh Conversion of Residential Lease Hold land Tenure into free hold Land Tenure Rules, 1996, the Conveyance Deeds in all cases of conversion, shall be got registered on payment of requisite stamp duty and registration charges. The consideration amount for this purpose shall*

be the "Conversion fee" and the "Surcharge" wherever applicable.

It has been noticed that your department is not charging the stamp duty on the Conveyance Deed/Lease Deed (5% on Conveyance Deed and 3% on lease Deed) on the existing Collector rates as fixed by the Collector U.T., Chandigarh at the time of execution of Conveyance Deed. Due to this reason, the applicant/general public faces inconvenience at the time of presentation of Conveyance Deed/Lease Deed duly executed by your department, in the office of Sub Registrar, Chandigarh, as this office has pointed out that due to improper stamp duty levied on their Instrument. Moreover, due to non mentioning of constructed area of the property, this office faces problem for calculation of exact collector value of the property and stamp duty.

You are requested to look into the matter and issue necessary directions to the all concerned officials to comply with the above directions of the Chandigarh Administration and Schedule A-1 of the Indian Stamp Act by charging proper stamp duty on the instrument of Conveyance Deed / Lease Deed at the time of execution on current Collector value of the property, so that the applicant/general public may not be harassed and in order to avoid loss of Government Revenue. The

> *Concerned Officials may also be directed to quote exact Plot area and Covered area of the property in the Deed and letter issued by your department in order to check correct current value of the property.'*

6. The memo dated 07.08.2019 referred in the letter dated 14.02.2020 (Annexure P-25) reproduced above is a memo issued by the Chandigarh Administration Finance Department addressed to the Estate Officer-cum-Deputy Commissioner, UT Chandigarh regarding mutation of property on the basis of Regd. Sale Deed where the property had been sold after conversion from lease hold to free hold by the GPA/SPA holder residential site 2334-P, Sector-44/C, Chandigarh (Annexure P-24).

7. Objections (Annexure P-26) to the show cause notice were filed on 06.08.2024. Subsequently, after the demise of the father of the petitioners, the property stood transferred in the names of the petitioners vide letter dated 23.05.2025 (Annexure R-4/3) appended with the written statement filed by the respondents-UT Chandigarh transferring the ownership rights in respect of House No.291, Sector-10/A Chandigarh to the extent of 100% on the basis of a registered Will dated 26.04.2024 executed by the father of the petitioners in their favour. Clause 4 of the said transfer letter reads as under :

> *'4. You shall abide by the terms and conditions as laid down in the allotment letter and deed of conveyance as well.'*

8. Learned senior counsel appearing on behalf of the petitioners would contend that as per the letter dated 29.07.1955 (Annexure P-5) only the stamp charges were to be remitted to the Estate Office and on receipt of the

stamp duty, the conveyance deed was to be got embossed from the Financial Commissioner, Revenue and was to be forwarded to the predecessor-in-interest of the petitioners for execution. It was further stated in the said letter that registration of the deed would not be insisted upon. Learned senior counsel has further contended that whenever anything was found due, the same was duly paid. Additionally, the predecessor-in-interest of the petitioners had also offered that the amount be adjusted against his verified claims having substantial amount of ₹1,03,412, with the Regional Settlement Commissioner, Jalandhar. Learned senior counsel has further contended that the sale price was earlier ₹10,000 which was later reduced to ₹9,277 on account of reduction in the area of the plot and though the principal amount was adjusted, however, the interest component was still charged at the earlier rate of ₹10,000 and as such excess amount had been paid by the predecessor-in-interest of the petitioners. It is further the contention of the learned senior counsel that till 2025 the property had been transferred on three occasions and as recently as 23.05.2025 the same was transferred in favour of the petitioners herein. In the letter dated 12.05.2010 (Annexure P-12) regarding transfer of ownership in favour of the father of the petitioners, clause 3 specifically states that the father of the petitioners would abide by the terms and conditions as laid down in the allotment letter and the conveyance deed as well. Similar clause finds mentioned in the letter dated 23.05.2025 (Annexure R-4/3) which is the transfer letter in favour of the petitioners. These words mean and imply that even as per the understanding of the Estate Office, the conveyance deed qua the property stood executed. In the transfer letter dated 12.05.2010 (Annexure P-12) in favour of the father of the petitioners the only demand was qua ₹1,000 which was outstanding on account of Government dues and there is no mention of the conveyance deed. Learned senior counsel has next contended that the letter (Annexure P-23) on the basis of which the father of the petitioners was asked to execute the conveyance deed at the circle rate was issued in respect of a property sold after conversion from lease hold to free hold by the GPA/SPA holder of residential site 2334-P, Sector-44/C, Chandigarh. It is thus contended that the said letter would have no applicability in the present case as the predecessor-in-interest of the petitioners was originally allotted the plot on free hold basis and there was no conversion involved.

9. *Per contra*, learned Senior Standing Counsel appearing on behalf of the respondents-UT Chandigarh had contended that as per the letters (Annexures P-24 and P-25) the petitioners are required to deposit the stamp duty at the Collector's rate. Learned Senior Standing Counsel appearing on behalf of the respondents-UT Chandigarh is not in a position to deny the fact that the property in question has been transferred on three different occasions. Firstly in favour of the wife of Tikka Jagjit Singh Bedi, namely, Mrs. Hardip Kaur Bedi by way of registered gift deed on 03.08.1959 (Annexure P-9), then in favour of the father of the petitioners on 12.05.2010 (Annexure P-12) wherein it has specifically been stated that '*you shall abide by the terms and conditions as laid down in the allotment letter and conveyance deed as well*' and now in favour of the petitioners themselves as per the letter of transfer attached by the respondents-UT Chandigarh themselves with the written statement as Annexure R-4/3 wherein also it has been stated in clause 4 that

'you shall abide by the terms and conditions as laid down in the allotment letter and deed of conveyance as well'.

10. We have heard the learned senior counsel for the parties.

11. Section 3 of the Capital of Punjab (Development and Regulation) Act, 1952 reads as under :

> *"3. Power of Central Government in respect of transfer of land and building in Chandigarh. – (1) Subject to the provisions of this section, the Central Government may sell, lease or otherwise transfer, whether by auction, allotment or otherwise, any land or building belonging to the Government in Chandigarh on such terms and conditions as it may subject to any rules that may be made under this Act, think fit to impose.*
>
> *(2) The consideration money for any transfer under sub-section (1) shall be paid to the Central Government in such manner and in such instalments and at such rate of interest as may be prescribed.*
>
> *(3) Notwithstanding anything contained in any other law for the time being in force, until the entire consideration money together with interest or any other amount, if any, due to the Central Government on account of the transfer of any site or building, or both, under sub-section (12) is paid, such site or building, or both, as the case may be, shall continue to belong to the Central Government."*

12. In terms of power conferred on the Central Government under Section 3, initially Chandigarh (Sale of Sites and Buildings) Rules, 1960 were published on 08.03.1960. Such rules contemplated sale of sites by auction or allotment. The Chandigarh Lease Hold of Sites and Building Rules, 1973 were thereafter published on 20.08.1973 authorizing Chandigarh Administration to demise sites and buildings at Chandigarh on lease for 99 years by allotment or by auction.

13. The peculiar facts of the present case as detailed above reveal that from the very beginning i.e. 1953 onwards the predecessor-in-interest of the petitioners had been requesting the Estate Officer to make adjustment of payment of installments and other dues from the verified claims which were receivable in lieu of the properties left by the predecessor-in-interest of the petitioners in West Pakistan during partition. Tikka Jagjit Singh Bedi, who was the original allottee of the plot in question, transferred the same in favour of his wife, namely, Mrs. Hardip Kaur Bedi on the basis of a registered gift deed dated 19.09.1969. The plot was duly transferred in her name by the Estate Office vide letter dated 03.08.1959 (Annexure P-9). Subsequently, vide letter dated 08.02.1960 (Annexure P-10) a sum of ₹4,479.25 was adjusted on account of unpaid price by the Regional Settlement Commissioner, Patiala against the amount of compensation payable to Tikka Jagjit Singh Bedi. At no point of time was any demand raised qua the non-execution of the conveyance deed. On 12.05.2010 (Annexure P-12) the ownership rights in respect of House No.291 built on old Plot No.5, Street B, Sector-10/A, Chandigarh was transferred in favour of the father of the petitioners wherein a specific clause i.e. clause 3 was inserted which reads '*you shall abide by the*

terms and conditions as laid down in the allotment letter and conveyance deed as well'. The clause itself reveals that even as per the understanding of the Estate Office, the conveyance deed stood executed. It is to be noted that in the letter dated 29.07.1955 (Annexure P-5) it had specifically been stated by the Estate Officer that registration of the deed would not be insisted upon and as such the Estate Office was to purchase the stamp paper and was to get the same embossed from the Financial Commissioner, Revenue and forward it to the predecessor-in-interest of the petitioners. The amount, as stated above, was ₹190. On numerous occasions, the predecessor-in-interest of the petitioners had requested that any amount due could be adjusted against the verified claim and that appears to have been the understanding of the Estate Office also while issuing the letter dated 12.05.2010 (Annexure P-12) transferring the property in favour of the father of the petitioners. On the same date i.e. 12.05.2010, another letter was addressed to the father of the petitioners demanding a sum of ₹1,000 which was stated to be outstanding on account of Government dues which were duly paid by the petitioners. Even at that point of time, there was no demand raised qua the non-execution of the conveyance deed. It is for the first time on 06.10.2022 (Annexure P-16) that a letter was sent to the father of the petitioners that the deed of conveyance had not been executed. Even thereafter when the deed of conveyance was executed and sent to the Estate Office, a letter dated 15.04.2024 (Annexure P-20) was sent to the father of the petitioners stating therein that the conveyance deed was not in the prescribed format. Even in the said letter there was no mention that the conveyance deed was to be executed at the circle rate. It is only for the first time vide a letter dated 16.05.2024 (Annexure P-23) that a deficiency in the stamp duty was pointed out and that too based on a letter dated 14.02.2020 (Annexure P-25) which in turn refers to a letter dated 07.08.2019 (Annexure P-24). A perusal of Annexure P-24 reveals that it is a letter addressed by the Chandigarh Administration Finance Department to the Estate Officer-Cum-Deputy Commissioner, UT Chandigarh qua a property which had been sold after conversion from lease hold to free hold by the GPA/SPA holder of residential site 2334-P, Sector-44/C, Chandigarh. Even the letter dated 14.02.2020 (Annexure P-25) refers to the fact that conveyance deed in all cases of conversion is to be registered on payment of requisite stamp duty and registration charges. Learned Senior Standing Counsel appearing on behalf of the respondents-UT Chandigarh has not been able to explain as to how the said letter can be made applicable to a free hold property which was allotted in the year 1953.

14. There is no answer forthcoming from the respondents-UT Chandigarh as to why the said amount was not demanded or adjusted in 1960 when vide a letter dated 08.02.1960 (Annexure P-10), an adjustment of ₹4,479.25 on account of unpaid price of the plot was adjusted by the Regional Settlement Commissioner, Patiala against the amount of compensation payable to Tikka Jagjit Singh Bedi. There is also no explanation forthcoming as to why the demand for execution of the conveyance deed does not find mentioned in the letter dated 12.05.2010 (Annexure P-12) wherein only an amount of ₹1,000 was demanded on account of Government dues from the father of the petitioners.

15. The allotment letter dated 27.05.1953 Annexure P-1 does not mention any act or rule under which the freehold plot was allotted to the

predecessor-in-interest of the petitioners though the Capital of Punjab (Development and Regulation) Act, 1952 had been published in the Gazette on 19.12.1952 after receiving the assent of the President on 17.12.1952. Vide letter dated 29.07.1955 Annexure P-5 the Estate Office informed the predecessor-in-interest of the petitioners that the stamp duty payable was Rs.190/- and asked to remit the same for execution of the conveyance deed. Though as per the averments made by the petitioners, which have not been denied by the respondents, this amount stood adjusted from the verifiable claims of the predecessor-in-interest of the petitioners. The conveyance deed was subsequently submitted by the father of the petitioners however, it was returned by the Estate Office on 15.04.2024 (Annexure P-20) being not as per prescribed format. The letter Annexure P-20 does not even touch upon the valuation of stamp duty but only mentions 'prescribed format'. A month thereafter on 16.05.2024 (Annexure P-23) the demand, for the first time was made for payment of stamp duty on the conveyance deed as per current circle rate. For almost seventy years the Estate Office never made any demand for payment of stamp duty as per the current circle rate, which have been increasing from time to time. During this period the plot was transferred on three occasions. The execution of the conveyance deed was never made a condition precedent before approving such transfers.

16. Moreover, the letters (Annexures P-24 and P-25) refer to conveyance deed in respect of a plot converted from lease hold to free hold and thereafter sold. The said letters possibly cannot be said to have any co-relation to the case in hand wherein no conversion of the plot has taken place.

17. In the light of the unique and peculiar facts and circumstances of the case in hand this Court is convinced that the respondents by relying on the letters Annexures P-24 and P-25 cannot fasten a financial liability on the petitioners of payment of stamp duty on the conveyance deed as per current circle rate. Accordingly, the notice dated 16.05.2024 (Annexure P-23) is quashed. The respondents are, therefore, directed to execute and register the conveyance deed for House no.291 constructed on old Plot No.5, Street-B, Sector-10/A, Chandigarh as per the stamp duty duly conveyed by the respondents themselves vide letter dated 29.07.1955 (Annexure P-5) without insisting on payment of stamp duty as per the current circle rate. The writ petition is disposed off as above. Pending applications, if any, also stand disposed off.

(ALKA SARIN)
JUDGE

(RAMESH CHANDER DIMRI)
JUDGE

29.05.2026
Aman Jain