
(2020) 09 SIK CK 0005
In the Sikkim High Court
Case No : Writ Petition (C) No. 03 Of 2019

Sangh Enterprises Pvt. Ltd	Vs	APPELLANT
State Of Sikkim And Others		RESPONDENT

Date of Decision : 14-09-2020

Acts Referred:

Constitution Of India, 1950 — Article 226

Citation : (2020) 09 SIK CK 0005

Hon'ble Judges : Arup Kumar Goswami, CJ

Bench : Single Bench

Advocate : T.B. Thapa, Doma T. Bhutia, Ranjan Chettri, N. Rai, Yozan Rai

Final Decision : Dismissed

Judgement

Arup Kumar Goswami, CJ

1. The writ petitioner is a company registered on 17.05.1997 under the Registration of Companies Act (Sikkim), 1961 and the petition was filed through one of the shareholders.
2. This Writ Petition is directed against the order dated 12.04.2018 passed by the respondent no.2 dismissing the appeal being Appeal No.03/2011 filed by the petitioner, a letter dated 28.05.2011 issued by the respondent no.3 as well as a letter dated 19.12.2003 issued by the Revenue Officer-cum-Assistant Director, Land Revenue Department, Government of Sikkim (who is not arrayed as party-respondent). A Writ of mandamus is also prayed for to direct the State-respondents to register the Lease Deed dated 07.01.2000 entered in between the petitioner and respondent no.4. Prayer is also made to call for the records of the registration proceedings relating to the Lease Deed and records of Appeal No.03/2011. Further prayer is made to call for the records of Misc. Case No.70/2010, wherein the petitioner and the respondent no.4 were parties.
3. Land measuring 20,525 sq.ft. in a portion of Khasra Plot No.70/99 and 72/100 situated at Sichey in the Pioneer Reserve Block - Tadong Elakha , Gangtok was

the subject matter of the Lease Deed with boundaries as indicted in the Lease Deed.

4. Before proceeding further, though not really a subject matter of this petition, for better understanding, it will be appropriate to take note of the fact that Misc. Case No.70/2010 was registered in the Court of District Collector (East) and a final order was passed in the said proceeding on 25.06.2011.

5. The petitioner had filed an objection before the District Collector (East) on 16.09.2008, stating that the land forming part of the Lease Deed was proposed to be sold by the respondent no.4 to some other parties and that registration of the plot of land in any other name would invite litigation and, accordingly, requesting the authority to intimate the petitioner in case any such document of sale is presented for registration. The said letter was taken as a standing objection filed by the petitioner. On 26.05.2010, the respondent no.4 filed a petition stating, amongst others, that he had sold the plot of land to one Ms. Tashi Ongmu Bhutia, and that a communication was sent to the petitioner on 19.12.2003 by the Land Revenue Department, Government of Sikkim through Revenue Officer-cum-Assistant Director, informing that the Lease Deed could not be registered due to the reasons mentioned therein and that in the meantime, he had mortgaged his landed property to the State Bank of Sikkim in the year 2009 for a loan for constructing a dwelling house. It was further stated that he had decided to sell out his landed property to three individuals and the Sale Deeds to that effect had been executed and accordingly, prayed for registration of Sale Deeds in favour of the purchasers. On receipt of the same, Misc. Case No.70/2010 was registered.

6. By an order dated 25.06.2011, the District Collector, East directed the Sub-Divisional Magistrate, East not to register the Sale Deeds presented by the present respondent no.4 in respect of the land in dispute till the matter is disposed of by the appropriate authority or Court of Law. The District Collector was of the opinion that when the land was mortgaged to the State Bank of Sikkim and the mortgage has not been cleared or cancelled, sale of the same land and its registration cannot be allowed. The other reason assigned by the District Collector was that the validity of the Lease Deed between the petitioner and respondent no.4 was left to be decided by the appropriate authority or Court of Law and therefore, till the matter is disposed of by the appropriate authority or Court of Law, sale of the land in question and registration of the Sale Deeds cannot be permitted.

7. In the said proceeding registered as Misc. Case No. 70/2010, in his reply dated 10.11.2010, it was contended by the petitioner that letter dated 19.12.2003 was never received by it. As the petitioner had denied to receive the said letter, a letter dated 28.05.2011 was issued to the petitioner-company enclosing thereto the letter dated 19.12.2003. After receipt of the letter dated 28.05.2011 along with the letter dated 19.12.2003, the petitioner company preferred an appeal before the prescribed authority under the provisions of the

Sikkim State Rules (Registration of Documents) 1930, (for short, Rules of 1930) praying for revising and altering the letter dated 28.05.2011 of the District Collector, East and the letter of the Revenue Officer-cum-Assistant Director, Land Revenue Department, Government of Sikkim dated 19.12.2003.

8. At this juncture, it will be appropriate to extract the entire letters dated 28.05.2011 and 19.12.2003 herein below:

"GOVERNMENT OF SIKKIM LAND REVENUE DEPARTMENT, GANGTOK

No. 3597 LR(R) Dated 19/12/2003

To,

Balchand Sarda (Ex MLA, Ex Mayor, GMC) Chairman, M/S Sangh Enterprises M.G. Marg, Gangtok, Sikkim.

SUB : APPLICATION FOR A 99 YEARS LEASE.

Sir,

Reference your application regarding 99 years Lease Deed Registration of land belonging to Shri Surendra Lama of Sichey Busty of Upper Sichey Panchayat block, East District, Sikkim. I am directed to inform you that your request could not be considered after careful examination of relevant provision of Law due to the following reasons:-

1. This is an ancestral landed property and hence Shri Surendra Lama's son and daughter raised objection to the Lease Deed Registration proposal.
2. Surendra Lama is also a Schedule Tribe and therefore, Schedule Tribe land can not be alienated as per the relevant Laws.
3. The land proposed for Lease Deed registration is situated in Rural area and land holding is also below 5 acres, Upper Sichey block, East District, Sikkim.

Yours faithfully,

SD/-

REVENUE OFFICER-CUM-ASSISTANT DIRECTOR LAND REVENUE DEPARTMENT
GANGTOK.

Copy for information to:-

Miss Pemala Lama, Upper Sichey Busty, Gangtok, Sikkim.

REVENUE OFFICER-CUM-ASSISTANT DIRECTOR, LAND REVENUE DEPARTMENT.
GANGTOK."

XXXXXXXXXXXXX

"GOVERNMENT OF SIKKIM EAST DISTRICT COLLECTORATE GANGTOK, SIKKIM.

Memo No. 226/DC/DCE Dated: 28/5/2011

To,

Shri Balchand Sarda (Ex MLA), Chairman, M/S Sangh Enterprise Pvt. Ltd., Sarda Building, M.G. Marg, Gangtok.

Sub: Registration of Lease Agreement - reg.

Sir,

This is with reference to your application for registration of lease agreement entered between you and Shri Surendra Lama for 99 years lease of the land belonging to Shri Surendra Lama of Sichey Busty, East Sikkim.

From the letter bearing no. 3597/LR(R) dated: 19.12.2003 addressed to you by Revenue Officer/Asstt. Director of Land Revenue Department, Gangtok it is learnt that the registration of the lease deed had not been approved by the Land Revenue Department for the reasons given in the letter, a copy of which is enclosed herewith for your reference.

During the course of enquiry being conducted by this office into your objection against registration of sale deeds filed by Shri Surendra Lama, the aforementioned letter was brought to your notice by this Office. However, you had denied having received any such letter.

Meanwhile this Office is in receipt of copies of Peon Book forwarded by Land Revenue & Disaster Management Department, wherein it is revealed that you had received the aforementioned letter on 23/12/2003.

Nevertheless a copy of the letter addressed to you by RO/AD is hereby once again forwarded to you for your information.

sd/-

District Collector, East."

9. The Appellate Authority (the respondent no.1 herein) passed a final order dated 31.08.2013 upholding an order dated 25.06.2011 passed by the District Collector, East and directed the aggrieved party to approach appropriate Court of Law for relief, if any.

10. Aggrieved by the said order dated 31.08.2013, the letter dated 28.05.2011 and the letter dated 19.12.2003, the petitioner filed a writ petition before this Court, which was registered as W.P. (C) No.02/2015. This Court, by an order dated 16.03.2017, while setting aside the order dated 31.08.2013, remitted the matter to the Appellate Authority, Secretary, Land Revenue and Disaster Management Department, Government of Sikkim to decide the appeal considering the grounds raised therein, on its own merit, in accordance with law. This Court noted that though the order dated 31.08.2013 upheld the order dated 25.06.2011, it did not state as to whether impugned communications dated

19.12.2003 and 28.05.2011, which were the subject matter of the appeal, were upheld or set aside.

11. The order of 25.06.2011, which was upheld by the order dated 31.08.2013, was not the subject matter of the said appeal and it does not appear that the said order has been assailed in any forum by either of the parties.

12. After the matter was remitted back by this Court, the Appellate Authority, after hearing the representatives of both the parties, dismissed the appeal by an order dated 12.04.2018. The Appellate Authority held that it would not be necessary to go into the issue as to whether the Government was justified in refusing to register the Lease Deed on the grounds stated in the letter dated 19.12.2003 as some of the terms and conditions of the Lease Deed dated 07.01.2000 do not conform to the present requirements stipulated by the State Government vide Notification dated 03.12.2014, whereby period of lease had been curtailed to 33 years. Liberty was, however, granted to the parties to the Lease Deed dated 07.01.2000 to re-negotiate the terms of the Lease Deed to bring it in conformity with prevailing guidelines and to re-submit the same for registration to the appropriate authority. The Appellate Authority also observed, with reference to ground no.2 of the letter dated 19.12.2003, that there is no bar on the alienation of scheduled tribe land and that there is restriction only on transfer of land belonging to the Bhutia and Lepcha communities. It was also recorded that during the course of hearing it was admitted by the parties that though it was recited in the Lease Deed that total lease amount of Rs 32,80,500/- was paid and receipt thereof was acknowledged, such amount had not been paid in full. The Appellate Authority declined to pass any order or make any comment on the order dated 25.06.2011 as the same was not in appeal before him. Lordship

13. Mr.T.B.Thapa, learned Senior Counsel for the petitioner submits that there was no restriction on the period of lease for which land could be leased out when the Lease Deed was presented for registration before the respondent no.3 on 07.01.2000 and therefore, the Appellate Authority committed manifest error of law and acted without any application of mind in placing reliance on the notification dated 29.02.2008, whereby period of lease was restricted to 99 years and the notification dated 16.08.2014, whereby period of lease was restricted to 33 years. It is submitted that such notifications are prospective in nature and cannot be applied retrospectively and therefore, when the Appellate Authority had failed to advert to the issue in its correct perspective, on that short ground alone the order dated 12.04.2018 is liable to be set aside and the matter is required to be sent back to the Appellate Authority for fresh consideration in accordance with law. He has submitted that the letter dated 19.12.2003 was passed in gross violation of principles of natural justice and the said letter was also not issued by the competent authority as it is the Sub- Registrar or Sub-Divisional Officer, who is the appropriate authority. He has submitted that the respondent no.4 had leased out his own share of ancestral property and not that

of his son and daughter and this aspect of the matter was not even considered by the Appellate Authority. He has submitted that grounds cited for refusing to register the Lease Deed in the letter dated 19.12.2003 are wholly untenable in law and are perverse. He has relied on a decision of the Hon^{ble} Supreme Court in the case of C.I.T(Central)-1, New Delhi vs. Vatika Township (P) Ltd., reported in (2015) 1 SCC 1.

14. Mr.N.Rai, learned Senior Counsel for the respondent no.4 submits that it was rightly held by the Appellate Authority that at this point of time, it is of no consequence as to whether grounds of rejection for registration of the Lease Deed were justified in view of the fact that as per the law/guidelines holding the field at the time of consideration pursuant to the direction of the Court a Lease Deed in perpetuity could not have been registered as the period of lease is limited to 33 years by notification dated 16.08.2014. He submits that though in the Lease Deed it was recited that the possession of the property was handed over to the petitioner, the same was never handed over and the respondent no.4 still continues to retain possession of the same. Similarly, though it was also recited in the Lease Deed that one time lease amount of ₹ 32,80,500/- was paid in advance and the same was duly acknowledged, in reality, it was not so and the Appellate Authority had also taken note of the submissions of the parties that full amount was not paid. In this connection, he has also drawn the attention of the Court to paragraphs 15 and 18 of the affidavit-in-opposition. He has further submitted that the Peon Book annexed at page 125 by the petitioner demonstrates that letter dated 19.12.2003 was received by the son of Bal Chand Sarda, Chairman of the petitioner company. However, no step was taken by the petitioner till the time when the respondent no.4 wanted to sell the land to three parties. He submits that there is an inordinate delay in preferring the Writ Petition and furthermore, there are disputed question of facts because of which this Court may not go into legality or otherwise of the order dated 12.04.2018. It is also submitted by him that in the appeal preferred by the petitioner, no ground was raised by the petitioner regarding competency or jurisdiction of the Revenue Officer-cum-Assistant Director to issue the letter dated 19.12.2003. He has submitted that letter dated 28.05.2011 does not provide any cause of action as, by the said letter, only the letter dated 19.12.2003 was forwarded. He has placed reliance on the judgments of the Hon^{ble} Supreme Court in the cases of (i) Jagdish Narain Maltiar vs State of Bihar and Others, reported in AIR 1973 SC 1343, (ii) Jharkhand Mazdoor Sangh vs. Presiding Officer and Others, reported in (2002) 10 SCC 703, (iii) State of Bihar and Others vs. Jain Plastics and Chemicals Ltd., reported in (2002) 1 SCC 216, (iv) Orissa Agro Industries Corpn. Ltd. and Others vs. Bharati Industries and Others, reported in (2005) 12 SCC 725, (v) New Okhla Industrial Development Authority vs. Kendriya Karamchari Sahkari Grih Nirman Samiti, reported in (2006) 9 SCC 524, (vi) Commissioner of Municipal Corporation, Shimla vs. Prem Lata Sood and Others, reported in (2007) 11 SCC 40 and (vii) State of Kerala and Others vs. M.K. Jose, reported in (2015) 9 SCC 433.

15. Dr. Doma. T. Bhutia, learned Additional Advocate General, Sikkim, endorses the submissions of Mr. Rai and submits that the writ petition deserves to be dismissed.

16. I have considered the submissions of the learned Counsel for the parties and have perused the materials on record.

17. It will be appropriate, at the first instance, to take note of the submissions of Mr. Rai that the writ petition deserves to be dismissed on the ground of delay alone.

18. In Jagdish N. Maltiar (supra), the Hon^{ble} Supreme Court had observed that the High Court was right in dismissing the writ petition filed by the appellant after three years of his removal from service. In Jharkhand Majdoor Sangh (supra), the Hon^{ble} Supreme Court upheld the judgment of the High Court, whereby the writ petition filed by the appellant was dismissed on the ground of inordinate and unexplained delay of five years. On the basis of the aforesaid decisions, it was sought to be contended by Mr. Rai that when the cause of action had arisen in the year 2003, there is inordinate delay in pursuing the remedies in accordance with law and therefore, the writ petition filed in the year 2018 suffers from inordinate delay. The submission is without any merit. The petitioner had taken a plea that he had not received the letter dated 19.12.2003 and after receipt of the said letter, which was enclosed with the letter dated 28.05.2011, the petitioner had preferred an appeal within a period of one month. After the appeal was disposed of by an order dated 31.08.2013, the petitioner approached this Court by filing a writ petition numbered and registered as WP(C) No.02 of 2015. While disposing of the said writ petition by an order dated 28.02.2017, this Court had directed the Appellate Authority to decide the appeal on its own merit considering the grounds raised therein in accordance with law. The appeal having been dismissed on 12.04.2018, the present writ petition was filed on 05.06.2018. In that view of the matter, it cannot be said that the present writ petition suffers from delay and laches.

19. In Orissa Agro Industries Corpn. Ltd. (supra), the Hon^{ble} Supreme Court had laid down that where a complicated question of fact is involved and the matter requires thorough proof on factual aspect, High Court should not entertain a writ petition. Whether or not the High Court should exercise the jurisdiction under Article 226 of the Constitution of India largely depends upon the nature of the dispute and if the dispute cannot be resolved without going into the factual controversy, the High Court should not entertain the writ petition. In New Okhla Industrial Development Authority (supra), the Hon^{ble} Supreme Court had observed that High Court has jurisdiction to try issues both of fact and law but when the petition raises complex questions of fact requiring oral evidence to be taken, the High Court should ordinarily decline to try the petition. In M.K Jose (supra), the Hon^{ble} Supreme Court had laid down that a writ court should ordinarily not entertain a writ petition, if there is a breach of contract involving disputed question of facts. In Jain Plastics and Chemicals Ltd. (supra),

the Hon^{ble} Supreme Court had laid down that seriously disputed questions or rival claims of the parties with regard to breach of contract are to be determined in a properly instituted civil suit rather than by a court exercising prerogative of issuing writs.

20. Mr. Rai had contended that the writ petition raises disputed questions of facts regarding payment of consideration amount as well as receipt or non-receipt of the letter dated 29.12.2013 by the petitioner and therefore, this Court may not exercise its jurisdiction under Article 226 of the Constitution of India. So far as receipt or non-receipt of the letter dated 29.12.2013 is concerned, in view of the order of this Court dated 16.03.2017 passed in WP(C) No.02 of 2015 whereby direction was issued to the Appellate Authority to consider the appeal preferred by the petitioner on merit, the issue pales into insignificance and it will not be necessary for this Court to go into that arena.

21. The Appellate Authority in the order dated 12.04.2018 had recorded that the parties had submitted that they had not paid and received the full payment of the lease amount despite reciting to the contrary in the Lease Deed dated 07.01.2000. In the writ petition, there is no averment that such observation of the Appellate Authority is not correct and the same is perverse. In paragraph 18 of the affidavit, the respondent no.4 categorically stated that due to not making full payment of the lease amount, property was still in the possession of respondent no.4. Such assertion made in paragraph 18 of the counter affidavit was not denied in the affidavit-in-reply. Assuming that there is a dispute with regard to payment of the amount and possession of the land in question, the same will not have any bearing while deciding the writ petition. This court is of the considered opinion that decisions noticed above will not be applicable in the facts of the present case.

22. In the letter dated 19.12.2003, subject was written as "Application for a 99 years lease", which is not correct. In Clauses 2 and 5 of the Lease Deed, it was categorically recited that the lease was in perpetuity. Under General Conditions of Lease at (i), it was provided that lessor shall not under any circumstance foreclose the lease for a basic minimum period of 99 years. Though Mr. Thapa has sought to raise a contention that the Revenue Officer-cum Assistant Director, Land Revenue Department, Government of Sikkim, was not the competent authority to either accept or reject the registration of the Lease Deed as it was either the Sub-Registrar or the Sub Divisional Officer who was competent officer under the Rules of 1930 and Circular dated 29.10.1984, it is to be borne in mind that the said plea was not taken in the appeal preferred by the petitioner. That apart, Rule 6 of the Rules of 1930 provides that the Registrar would be empowered to revise or alter any order of any Sub-Registrar refusing to admit a document if an appeal against such order was presented to the Registrar within a month from the date of order. There is a categorical assertion of the petitioner in paragraph 19 of the writ petition that the appeal was preferred under Rule 6 of the Rules of 1930. The appeal at page 133 bears the stamp of Appellate

Authority showing the same as Land Revenue and Disaster Management Department, Government of Sikkim. In paragraph (ii) of the writ petition the petitioner states that the Secretary, Land Revenue and Disaster Management Department, Government of Sikkim, is the Appellate Authority under the Rules of 1930. This Court also, in the order passed in WP(C) No.02 of 2015, had remitted the matter to the Secretary, Land Revenue and Disaster Management Department, Government of Sikkim, as the Appellate Authority. When the point was not taken at the first instance by the petitioner and when this Court by order dated 15.06.2013 passed in WP(C) No.02 of 2015 had directed to decide the appeal considering the grounds raised therein, I am of the considered opinion that this Court need not go into that aspect of the matter. It is also relevant to note that the Chairman of the petitioner company himself had written a letter to the Chief Minister, Government of Sikkim, who had no role to play in matters of registration, on 21.07.2000, for a direction to be issued to the authorities for registration of the long term Lease Deed executed in favour of the petitioner company.

23. In the letter dated 28.05.2011 issued by the District Collector, East addressed to Shri Balchand Sarda, it is recorded that ?from the Peon Book forwarded by the Land Revenue and Disaster Management Department, Government of Sikkim, it is revealed that you had received the aforementioned letter on 23.12.2003?. As noted earlier, it is the contention of the respondent no.4 itself that the letter was received by the son of Balchand Sarda. Whether the same would amount to receipt of the letter by Shri Balchand Sarda himself may not detain us for the purpose of the proceeding. The petitioner in his reply had disputed that the son of Balchand Sarda had not received the said letter. However, one cannot lose sight of the fact that no enquiries were made by the petitioner regarding the fate of the Lease Deed for long 8 years prior to issuance of letter dated 16.09.2008, which was already taken note of supra.

24. As noticed earlier, the Appellate Authority did not find it necessary to go into the issue whether the authority was justified in refusing registration of Lease Deed on the grounds stated in the letter dated 19.12.2003 in view of the fact that the Lease Deed dated 07.01.2000 does not conform to requirements as laid down in the notifications dated 29.02.2008 and 16.08.2014, which have laid down guidelines for registration of land on lease basis. Except ground no.2 of the letter dated 19.12.2003, other two grounds for refusing to register the lease deed were not considered.

25. The question, therefore, arises as to whether the Appellate Authority was justified to take note of the said notifications. although the Lease Deed was presented for presentation in the year 2000.

26. In Vatika Township (P) Ltd. (supra), on which strong reliance was placed by Mr. Thapa, the Hon?ble Supreme Court held that legislations which modified accrued right or which impose obligations or impose new duties or attach a new disability have to be treated as prospective unless the legislative intent is clearly

to give the enactment a retrospective effect; unless the legislation is for purpose of supplying an obvious omission in a former legislation or to explain a former legislation. It was also observed that unless the terms of a statute expressly so provide or necessarily require it, retrospective operation should not be given to a statute so as to take away or impair an existing right or create a new obligation or impose new liability otherwise than as regards matters of procedure.

27. In *Prem Lata Sood* (supra), the Hon^{ble} Supreme Court had observed that while statute provides for a right and enforcement thereof is in several stages, unless and until the conditions precedent laid down therein are satisfied, no right can be said to have invested in the person concerned. In that connection, the Hon^{ble} Supreme Court had also occasion to consider the case of *Howrah Municipal Corpn. and others v. Ganges Rope Co. Ltd. and others*, reported in (2004) 1 SCC 663. The question that had fallen for consideration was whether by the order of the Court in which a period was fixed for the corporation to take a decision on the application for sanction of construction of additional floors, any vested right had been created in favour of the company to seek sanction of the construction of additional three floors irrespective of the subsequent amendment of Building Rules and the Resolution of the corporation putting restrictions on the height of high-rise buildings on the particular road in which the building was constructed. The Hon^{ble} Supreme Court held that merely by submission of application for sanction of construction, no vested right is created in favour of any party, by statutory operation of the provisions. The Hon^{ble} Supreme Court also negated the argument that a vested right can be deemed to have been created by the fixation of time-limit by the Court. The Hon^{ble} Supreme Court held that Building Rules and Regulations prevailing at the time of sanction would govern the subject of sanction and not the Rules and Regulation existing on a date of application for sanction.

28. No vested right had accrued to the petitioner on presentation of the Lease Deed dated 07.01.2000. The order of rejection also does not create any right in favour of the petitioner for him to contend that at the appellate stage grounds of rejection have to be considered on the touchstone of norms existing at the time of such rejection and changes in applicable law and /or norms have to be shut out from consideration by the Appellate Authority. In that light, the notifications dated 29.02.2008 and 16.08.2014 will have to be taken note of when a consideration is made by the Appellate Authority as to whether the Lease Deed is to be registered or not. It is not retrospective application of the notifications to existing vested right of the petitioner as is sought to be contended by Mr. Thapa. When, admittedly, the Lease Deed dated 07.01.2000, which was a lease in perpetuity, do not meet the requirement of the period for which a Lease Deed can be executed under the notifications dated 29.02.2008 and 16.08.2014, I am of the considered opinion that the order dated 12.04.2018 was passed by the Appellate Authority taking into consideration relevant consideration and the view taken by the Appellate Authority cannot be said to be arbitrary or irrational.

28. Accordingly, I find no merit in the writ petition and the same is dismissed.

29. No cost.