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

% ***Date of Decision:20th February, 2025***

\+ W.P.(C) 1151/2008

A.R.ASSOCIATES P.LTD. & ANR. .....Petitioner

Through: Mr. Anil Sharma, Mr. Arpit Sharma and Mr. Ravinder Banga, Advocates.

versus

D.D.A. & ORS. .....Respondent

Through: Mr. Anuj Chaturvedi, Ms. Harshita Maheshwari and Mr. Pawan Karan Deo, Advocates for R-1/DDA.

CORAM:
HON'BLE MR. JUSTICE MANOJ JAIN

J U D G M E N T ***(oral)***

1. Petitioner seeks quashing of order dated 22.08.2007 whereby allotment of plot No. 273, IFC, Gazipur, Pocket-C, Delhi to the petitioner company has been cancelled.

2. As per the averments made in the writ petition, the petitioners were carrying business as *paper merchants* at Chawri Bazar.

3. Such business was being carried out by them since 1997.

4. In 1997 itself, DDA proposed a plan for shifting of paper merchants from various other locations, including Walled City area of Delhi to outside Walled City.

5. There was also a *Paper Merchant Association* in the Walled City and such Association is impleaded as respondent No.2 herein.

6. The Association also issued a circular informing the members about the process thereof.

7. Petitioner filled up the requisite proforma and submitted the same

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along with the documents, as demanded.

8. DDA, eventually, came up with a notification on 15.03.2000 whereby the Lieutenant Governor was pleased to constitute a Committee for streamlining shifting of paper market from the Walled City.

9. The task of such committee was to carry out a comprehensive survey of dealers/traders/manufactures of paper located in Walled City area; to finalize eligibility criteria; principles of identifying those who would be entitled to a space in new complex to be developed by DDA and to ensure timely allotment of plots for shifting the paper market.

10. The petitioner was eventually allotted a plot *vide* communication dated 31.03.2006 issued by DDA. As per such communication, the abovesaid committee had conducted a survey and had supplied list of 682 eligible paper traders for shifting them from Walled City, Sadar Bazar and Pahar Ganj to Ghazipur, Delhi.

11. Accordingly, DDA invited application from all such traders and a computerized draw of plots for all such eligible traders was held on 22.03.2006 and consequent to such draw, the petitioner was allotted the above said plot on lease hold basis. The petitioner was also directed to deposit 75% of the land premium within sixty days along with ground rent, occupational charges and document charges with the direction to make a payment of balance premium within further two months.

12. As per the above said demand-cum-allotment letter, there were following conditions which were required to be complied with by the petitioner. These are as under:-

> *"5. Plot under reference is ready for handing over however the physical Possession of the plot will be given only after completion of the following:*

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(i) Affidavit to this effect that they will remove the existing Paper Trade from the walled city within(sic) one month from the date of completion of the building on plot allotted. In case of failure, the department can take action and cancelled the allotment at IFC Gazipur and resume the land;
ii) Attested true copy of Assessment order for the year 2002-03, 2003-04, 2004-05.
iii) Affidavit to this effect that no Change in the ownership of company/firm etc. from the issue of allotment letter to till today.
iv) Terms & Conditions of allotment (Specimen attached) typed on stamp paper worth Rs. 10/- non-judicial duly notarized or attested by the Gazetted Officer.
v) Submission of lease Deed papers dully stamp duties paid to collector of stamps Delhi."

(emphasis supplied)

13. Thus, one of the conditions was to submit the assessment orders for the year 2002-2003, 2003-2004 and 2004-2005. These are Sales Tax assessment orders.

14. Affidavit was also required to be submitted by all such allottees, including the petitioner.

15. The petitioner, through its Director, submitted affidavit in the prescribed format and such affidavit bears date of 06.07.2006. In such affidavit, the petitioner, while noting the eligibility criteria, undertook to provide *Sales Tax Registration Number* and *order of assessment for the year 2003-2004* and other relevant documents for determining its claim for allotment.

16. Such affidavit signed by the petitioner also records that after the draw of lots, there would be a detailed verification of the particulars contained in the application and that if it was discovered that the plot had been obtained by suppression of any fact or mis-statement or misrepresentation or fraud or if there was any breach of the condition of the lease, it shall be determined and

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the possession shall be taken over by the respondent/DDA.

17. Fact remains that since the petitioner could not submit the requisite details regarding *Sale Tax Registration* and *assessment orders*, the allotment was cancelled *vide* communication dated 22.08.2007.

18. As per such communication, it was clearly informed to the petitioner that as per Clause 5(ii) of the allotment-cum-demand letter, as already extracted above by us, that the petitioner was required to fulfil both the requirements i.e. registration under Sales Tax and also to furnish copies of the assessment orders for the above said relevant period. Since such documents had not been furnished, it did not fulfil the criteria of allotment and, therefore, the allotment of the plot was cancelled.

19. Such order is under challenge.

20. According to petitioner, since the area of its shop involved was very small and he was expecting a quick allotment of alternative plot, it surrendered its registration under the Sale Tax in the year 1999 itself.

21. Interestingly, no such document has been placed on record which may indicate that such registration ever existed or was surrendered in the 1999. Though, even considering what is stated by the petitioner, it cannot be said to be a *'paper merchant',* once such registration had been surrendered by the petitioner voluntarily.

22. However, it is relevant to note that the petitioner has filed a *Certificate of Registration* issued under the Delhi Value Added Tax Act, 2004, by the Department of Value Added Tax, Government of NCT of Delhi. The certificate is marked with a validity date of 19th May 2006. However, it seems that the issuance of this certificate was a subsequent action taken to, somehow, avail the benefit of the scheme in question as the petitioner, as per

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its own case, had voluntarily surrendered its registration as early as the year 1999, long before the issuance of the aforementioned certificate.

23. The idea behind such scheme was to relocate the paper merchants outside the Walled City. However, there is nothing on record which shows that the petitioner was a paper merchant. Moreover, he is not even having the Sales Tax Registration Number and the assessment orders as required by the Authority for the verification of such traders.

24. Petitioner has placed on record an affidavit-cum-undertaking wherein the eligibility criteria has been reiterated by him only. It reads as under: -

> "…..
>
> *ELIGIBILITY*
>
> *The allotment is being made against the name of the eligible Paper Trader included in the list of 682 eligible Paper Traders, recommended by the Committee headed by the Divisional Commissioner, G.N.C.T.D., Delhi, incompliance of Notification No. F 13(50)/96/UD/2497-2512 dated 15.03.2001 issued by Pr. Secretary (U.D).*
>
> *(i) The applicant shall submit the Sales Tax Registration No. under Delhi Sales tax Rules 1975 Form 3T-8 (See Rule-16) and Form of order of Assessment U/s 23(3) of No. D.S.T. Act, 1975 atleast for the year 2003-2004 etc. and other relevant documents for determination of his/her claim for allotment.*
>
> *…."*

25. On perusal of the aforesaid undertaking, it is evident that such undertaking was duly signed by the Director of the petitioner company. Therefore, it cannot be said that the DDA has committed any wrong as the petitioner was well aware of the fact that such documents were pre-requisite for obtaining any such allotment.

26. It is pertinent to recognize the importance of proper verification of the

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applicants, particularly since the scheme was exclusively intended for paper merchants. The verification process was essential to ensure that only legitimate and operational paper businesses were considered for the allotment of plots. Given the specialized nature of the scheme, the onus was on the petitioner to provide accurate documentation that could substantiate their eligibility.

27. It is undisputed that the petitioner, despite undertaking to submit the necessary documents, failed to provide Sales Tax Registration details and Assessment Orders. He, instead, submitted Income Tax Assessment Orders. Such failure to furnish the proper documents is attributable to none other than petitioner. Moreover, several paper traders who were not included in the list of eligible applicants approached the office of the Deputy Commissioner (Central) GNCTD with request to reconsider their eligibility for allotment. However, these applications, being neither duly verified nor supported by the requisite documentation, were rightly categorized as "*Unsolicited Applications*" and thus, were not processed.

28. In response to complaints about the allotment process, including instances of multiple allotments to a single entity and to entities lacking a valid Sales Tax Registration Certificate, the DDA, in collaboration with the Government of NCT of Delhi, undertook a thorough and meticulous verification exercise.

29. As a result of said exercise, several allotments, including that of the petitioner, were rightfully cancelled.

30. The facts do not suggest that such cancellations were arbitrary or capricious.

31. On the contrary, the cancellations were direct result of the failure on the

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part of petitioner to provide the necessary and mandated Sales Tax Registration Certificate and relevant assessment orders for verification. In light of above, the challenge to the cancellation of the allotment cannot be sustained, as it was a consequence of the petitioner's own lapse in complying with the requirements of the scheme.

32. Therefore, the cancellation of the allotment by the DDA is justified, and the petitioner's contention is without merit.

33. However, learned counsel for the petitioner states that around Rs. 11,32,421/- were deposited as per the terms of the allotment and, therefore, it is prayed that the right of the petitioner may be protected to recover the same in accordance with law.

34. Though, there is no specific prayer made in this regard in the present writ petition, the petitioner would be at liberty to make appropriate representation in this regard to DDA and it is expected that DDA shall consider the same in accordance with law and would dispose it, particularly, keeping in mind the fact that the aforesaid plot was infact, allotted to petitioner and was cancelled only because of the fact that he had himself surrendered the Sale Tax Registration and later failed to provide the requisite documents.

35. In view of the above, the petition stands dismissed.

(MANOJ JAIN)
JUDGE

FEBRUARY 20, 2025/ss

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