

(2010) 03 BOM CK 0184
Bombay High Court (Nagpur Bench)
Case No: Second Appeal No. 28 of 1998

Prashant Bhongade, Sushila
Bhongade and Panditrao
Bhongade

APPELLANT

Vs

Municipal Corporation

RESPONDENT

Date of Decision: March 3, 2010

Acts Referred:

- Bombay Provincial Municipal Corporations Act, 1949 - Section 260, 260(1), 260(2), 487
- Maharashtra Regional and Town Planning Act, 1966 - Section 51

Citation: (2010) 3 MhLj 311

Hon'ble Judges: R.K. Deshpande, J

Bench: Single Bench

Advocate: A.M. Gordey, for the Appellant; M.K. Pathan, for the Respondent

Final Decision: Dismissed

Judgement

R.K. Deshpande, J.

This appeal is by the Original plaintiffs challenging the judgment and order dated 11th November, 1997 passed by the learned District Judge, Amravati dismissing Regular Civil Suit No. 193 of 1998 filed by the plaintiffs claiming the declaration and permanent injunction.

2. The facts leading to the case are as under:

The plaintiffs are owners of plot Nos. 71/72, 70/2 and 70/3 on Sheet No. 67-D at Amravati. The plaintiffs filed Regular Civil Suit No. 193 of 1988 on 18th March, 1988 claiming the reliefs as under:

a) It be declared that the plaintiffs have received the order of construction from the defendant and that the construction is as per the rules and regulations of the defendant.

b) The defendant be permanently restrained from demolishing the construction of the plaintiffs.

The sole defendant was an administrator of Municipal Corporation, Amravati. The plaintiffs in their plaint alleged that, on 20.1.1987, the plaintiffs submitted an application along with copy for sanction of defendant/Corporation, to dismantle the existing structure standing on plot Nos. 71/72, 70/2 and 70/3 and to construct commercial complex on the said plots. The plaintiffs also deposited on the same day an amount of Rs. 250/-. On 16.2.1987, the plaintiffs were asked by the defendant/Corporation to comply with some of the deficiencies, which the plaintiffs complied with and ultimately, on 21.5.1987 a proposal was put up stating that the matter is discussed and no objection for grant of sanction as proposed. The plaintiffs believed that this was the assurance as they were told to go ahead with the construction and the formal order of sanction shall be communicated to them. The plaintiffs further alleged that acting upon such assurance, they have spent an amount of Rs. 5,00,000/- on construction. The construction of basement was completed and further construction was at the completion stage as per the sanction map. It was further alleged that the plaintiffs had complied with all the requisites of valid permission.

3. It was further alleged that, although at some point of time i.e. on 24.8.1987, certain adverse remarks were made and the plaintiffs were asked to stop construction on 7.9.1987. The Officers told the plaintiffs that same was issued due to inadvertence and that the plaintiffs should ignore it. Hence, according to the allegations, the plaintiff proceeded with construction. However, suddenly, on 17.3.1988 and 18.3.1988, the Corporation started demolishing the work and hence, the suit for reliefs as re-produced above was filed.

4. The defendant/Corporation filed its Written Statement at Exh.21 denying the claim of plaintiffs. It was denied that, on 21.5.1987, the plan for construction submitted by the plaintiff was sanctioned, as alleged. It was stated that there was no final conclusion or the final order passed by any competent Authority giving sanction to the map of the plaintiffs. On the contrary, the matter was under scrutiny and certain discrepancies were to be rectified by the plaintiffs. It was stated that the permission/sanction was never granted to the plaintiffs and the internal proceedings in the form of endorsement dt. 21.5.1987 cannot be construed as sanction. It was further stated that, during routine inspection of the Wards, the administrator found on 29.12.1987 that unauthorised and illegal construction on the southern bank of Amba Nala was made. The construction was carried out without any sanction and the same was, therefore, illegal and unauthorised. The averment regarding promise to the plaintiffs was also denied. It was further stated that the plaintiffs were given notice dt. 30.12.1987 for unauthorised construction and plaintiff No. 1 was called for hearing. Although 5.1.1988 was the date fixed at the convenience of the plaintiffs, there was no appearance or representation on behalf

of the plaintiffs and hence, another notice dt. 10.1.1988 was served upon the plaintiffs for hearing on 27.1.1988. However, on that day also, none was present for the plaintiffs. Hence, notice dt. 7.1.1988 rejecting plan of plaintiffs, was served upon the plaintiffs calling upon them to submit the explanation. Since the plaintiffs failed to comply with it, the demolition was carried out.

5. The learned Joint Civil Judge (Jr.Dn.), Amravati decided Regular Civil Suit No. 193 of 1988 by its judgment and order dt. 20.2.1990 and decreed the suit in favour of plaintiffs. It was held that the endorsement on case papers dt. 21.5.1987, was the permission granted to the plaintiffs to start construction. It was further held that, at any rate, it was a deemed permission and hence, the construction carried out by the plaintiffs cannot be said to be illegal and unauthorised. Although issue No. 1 was framed to the effect that : Do plaintiffs prove that their application was considered by the defendant as all the requisites were complied by them as per the directions of the defendants. It was answered in the affirmative; however, there was no discussion on that issue by the trial Court.

6. The defendant/Municipal Corporation preferred Regular Civil Appeal No. 63 of 1990 and it was decided by the learned District Judge at Amravati by its judgment and order dated 11th November, 1997. The appeal was allowed and the suit was dismissed. The Appellate Court reversed the finding of the trial Court in respect of the endorsement dt. 21.5.1997 and it was held that the said endorsement at Exh.54 was in the process of scrutinizing the case for sanction and it cannot be the actual order granting permission for construction with the approval of the plan. It was further held that, except the bare word of the plaintiffs, there was no evidence to show that any of the Officers allowed the plaintiffs to start construction on the basis of endorsement at Exh.54. In respect of the deemed sanction, the Appellate Court concurred with the finding recorded by the trial Court and it was held that it was a case of deemed sanction as per the provisions of Rule 6.7.2 of the Building Bye-Laws and Development Control Rules of the Municipal Corporation. It was, however, held that Rule 6.7.2 does not confer unfettered power upon the plaintiffs to carry out construction work in violation of provisions of Rules, regulations, bye-laws and Ordinances. If such construction is carried out, same can be rendered unauthorised and illegal. It was held on facts that the construction work carried out by the plaintiffs was contrary to the rules and the same was, therefore, unauthorised and illegal. It was further held that, in spite of providing opportunity to the plaintiffs, the plaintiffs did not remove the deficiencies and hence the step taken by the Corporation to demolish the structure that was unlawful and unauthorised was certainly an act in pursuance of or execution or intended execution of the Act as contemplated by Section 487 of the Bombay Provincial Municipal Corporation Act. With these findings, the decree passed by the trial Court was set aside and the suit was dismissed.

7. On 28.1.1998, this Second Appeal was admitted on the substantial questions of law which were framed as per ground Nos. 1 and 2 in the memo of appeal, which are re-produced below:

1) That the suit for declaration and injunction having legally and properly been decreed by the trial Court, the learned District Judge was in error in setting aside the said decree in spite of having answered Point No. 2 as framed by him reading:

Whether the construction commenced by the plaintiffs with permission and sanction under deemed provisions of law?

in the affirmative in favour of the plaintiff.

2. That where the person seeking permission to construct is armed with deemed permission for failure to be communicated rejection or sanction, the said omission has the effect to the applicants having been legally granted permission to construct and with such permission having been there, the corporation which was brought up was wholly legal and the Corporation had no jurisdiction to in any way affect the said construction entitling the plaintiffs to the declaration and injunction as granted.

8. Mr. Gordey, Adv. for the appellants has addressed this Court essentially on the following points.

a) The endorsement : "Discussed. No objection for grant of sanction as proposed" (Charcha keli. Prastawit kelya pramane manjuri denyas harkat naahi) at Exh.54, dt. 21.5.1987 amounts to grant of actual sanction in the background of the situation and hence, the construction carried out by the plaintiffs could not be said to be unauthorised or illegal.

b) The trial Court rightly construed the endorsement at Exh.54 to be the actual sanction of the building plan whereas the Appellate Court has misconstrued it, as not the actual sanction. He relied upon the decisions of the Apex Court reported in [Bhusawal Borough Municipality Vs. Amalgamated Electricity Co. Ltd. and Another](#) , [Jadu Gopal Chakravarty \(Dead\) by his Lrs. Vs. Pannalal Bhowmick and Others](#) , and [Sh. S.B. Chatterjee Vs. Smt. Meena Ahuja](#), in support of his contention, regarding misconstruction of documents being a question of law which can be decided in Second Appeal.

c) At any rate, the Officers of the Corporation have represented to the plaintiffs that the aforesaid endorsement at Exh.54 is virtually a sanction order and it is merely a ministerial act of its communication, which shall be completed within a short period and the plaintiffs can go ahead with the construction as proposed and relying upon such representation, the plaintiffs have spent an amount of Rs. 5,00,000/- on construction.

d) Even if it was not the actual sanction, it was a case of a deemed sanction to the plan submitted by the plaintiffs for sanction on 20.1.1987 or the revised plan on

6.3.1987, in terms of Rule 6.7.2 of the building bye-laws, upon expiry of sixty days on 20.3.1987 or 6.5.1987, as there was neither refusal nor sanction nor sanction with the modifications or directions and hence, the construction carried out by the plaintiffs could not be said to be unauthorised or illegal.

e) No case was made out by the respondent/Corporation that the construction was in any manner illegal or in contravention of or against the terms of sanction or against any building bye-laws, regulations or ordinance and hence, no notice of demolition as contemplated by Section 260(1) could have been issued.

9. As against the aforesaid contentions, Mr. Pathan, Adv. appearing for the respondent/Corporation has made his submissions as under:

(a) Although the trial Court construed the endorsement at Exh.54, dt. 21.5.1987 to be the actual sanction order, the Appellate Court has reversed the said finding and has held that the endorsement cannot be construed as the actual sanction of the plan and it was in the process of scrutinizing the proposal submitted by the plaintiffs. According to him, the Appellate Court has considered in detail the background in which such endorsement was made and has taken a possible view of the matter. It cannot give rise to any question of law, much less a substantial question of law as urged.

(b) The concurrent findings of facts recorded by both the Courts below in respect of deemed sanction cannot be assailed nor have been assailed by the Corporation. But that does not confer upon the plaintiffs an unfettered right to carry out work of construction and if the plans submitted or the construction work carried out is not found in accordance with building regulations, bye-laws, ordinances, directions etc. or that the same is not in accordance with the deemed sanction of the plan, then the Corporation has every right to take action under the provisions of Section 260 of the Bombay Provincial Municipal Corporation Act for demolition of the property.

(c) Although, the plaintiffs were pointed out technical deficiencies noted in the Notesheet on 4.9.1987 with the direction to stop the construction work noted on 7.9.1987 and acknowledged by plaintiff No. 1, in respect of its communication on the Notesheet itself on 14.9.1987, the plaintiffs proceeded with the work of construction. Hence, the notices were issued to the plaintiffs on 30.12.1987 and on 7.1.1988. The plaintiffs failed to comply with it, as a result the work of demolition was carried out on 17.3.1988 and 18.3.1988.

(d) The plaintiffs have failed to adduce any evidence on record to establish the fact of promise by any of the Officers of the Corporation to go ahead with the construction work in accordance with the plan submitted for sanction on 20.1.1987.

(e) Although, the plaintiffs were communicated with the order dt. 17.3.1988 for demolition of unauthorised construction and the reasons for such unauthorised construction were pointed out on endorsements noted by the plaintiffs on 14.9.1987

and in the notices dt. 30.12.1987 and 7.1.1988, the plaintiffs did not plead in their plaint that the deficiencies pointed out were nonexistent or were complied with and/or the Corporation was not justified in carrying out the demolition work.

10. So far as the first point raised by Mr. Gordey, Adv. Appearing for the appellant, regarding endorsement at Exh.54 dt. 21.5.1987 is concerned, the trial Court has considered the background of the situation and recorded the findings in favour of appellant/plaintiff. This finding of fact recorded by the trial Court has been reversed in appeal by the Appellate Court. Both the Courts below have considered the note-sheets at Exhs. 47 to 54 and the oral evidence of Prashant (plaintiff) (PW 1) and the evidence of Mr. Reddiwar (DW 1). It is not in dispute that the competent Authority to sanction the plan was the administrator and the endorsement dt. 21.5.1987 at Exh.54 nowhere bears his signature in token of having sanctioned the plan. The endorsement at Exhs.47 to 54 were of Mr. Patil, the Deputy Commissioner and Mr. Jaswant, the City Engineer. None of these persons/Officers of the Corporation have been examined as witnesses. The background leading to the endorsement at Exh.54 has been considered by the Appellate Court and a finding is recorded that it does not amount to actual sanction. Bare perusal of said endorsement does not reveal that it is a actual sanction of the plan. At any rate, the view taken by the Appellate Court on construction of the endorsement, is a possible view and no substantial question of law arises out of the same.

11. The decision relied upon by the learned Counsel for the appellant reported in AIR 1966 SC 1652 (cited supra) lays down that misconstruction of a document would be an error of law and the High Court in Second Appeal would be entitled to correct it. Similar is the another judgment of the Apex Court reported in AIR 1978 SC 1329 (cited supra) laying down that the construction of basic documents go to the root of the matter and is a question of law which could be gone into by the High Court in Second Appeal. The decision of the Delhi High Court reported in AIR 1996 Delhi 156 (cited supra) also lays down that if the inferences reached by the first Appellate Court are perverse and/or based on misreading of evidence on record then the misreading of evidence and misconstruction of document becomes a question of law and such errors can be corrected by the High Courts in Second Appeals. The propositions laid down in these judgments cannot be disputed. However, in the instant case, both the Courts below have considered the entire background and the evidence on record while construing the endorsement at Exh.54. The view taken by the Appellate Court is a possible view and hence, no fault can be found in the findings recorded by the Appellate Court. Hence, I do not find any substantial question of law which arises out of the said findings recorded by the Appellate Court. Thus, points at (a) and (b) above, raised by Mr. Gorde are answered against the appellants/plaintiffs.

12. So far as the question of assurance or promise by the Officers of the Corporation as alleged by the plaintiffs as pointed out earlier is concerned, none of the Officers

who have made endorsement at Exh.47 to 54 are examined. No such Officer is named. There is no evidence brought on record to substantiate such a plea and in absence of it, the contention raised by the plaintiffs cannot be accepted. The plaintiffs have failed to prove that any of the Officers of the Corporation had promised the plaintiffs that it was a actual sanction of plan as per endorsement at Exh.54 and that the same shall be communicated to the plaintiffs within a short period and that the plaintiffs can go ahead with the construction work as proposed. Thus, the point No. (c) urged by the learned Counsel, is answered against appellants/plaintiffs.

13. So far as the question of deemed sanction raised by the plaintiffs is concerned, both the Courts below have recorded the findings in favour of plaintiffs that it was a case of deemed sanction to the plan submitted on 20.1.1987 and the revised plan submitted on 6.3.1987. The point is also conceded by the learned Counsel for the respondent/Corporation. It is not disputed that, before expiry of period of sixty days, there was no communication issued by the Corporation granting sanction or refusing to grant sanction or granting sanction with some modifications or directions. Hence, the said point need no further consideration and the findings recorded by the Courts below are confirmed and accordingly, point No. (d) is answered.

14. The last point urged by Mr. Gordey, Adv. for the appellant now needs to be considered. It is urged that no case was made out by the Corporation that the construction was, in any manner, illegal or contrary to the terms of sanction or against any regulations or building bye-laws or ordinances and hence, the notice of demolition u/s 260(1) was illegal. As against this, the contentions of Shri Pathan for respondent is that it was for the plaintiffs to plead and prove that the notices of demolition issued u/s 260(1) of the Bombay Provincial Municipal Corporation Act were illegal and based upon non-existent grounds and/or the plaintiffs had complied with all deficiencies and plan submitted, was in accordance with the provisions of building bye-laws and regulations. The plaintiffs had failed to plead and prove that the notices of demolition were illegal.

15. The first question would be, upon whom the burden of proof lies? Obviously, when the plaintiffs want the Court to believe that notices of demolition are illegal, it is for the plaintiff to plead and prove the same. If it is not proved, the plaintiff would fail. The plaintiffs have prayed for declaration that the construction is as per the rules and regulations of the defendant. The trial Court framed the issue as to whether plaintiffs proved that they had complied with all requisites as per directions of defendant. It was answered in affirmative. The appellate Court reversed the said finding and has held that the plaintiffs were pointed out the deficiencies noted in the note-sheet on 4.9.1987 and 7.9.1987 which were acknowledged by plaintiff No. 1 on 14.9.1987. It has further recorded a finding that, in spite of show cause notice dt. 30.12.1987, the plaintiffs did not respond and submit explanation and hence, action

was taken, for demolition of illegal and unauthorised construction. The plaintiffs have failed to plead and prove as to how the action of demolition was illegal and based upon non-existent grounds. Hence, no fault can be found in recording such finding by the Appellate Court.

16. Mr. Gordey, learned Counsel for the appellant/plaintiff, then relying upon the provision of Rule 6.7.2, of the Draft Building Bye-Laws and Development Control Rules, urged that once the deemed sanction is granted, it has the same effect and consequence as that of actual sanction and it should be deemed to be legal. According to him, it is for the defendant to plead and prove as to how the deemed sanction is in contravention of or against the terms of lease or titles of the land or against any regulations, bye-laws or Ordinances. According to him, the defendant/Corporation has failed to plead and prove that the deemed sanction is in any manner illegal.

17. In order to consider this contention, it is necessary to consider the provisions of Rules 6.7.1, 6.7.2 and 6.10.1, which are re-produced below:

Rule 6.7.1:

The Authority may either sanction or refuse the plans and specifications or may sanction them with such modifications or directions as it may deem necessary and thereupon shall communicate its decision to the person giving the notice in the prescribed form given in Appendix D and E.

Rule 6.7.2:

If within sixty (60) days of the receipt of the notice, under 6.1 of the Byelaws, the Authority fails to intimate in written to the person, who has given notice, of its refusal or sanction or sanction with such modification or directions, the notice with its plans and statements shall be deemed to have been sanctioned, provided nothing shall be construed to authorise any person to do anything on the site of the work in contravention of or against the terms of lease or titles of the land or against any regulations, bye-laws or ordinance.

Rule 6.10.1:

In addition to the provisions of Section 51 of the Maharashtra Regional and Town Planning Act, 1966, the Authority may revoke any building permit issued under the provisions of the byelaws, wherever there has been any false statement or any misrepresentation of material fact in the application on which the building permit was based. And similarly, in case of deemed permission, the development carried out is not according to rules. The whole work shall be treated as unauthorised.

In the case of revocation of permit based on false statements or any material misrepresentation of Fact in the application no compensation should be paid.

A combined reading of the aforesaid provisions make out a distinction between a deemed sanction and the actual sanction. Firstly, a deemed sanction is conditioned by a proviso that nothing shall be construed to authorise any person to do anything on the site of work, in contravention of or against the terms of lease or titles of land or against any regulation, bye-laws or Ordinance. This is, however, not the case in respect of actual sanction. The reason is obvious that the actual sanction is granted after verifying that the plan submitted for sanction conforms to the requirements of rules, regulations, bye-laws or Ordinances and that it is not in contravention of or against the terms of lease or titles of land. There is an application of mind by various Authorities under the Corporation, involved in the process of actual sanction of plan, at different levels. It is only after such verification and scrutiny that the sanction is accorded or it is accorded with some conditions to be specifically prescribed in the order of sanction. In case of a deemed sanction, such stages are normally not completed or there remain some compliance or deficiencies to be removed. Secondly, actual sanction can be revoked under Rule 6.10.1 only when there has been any false statement or misrepresentation of material fact found in the application on which the building permit was based. Thus, legality is deemed to be attached to an order of actual sanction and it is for the Corporation to point out when such sanction is revoked that it was based upon false statement or any misrepresentation of material fact in the application for sanction, as alleged in the order of revocation of sanction. However, this is not a case in respect of deemed sanction. It is only a factum of sanction which is contemplated by provision of Rule 6.7.2, and no legality is attached to it. When such sanction is revoked under Rule 6.10.1., it is for the person concerned in whose favour deemed sanction is granted, to point out that the work carried out, is not in contravention of or against the terms of lease or titles of land or against any regulations or bye-laws or Ordinances, as alleged in the order of revocation of sanction. Where sanction is revoked: whether actual or deemed, the whole work carried out pursuant to such sanction becomes unauthorised.

18. Rule 6.7.2 of the Building bye-laws creates a legal fiction. The principles of interpreting a provision creating legal fiction are well settled. The Court has to ascertain the purpose of creating legal fiction. In construing legal fiction, it is not to be extended beyond the purpose for which it is created or beyond the language of Section by which it is created. It cannot be extended to create another legal fiction. What can be deemed to exist under a legal fiction, are the facts and not the legal consequences which do not flow from the law, as it stands. Here in the present case, the purpose of creating legal fiction of granting deemed sanction is, to avoid any hardship being caused to any person seeking sanction, because of delay beyond 60 days caused on the part of the Authorities of the Corporation, who grant sanction. But this does not mean that some inaction on the part of Corporation Authorities within stipulated period, would legalise the plan submitted or its sanction, which otherwise is not in conformity with the rules, regulations, bye-laws or Ordinances.

The deeming sanction brings into existence only a factum of sanction without sanction of legality to it. To treat a deemed sanction as legal, the same, would amount to creating another legal fiction. It is not permitted by any of the aforesaid Rules. On the contrary, to treat the deemed sanction as legal one would be in contravention of express language of Rule 6.7.2. The area of operation of deemed sanction and its consequences are controlled by the provisions itself and it cannot be extended to the area of operation and legal consequences of actual sanction. In view of this, the contention of Mr. Gordey, Adv. that once deemed sanction is granted, it would be deemed to be legal unless the Corporation proves the construction to be unauthorised or illegal cannot be accepted.

19. In the present case, the relief claimed in the suit is also based upon a provision of deemed sanction under Rule 6.7.2., of the building bye-laws. The order of revocation/cancellation of sanction was communicated to the plaintiffs on 7.1.1998 and the material grounds for such cancellation stated therein and in Written statement are as under:

- a) Unauthorised construction of plaintiffs is to the east of Amravati-Badnera Road, which is a National Highway No. 6. The distance of 25 meter from middle of Highway or 4.5 Meter, whichever is higher, has not been left out.
- b) Marginal distances of 3.00 meter as required by Development Control Rules not maintained.
- c) No adequate provision for parking place for huge market.
- d) Plaintiffs have not left marginal distance of 3.00 meters on the Amba Nala side as required by Development Control Rules, as a result natural flow of water from Nala and aggravated flow of water in rainy season would get obstructed by unauthorised construction.

It was, therefore, for the plaintiffs to specifically plead and prove that the aforesaid deficiencies were not existing on the date of revocation of sanction or that the same were not of substantial character so as to render the construction carried out by him pursuant to a deemed sanction as unauthorised. The plaintiffs have failed to plead and prove all such facts. As a result of cancellation of sanction, work of construction has become unauthorised. In spite of show cause notice, the plaintiffs have failed to remove the deficiencies. Hence, the order was passed on 17.3.1988, Exh.60 (38), u/s 260(2) of the Bombay Provincial Municipal Corporation Act to demolish the construction, which cannot be faulted with.

20. The appellants have filed Civil Application No. 880 of 2009 for amendment of plaint. By way of amendment, a plea is raised on the basis of communication dt. 3.12.2005 that the road abutting to which the construction has been made by the appellants, which is subject matter of the present appeal, has been de-notified as a National High-way by the State Government and a direction has been issued to

make necessary changes in the map and Schedule of the Road Development Project of 1981-2001. It is further stated that the requirement of complying with the conditions laid down by the High-way Authorities as was stated by the defendant is not applicable to the present construction. The notification is dated 3.12.2005 and the application is being moved in the year 2009. The adjudication of it may involve the disputed questions of facts which cannot be adjudged in Second Appeal for the first time. If the appellants/plaintiffs are entitled to benefit of such notification then it would be open for them to approach to the concerned Authorities and satisfy them. In view of this, the Civil Application for amendment is rejected. However, such rejection shall not come in the way of the appellants/plaintiffs in satisfying the concerned Authorities about the compliance of the deficiency involved in respect thereof.

21. In the result, there is no substance in the instant Second Appeal. Hence, the same is dismissed without there being any order as to costs.

At this stage, the learned Counsel for the appellant prays for continuation of the interim order for a period of six weeks so as to enable the appellant to adopt further remedies as are available to them. Keeping in view the fact that the interim order is operating since the year 1988, the same shall continue to operate for a further period of six weeks from today, after expiry of which, the interim order shall stand vacated automatically.