

*** IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Date of Decision: 09.07.2013

+ W.P.(C) 4662/2010 & CM 9226/2010 (stay)
DELHI PRINTERS ASSOCIATION

..... Petitioner

Through: Mr. Bahar U. Barqt, Adv.

versus

COMMISSIONER OF INDUSTRIES, GNCT OF DELHI AND ANR

..... Respondent

Through: Ms. Anushya Salwan, Adv.

CORAM:
HON'BLE MR. JUSTICE V.K.JAIN

JUDGMENT

V.K.JAIN, J. (ORAL)

The petitioner before this Court is an Association of Printers who were allotted plots of land by respondent no.2-DSIDC. The letters of allotment containing terms and conditions of allotment including the terms for payment of premium were issued to the members of the petitioner association. The schedule of payment laid down in the allotment letters was as follows:

Terms of payment:

S.No.	Instalment	Stage	Flated Factory	Plot
1.	Earnest Money	Along with application form	Rs.25,000/-	Rs.300/- per sq. mtr. Of land applied

2.	1 st instalment	At the time of allotment of specific pocket block, pocket number, after adjusting earnest money.	30% of the estimated cost (earnest money, shall be adjusted in this instalment)	50% of the estimated cost of the plot (earnest money shall be adjusted in this instalment.
3.	2 nd instalment	Construction upto plinth level	30% of the estimated cost	20% of the estimated cost after six months.
4.	3 rd instalment	Construction upto roof level	30% of the estimated cost	20% of the estimated cost after next six months.
5.	4 th instalment	At completion stage	10% of the estimated cost	The balance cost at the time of handing over possession.
6.	5 th instalment	At the time of handing over possession	Balance cost as per actual costing	-

2. The price of the plots, which was initially fixed at Rs.7776/- per square metres, was enhanced to Rs.7776/- per square metres. Some of the allottees did not make the payment within the time stipulated in the allotment letter, which led to cancellation of their plots on several grounds. Those allottees filed petitions in this Court, challenging the enhanced price demanded by DSIDC in respect of plots allotted to them as also the cancellation of their plots. A learned Single Judge of this Court, vide order dated 15.5.2007, held that there was no justification for enhancement of the price of land from Rs.5400/- per sq. mtrs to Rs.7776/- per sq. mtrs. Consequently, the demand of Rs.7776/- per square metre was set aside. The Court, while setting aside the demand of Rs.7776/- per square metre, directed that the respondent would be entitled to enhance the price which was fixed at Rs.5400/- per square metre in the year 2001 to a higher figure in the year 2007, depending

upon the rate of inflation for the intervening period, applying the Wholesale Price Index for the period. The said order was challenged by DSIDC before the Division Bench of this Court. The Division Bench of this Court allowed the petition filed by respondent no.2-DSIDC thereby maintaining the price of the plots demanded @ Rs.7776/- per square metre. The Division Bench, however, did not accede to the contention of the respondent no.2-DSIDC that besides price of plots @ Rs.7776/- per square metre, the writ petitioners were also liable to pay interest in terms of allotment letters issued to them by DSIDC. Being aggrieved from the order of the Division Bench denying interest, the DSIDC approached the Supreme Court by way of Special Leave. The allottees also challenged the decision of the Division Bench to the extent it had upheld the price of Rs.7776/- per square metre. The appeals so filed came to be decided by the Supreme Court vide its judgment dated 16.2.2010. A perusal of the said judgment would show that two questions arose for consideration before the Supreme Court in the said case. The first question was whether DSIDC was entitled to charge price of Rs.7776/- per square metre and the second question was whether the respondent no.2-DSIDC was entitled to interest on the delayed/ defaulted payment. The Supreme Court upheld the decision of the DSIDC to charge price of the plots @ Rs.7776/- per square metre and also upheld its contention regarding payment of interest. The Apex Court noted that the allotment letter issued by DSIDC carried a term regarding payment of interest @ 18% per annum in case the payment was not made within 60 days from the issue of the demand-cum-allotment letter. The Apex Court specifically held that the issue before the High Court was about the allotment price and not about the interest payable on delayed payments and the allottees cannot therefore refuse to pay interest on the delayed payment. Noticing that the Division Bench had not given any clarification in the matter, the Court in order to put an end to any uncertainty and possible disputes, clarified that the Corporation DSIDC shall be entitled to

claim and receive from the allottees, interest as per the letter of allotment, on delayed/ defaulted payment.

3. The learned counsel for the respondent no.2 states on instructions that the allotment letters issued to the members of the petitioner association regarding allotment of plots in Narela carried a term identical to the terms of the letters of allotment which came to be considered by the Supreme Court in the aforesaid case, as far as payment of interest is concerned. The petitioner has chosen not to file the letters of allotment issued by DSIDC to its members and, therefore, I see no reason not to accept the statement made by the learned counsel for the respondent no.2-DSIDC in this regard.

4. The learned counsel for the respondent no.2-DSIDC has placed on record the allotment letter issued to an allottee in Bhawana, and clause 3 of the said letter clearly stipulates that the payment should be deposited within 60 days from the date of issue of demand-cum-allotment letter and another 45 days are allowed for depositing the payment with interest @ 18% per annum. The learned counsel maintains that the allotment letters issued to the members of the petitioner association carried identical clause. In view of the said clause contained in the allotment letter, the members of the petitioner association who accepted the allotment on the terms and conditions contained in the allotment letter including the term regarding payment of interest, are contractually obliged to pay interest in case they have defaulted in making payment within the time stipulated in the allotment letters issued to them by DSIDC.

5. The learned counsel for respondent no.2 states that the amount of interest payable by those members of the petitioner association who have not paid interest so far has already been worked out by them and uploaded on their website. She further states that in order to avoid any controversy in this regard, they shall again

work out the amount of interest payable by them as on the date of issue of the communication and give them 30 days to make payment of the amount demanded from them towards interest. She further states that the amount of interest will be worked out in terms of the schedule of payment given in the allotment letter, and they will also get benefit, if any, accruing to them from various circulars issued by DSIDC from time to time. She also states that the date on which the price of land was deposited in this Court would be taken as the date of payment by the allottees.

6. The demand letters in terms of the statement made by the learned counsel for DSIDC shall be issued within four weeks from today and the individual allottees shall be given 30 days time to make the balance payment.

On receipt of all its dues including interest, respondent no.2 shall process the matter for execution of the lease deed in favour of the individual allottees. The process in this regard shall be initiated within four weeks from the date the entire dues are paid. No further orders needs to be passed in this writ petition.

The petition stands disposed of accordingly. No orders as to costs.

V.K. JAIN, J

JULY 09, 2013/rd