

BRIEF OF PACKAGES LIMITED.

Government of the Punjab vide memorandum No. 9871-SWLC-B-55/133, dated 01-12-55 from AH Khan Esquire CSP Secretary to Government of west Pakistan, Social Welfare and Local Government Department addressed to the Commissioner, Lahore Division, Lahore sanctioned lease of Nazul Land measuring 231 Kanals 19 Marlas comprising Khasra No. 458 to 473 and 478 to 485 situated in Mauza Amer Sidhu, Lahore for a period of 30 years to Syed Wajid Ali Shah, Director, Packages Limited, Lahore on the following conditions:-

- i) The land will be given out on annual rental value of Rs. 50/- per year.
- ii) The agreement should provide that the rent now assessed would be subject to revision after every 10 years and there will be an automatic increase of 25% in the basic rent every 10 years unless government decided otherwise.
- iii) The site leased out shall be used exclusively for the purposes for which it is being given and shall not be diverted to any other use without the prior approval of the Provincial Government.

In addition to the above main conditions other usual conditions should also be included in the lease deed.

2. Accordingly a lease deed was executed and registered with the Sub-Registrar Lahore on 02-02-1957 with the following terms and conditions:-

1. To construct buildings at his own cost on the demised premises in accordance with a plan or plans to be approved in writing by the lessor and not to erect or suffer to be erected on any part of the premises

hereby demised any building or permanent structure without the consent in writing of the lessor;

2. Not to make any alteration in the plan or elevation of the said buildings without such consent as aforesaid nor to use the same or permit the same to be used for any purpose other than that of a factory for manufacturing and printing of packing material for cigarettes, soap, tea etc. without the consent of the Provincial Government;
3. Not to assign, transfer, mortgage or underlet the land leased or premises thereon or any part thereof.

Subsequently, the Government of Punjab in the Colonies Department vide letter No. 2977-88-I/4309/CS, dated 22-09-1988, renewed the lease for a further period of ten year w.e.f. 08-12-1985, with a rent @ Rs. 50,000/- per acre per annum and if not acceptable it can be sold @ the market rate plus 10% surcharge on account of sale by private treaty in the discretion of Government. M/S Packages limited applied to the Secretary Finance for review of rates. Subsequently, the Boar of Revenue, Punjab vide letter No. 1416-89-I/2216-CS, dated 02-04-1989, reconsidered the case and extended the lease for another thirty years on the following rates:-

1. Rs. 10,000/- per acre per annum for first 10 years w.e.f.09-12-1985.
2. Rs. 15,000/- per acre per annum for first 10 years w.e.f.09-12-1995.
3. Rs. 20,000/- per acre per annum for first 10 years w.e.f.09-12-2005.

The lease will thus expire on 09-12-2015. Actually, the lease deed was to be executed on the same terms and conditions and mere period of lease and rate of rent was to be revised. However, a lease deed was executed on 18-12-89 and the lessee has paid lease money up to 08-12-12 vide treasury challan No. 1155/1, dated 07-03-12 for Rs. 4,80,800/-. Record reveals that the lessee did never

seek any approval of construction plans from the lessor and utilized the land for any purpose he liked even for non-conforming uses. The land is worth millions of rupees which is being utilized commercial purpose yet paying very low rent.

A show cause notice is proposed to be issued to the lessee as under:-

WHEREAS government land comprising Khasra Nos. 458 to 473, 478 to 485 measuring 231 Kanal 19 Marla situate in mauza Amer Sidhu was leased out to you for the term ending by 08.12.15 on a nominal initial annual rent of Rs.10,000/- per acre despite the fact that you are running a purely moneymaking business subject to the following main conditions:-

To construct buildings at his own cost on the demised premises in accordance with a plan or plans to be approved in writing by the lessor and not to erect or suffer to be erected on any part of the premises hereby demised any building or permanent structure without the consent in writing of the lessor;

Not to make any alteration in the plan or elevation of the said buildings without such consent as aforesaid nor to use the same or permit the same to be used for any purpose other than that of a factory for manufacturing and printing of packing material for cigarettes, soap, tea etc. without the consent of the Provincial Government;

Not to assign, transfer, mortgage or underlet the land leased or premises thereon or any part thereof.

AND WHEREAS it has been brought to my notice, that in extreme violation of the aforesaid terms and conditions of the lease you have:-

Procured heavy loans by mortgaging the buildings and structures raised on the demised premises;

Built Offices & Residential Colony and other nonconforming structures on the demised premises without permission, first obtained, of the Provincial Government;

Constructed godowns, buildings and other permanent structures without approval of the plans by the lessor.

THEREFORE you have committed non-rectifiable breaches of the conditions rendering the lease liable to be cancelled, possession of demised land resumed and recovery of market rent made for subjecting the premises to more profitable nonconforming use.

THIS BEING SO, you are required to show cause within 7 days of the receipt of this notice as to why not action as proposed above should not be taken against you. Your reply must accompany the land utilization plan showing all buildings and structures along with the dated of their constructions and approvals of the lessor if any failing which it shall be presumed that you nothing to offer in rebuttal of the alleged violations and physical possession of land shall be resumed in favour of government in terms of section 25 of the Act *ibid*.