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

+ **W.P.(C) 13233/2024**

SURENDRA KUMAR CHATURVEDI & ANR.Petitioners

Through: Mr. Abhik Chimni, Mr. Maaroof, Mr.
Pranjal Abral and Mr. Gurupal Singh,
Advocates.

versus

**DELHI STATE INDUSTRIAL INFRASTRUCTURE
DEVELOPMENT CORPORATION LIMITED.Respondent**

Through: Mr. R.K. Dhawan, SC with Ms. Nisha
Dhawan, Mr. V.K. Teng, Mr. Hasan
Haider and Mr. Naman Kumar
Thakur, Advocates with Mr. Ravi,
Manager.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

14.11.2024

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1. The Petitioners are aggrieved by orders No. DSIIDC/DM(H)/APPL.NO.9717/2021-2022/40 & NO.9718/2021-2022/41 dated 4th July, 2022,¹ passed by the Respondent, whereby the allotment of flats to the Petitioners was cancelled, and the deposit amounts submitted by them were forfeited.

2. A brief background leading to the filing of the instant petition is as follows:

2.1. On 27th November, 2004, the Petitioners applied for allotment of two flats under the Delhi State Industrial Infrastructure Development

¹ "the impugned orders"



Corporation, Self-Financing Cost Effective Workers Housing Scheme² through application Nos. 9717 and 9718. Each Petitioner deposited INR 20,000/- as an initial payment for their respective applications.

2.2. Subsequently, on 10th January, 2006, the Respondent issued provisional allotment letters to the Petitioners followed by the final allotment letters dated 15th November, 2006. Thereafter, Petitioners made the remaining payments for securing their allotment.

2.3. On 27th September, 2007, the Respondent issued a show-cause notice to Petitioner No. 1, alleging non-compliance with the terms of the Scheme as stipulated in the brochure. The Respondent claimed that both Petitioners were workers on the same industrial plot, suggesting that the allottee had fraudulently secured two flats through separate applications. The notice sought an explanation as to why their allotments should not be cancelled. In response, Petitioner No. 1 contended that Clause 5 of the Scheme, which defines eligibility and the mode of allotment, permits the allotment of up to five dwelling units through a single application, with one flat designated for an industrial worker under relocation.

2.4. On 14th February, 2012, Respondent's Housing Division issued a communication cancelling the allotment of the unit of Petitioner No. 1 and directing the surrender of the original documents for processing the refund. The said communication reads as under:

“Order

Whereas DSIIDC launched a Housing Scheme in Sep. 2004 for allotment of dwelling unit to Indl. Worker and Indl. Plot Allottee under Relocation Scheme at Bawana & Narela.

² “the Scheme”



Whereas Sh. Surender Kumar Chaturvedi secured allotment of Type II dwelling unit in the category of Indl. Worker against App. No. 9717 on the basis of Indl. Plot No. 5/H/75 at Bawana.

Whereas a Show Cause Notice dated 27.09.2007 was issued to him for explaining why the allotment secured by him as Indl. Plot Worker be not cancelled, as the employment certificate was issued by none other by his Wife.

Whereas on considering the reply of the Show Cause Notice referred above the Competent Authority is of the view that the scheme was meant for use and benefit of a industrial workers and allotment secured by him in Industrial worker category is not only contrary to the spirit of the scheme but also to the terms and conditions of the brochure and as such the allotment made to him is hereby cancelled / withdrawn and he is advised to surrendered all original documents pertaining to the allotment of the flat so that refund of the cost deposited by him is processed.

*Sd/-
(N.K. Sharma)
Sr. Manager (Housing)”*

2.5. Aggrieved by the cancellation, Petitioner No. 1 sent a communication dated 2nd December, 2019, to the Respondent, seeking a refund of INR 2,10,000/- for the cancellation of the allotment under application No. 9717. This was followed by subsequent communications requesting a refund under application No. 9718. The Respondent responded to these requests through the impugned communication dated 4th July, 2022, which reads to the following effect:

*“To,
Shri Surender Kumar Chaturvedi
R/o B-4/292-293
2nd Floor, Sector-7
Rohini
New Delhi-110085*

Sub:- Refund of deposit amount against the App. No. 9717



Sir,

This is in reference to your letter no. nil dated 08/09/2020 regarding refund of an amount Rs. 210,000/- deposited by you in DSIIDC towards EMD and cost of the flat. In this connection, I am directed to convey the directions of Competent Authority to forfeit the entire amount, deposited by you on cancellation of allotment of Housing Flat, 7/580/D, Dwelling unit Type-II at Bawana, in the category of industrial workers (Appl.No.9717) keeping in view the provision of Para 12 of the scheme which is reiterated below.

..... “However, where the Corporation cancels the allotment for misrepresentation, furnishing of incorrect information or for committing default of the terms and conditions of the allotment, brochure, the corporation shall be entitled to forfeit all the amounts, paid on or by the date of cancellation.....”

Thanking you

Your faithfully
Sd/-

(Vikas Gupta)
Divisional Manager (Housing)”

2.6. The Petitioners have now invoked the jurisdiction of this Court under Article 226 of the Constitution of India, 1950, seeking to set aside the impugned orders and to direct the Respondent to give possession of the allotted flats or refund the forfeited amount with interest at the rate of 10% per annum.

3. In this background, counsel for Petitioners argues that Petitioners are *bonafide* industrial workers employed in M/s Mannu Plastics, which is a household industrial unit. They never misrepresented themselves as there is no embargo in the Scheme for different family members of the same family to apply for allotment of flats. He further contends that the Respondent has issued the impugned orders arbitrarily, without specifying the provisions



that have been violated by the Petitioners and the impugned orders are devoid of proper reasoning.

4. The Court has considered the afore-noted submissions but remains unpersuaded. As noted above, the Petitioners' allotment stood cancelled on 14th February, 2012. There is no averment as to whether the Petitioners complied with the said cancellation notice, which explicitly required them to surrender the original documents. On this point, Mr. R.K. Dhawan, Standing Counsel for the Respondent, asserts that the Petitioners failed to return the original documents as directed in the cancellation notice. This non-compliance, according to the Respondent, further reinforces their decision to forfeit the deposit amounts, as it reflects a disregard for the terms and conditions of the Scheme and the directives issued by the Competent Authority.

5. In the opinion of this Court, the present petition is a textbook case of delay and laches. The Petitioners, after failing to comply with the explicit terms of the cancellation notice issued in 2012, resurfaced with a communication in 2019, nearly seven years later. This belated correspondence appears to be nothing more than an attempt to breathe life into a stale claim, giving a superficial semblance of a cause of action where none truly exists. Such a dilatory approach is a blatant abuse of the legal process. Moreover, even when the Petitioners eventually chose to approach the Respondent with their communication dated 8th September, 2020, their request was confined solely to seeking a refund of INR 2,10,000/-. This request was duly considered by the Respondent and, after careful deliberation, rejected through the impugned orders dated 4th July, 2022. The impugned orders clearly specify the basis for the Respondent's decision,



which is premised in the specific provisions of the Scheme, particularly paragraph No. 12 that permits forfeiture in cases of misrepresentation or default on the terms of the allotment.

6. What is particularly striking, however, is the inconsistency in the Petitioners' approach. Despite having sought no relief beyond a refund in their communications with the Respondent, counsel for the Petitioners now contends that the cause of action extends to an entitlement to seek possession of the allotted flats. Such a claim, presented after an inordinate lapse of time and without any previous assertion of this right, defies and sound reasoning and strains credulity. Therefore, the Petitioners cannot, at this stage, be permitted to resurrect their claims in an attempt to secure reliefs that they themselves had long abandoned.

7. Accordingly, the present writ petition is dismissed along with the pending application(s), if any, with the cost of INR 10,000/- to be paid to the Respondent.

SANJEEV NARULA, J

NOVEMBER 14, 2024

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