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

Date of decision: 19.01.2026

+ **W.P.(C) 7220/2012**

SUPREME COOPERATIVE GROUP HOUSING SOCIETY LTD
AND ANRPetitioners

Through: Mr. Raj Panjwani, Sr Adv. with Mr.
Abhishek Puri Adv., Mr. Sahil Grewal Adv.
versus

D.D.A. AND ANRRespondents

Through: Mr. Arjun Pant, ASC with Ms Latika
Malhotra, Adv. for R1
Mr. Anand Prakash, SC with Ms Varsha Arya
Advocate for R2

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

: **JASMEET SINGH, J (Oral)**

1. This is a writ petition filed under Article 226 of the Constitution of India seeking the following prayers:-

“a) Issue appropriate Writ, Order of Direction calling for the records of the case and quash and set aside the communication dt. 14.9.2012 (Annexure P) demanding composition fee;

b) Direct that composition fee will be levied by the DDA upto 31.3.1993 in terms of the policy in force on that date;

c) Direct that DDA/MCD will grant all consequential benefits like C & D Forms, completion certificate etc;



d) Allow the present Writ Petition with exemplary costs in favour of the Petitioners; and”

2. The brief facts are that the petitioner No. 1, a Cooperative House Building Society registered under the Delhi Cooperative Societies Act, 1971, consists of practicing lawyers. Pursuant to its application, on 03.05.1983, the respondent No. 1 i.e., Delhi Development Authority (“DDA”), allotted and handed over possession of 5 acres of land to the petitioner No. 1 society for construction of 300 flats for its members.
3. Due to failure on the part of members to pay up the call money the construction was carried out in two phases. In first phase, after construction of 215 flats a draw of lots was held for allotment of flats. However, the Registrar Cooperative Societies tried to cancel the draw of lots and the petitioner No. 1 society challenged the same. A Coordinate Bench of this Court *vide* order dated 20.09.1990 in Writ Petition (Civil) No. 2331/1990 held the draw of lots to be valid.
4. Thereafter, the petitioner No. 1 society made an application for Form ‘C’ and ‘D’ to the DDA in respect of 215 flats, however, the DDA did not grant the same on the ground that the construction was not complete at that time. As some members did not pay up the call money, the construction was delayed and the petitioner No. 1 society had to get the plans revalidated from time to time. During this time, *vide* letter dated 10.01.1992, DDA demanded payment of composition fee of Rs.5,56,462.50/- for the period upto 02.11.1991.
5. On 17.07.1992, in the second phase the petitioner No. 1 society completed construction of the remaining 85 flats and again applied for



‘C’ and ‘D’ forms from the DDA. The Municipal Corporation of Delhi completed assessment under Section 176 of the Delhi Municipal Corporation Act, assessing balance 85 flats with effect from 01.04.1993.

6. During this period the petitioner No. 1 society got into disputes with the Contractor/Architect. Subsequently, arbitration was conducted and the resultant arbitration Award is under challenge before this Court.
7. The petitioner No. 1 society could not obtain ‘C’ and ‘D’ Forms and completion certificate due to objections raised by the DDA. The Hon’ble Supreme Court in the Special Leave Petition (Civil) No. 10772/1996 *vide* order dated 09.05.1996 directed Delhi Electric Supply Undertaking to get the premises inspected and to provide permanent electric connection to the petitioner No. 1 society.
8. In the meanwhile the DDA *vide* letter dated 18.03.1996 raised a demand of Rs. 46,75,069.05/- including Rs. 44,51,700/- towards composition fee for the period upto 02.05.1996.
9. In December, 1997, the petitioner No. 1 society challenged the demand for composition fee by filing Writ Petition (C) No. 5616/1997. When the writ petition as heard for the first time on 19.12.1997, this Court granted stay on the operation of the demand letter dated 18.03.1996. The order of interim stay granted on 19.12.1997 was later made absolute *vide* order dated 25.08.1998.
10. The writ petition filed by the petitioner No. 1 society was disposed of *vide* order dated 29.04.2009, wherein paragraph No. 16 reads as under:-



“16. In these circumstances, it is not possible to accept the plea of the respondent-DDA that the petitioner-Society will be liable to pay composition fee till today or till the time Forms C and D are not issued. Accordingly, it is directed that respondent-DDA is entitled to charge composition fee upto 31st March, 1993. DDA will compute the said composition fee and issue letter of demand within four weeks. The petitioner-Society will make payment of the said demand within eight weeks thereafter along with interest @ 6% p.a. as stipulated in clause III.”

11. Thereafter, in compliance of the order dated 29.04.2009, the DDA *vide* letter dated 25.9.2009 demanded a sum of Rs. 1,19,04,925/- as composition fee from the petitioner No. 1 Society up to 31.03.1993. The said letter is extracted below:-

“F4(556)80/GH/DDA/8144

Dated: 25.9.2009

The Hony. Secretary/President

Supreme CGHS Ltd.

Plot No 14, Patparganj

Mayur Vihar

Delhi 110 091

Sub: Regarding outstanding dues against the Society on account of composition fee and ground rent etc.

Sir,

In compliance of Hon'ble Delhi High Court's order dated 29.4.2009, wherein DDA has been directed to compute composition fee upto 31.3.1993. Accordingly, the composition



fee has been worked out as per the latest policy dated 4.1.2007 by Accounts Branch. The details of the outstanding dues are as under:-

<i>1. Composition fee upto 31.3.93</i>	<i>Rs. 1,19,04,925.00</i>
<i>2. Ground rent upto 15.1.2010</i>	<i>Rs. 7,23,401.12</i>
<i>3. Interest on G.Rent upto 14.7.09</i>	<i>Rs. 5,93,825.30</i>
<i>Total</i>	<i>Rs. 1,32,22,151.42</i>

You are, therefore, requested to deposit this amount through the bank challan in favour of DDA in SBI/CBI, Vikas Sadan, New Delhi and third copy of the bank challan be sent to the undersigned.

It may be noted that if intimation about the depositing of this amount is not received within eight weeks the interest will be charged as per the orders of the Hon'ble Court.

Yours faithfully

Sd/-

Dy. Director (GH) DDA”

12. The petitioner No. 1 society in reply wrote to DDA and brought to its attention that the composition fee is to be calculated in terms of the policy in force as on 31.03.1993. However, the DDA insisted on it demand of composite fee as demanded in the demand letter.
13. The said demand of the DDA was again challenged by some of the members of the petitioner No. 1 society by filing the Writ Petition(C) No. 4378/2012, which was disposed of *vide* order dated 24.07.2012. The operative portion of the said reads as under:-



“In these circumstances, it is deemed appropriate to dispose of this petition in limini with direction to Respondent - DDA to effectively deal with the petitioners Representations (Annexure P-4, Annexure P-5 and Annexure P-8) and pass a speaking order after giving hearing to the representatives of the petitioner and the needful be done expeditiously, preferably within a period of four weeks and intimation of it be given to the petitioner within two weeks thereafter. Since the representations are of the Supreme Court Cooperative Group Housing Society Ltd., so this Society ought to be heard during the hearing so afforded by the Respondent - DDA.

With aforesaid observations, this petition is disposed of with no orders as to costs.”

14. Pursuant to the said order, the DDA, after giving a personal hearing to the petitioners, passed the impugned order dated 14.09.2012. The operative portion of the same reads as under:-

“I have perused the representations mentioned above as well as the representation dated 06.08.12 and also heard the oral submissions of the representatives of the petitioner. The main contention in all the representations of the petitioner is that the policy of DDA circulated vide circular dated 04.01.07 is not applicable to the case of the petitioner on account of the fact that DDA cannot retrospectively apply its policy dated 04.01.07 to work out the composition fee upto the period 31.03.93:



It has also been claimed by the petitioners representative that the composition fee upto the year 31.03.93 ought to have been calculated as per the rate applicable as on 31.03.93 and as per their calculation, the demand of composition fee works out to Rs. 14,16,450/-.

However, neither the petitioner nor the representative of the society were able to dispute the fact that they have ever deposited any amount of composition fee prior to the circular dated 04.01.07. The contention of the society that the matter remained subjudice for a period of 12 years does not help the case of the petitioner for the simple reason that the right of DDA for recovery of composition fee was never under any challenge. The only dispute before the Hon'ble Court was qua the period of composition fee. Therefore, no body prevented the society or the petitioners to deposit the demanded amount or at least the admitted amount of the composition fee with the DDA. The admitted amount of the composition fee was deposited with the DDA much after the policy dated 04.01.07 came into force. The payment of Rs.22,12,202/- vide challan no. 13206 dated 14.12.09 is much after the policy dated 04.01.07 that too after raising the revised demand.

The policy dated 04.01.07 itself, provide that in case where demand has been raised but the payment has not been made as per the terms of the demand letter, the composition fee shall be re-worked as per the latest policy. Admittedly no payment was made either of the admitted amount or the demanded amount



or any part thereof prior to coming into force the policy dated 04.01.2007. Therefore, the applicable policy can only be the latest policy dated 04.01.07 for working the amount of composition fee. Therefore, the representation and the contention of the petitioner and the society have no force.

It is also relevant to mention here that in the public hearing some of the members of the society namely Sh. P.N. Gupta/ flat no. 245, Sh. Anil Kumar Jha/ flat no. 262, Sh. S.M. Kumar/ flat no. 109, Sh. Vijay Panjnam/flat no. 69. Sh. A.K. Srivastava/ flat no. 46, and others have submitted that on the basis of demand raised by the DDA amounting to Rs. 1,36,19,039 vide letter dated 31.07.12, the Managing Committee of the society had raised individual demand notice to the members for Rs.45,397/- as individual proportionate share of members. A few of the members who wanted to resolve the dispute deposited their respective contribution with the society. However, in a subsequent meeting dated 22.07.12, the society recalled its earlier resolution dated 07.07.12 and decided to challenge the mode of calculation of composition fee. These members have submitted that there is no point in withholding the payment towards the aforesaid demand of DDA when interest is accruing thereupon heavily which keeps on multiplying. The aforesaid members have requested for calculation of their individual share as on, 31.08.12 and sought permission to deposit the same.



Therefore, in my opinion, the representation filed by the petitioner vide Annexure P-4, P-5 and P-8 (Supra) alongwith their latest representation dated 06.08.12 have no merits and they are liable to be rejected. The demand raised by the DDA vide letter dated, 05.07.12 is accordingly re-iterated. In views of the representations of the individual members who willing to deposit their proportionate share of the demand alongwith interest accrued upto the date of payment, liberty is granted to them to deposit their individual share with accrued interest. The representations are accordingly disposed. Copies of this order be provided to the petitioners society & other individual members who have offered to pay their individual shares.”

15. Hence, the petitioners filed the present petition assailing the impugned order dated 14.09.2012.
16. Mr. Panjwani, learned senior counsel for the petitioners, states that the stand taken by DDA amounts to a clear violation of the Order of this Court dated 24.09.2009 and more particularly paragraph No. 16 of the said order (reproduced above), which is clear in its ambit and scope. The said order clearly directed the DDA to charge composition fee upto 31.03.1993. He further states that it is not the case that the petitioners were unwilling to deposit the composition fee, but the petitioners were challenging the quantum of the composition fee which was levied on the petitioners by the DDA.
17. *Per contra*, Mr. Pant, learned ASC for the DDA, draws my attention to the policy dated 04.01.2007, which is extracted below:-



“No.F1(EOT)/05/LSB(I)/I

Dated: 04.1.2007

CIRCULAR

Subject: Rates of Composition Fee for delay in construction on Residential, Commercial, Institutional and Cooperative Group Housing Societies Plots.

In supersession to all previous orders/instructions on the subject, Lt. Governor, Delhi is pleased to revise the existing rates of composition fee for extension of time for period of construction on plots as annexed herewith.

2. In cases where demand has been raised but the payment has not been received as per the terms of demand letter the composition fee shall be reworked as per the latest policy.

4. With effect from 18.6.2006, as per press notice already issued by DDA, the maximum permissible period for construction of various categories of plots allotted or auctioned by DDA shall be limited to 10 years. In addition, in all surviving leases, as already circulated vide circular of even no. dated 21.7.2006 of OSD(Lands), where the construction has not been undertaken even after the lapse of 10 years from the date of possession, last opportunity has been given to complete the construction by 31.12.2007. Failure to complete construction by 31.12.2007 will result in determination of lease/resumption of plot by DDA without any further notice.

5. Other terms and conditions as contained in Circular No. AO (Proj)/Misc/Composition/Pt-1/36 dated 31.10.1995,



24.7.2001 and No.F2(2)/2005/Cordn/LD/99 dated 22.3.2005 shall remain the same.

6. The revised rate of composition fee will come into force from the date of issue of this circular.

[PRAHLAD SINGH]

Director (Land Costing) ”

18. He states that the demand made by the DDA is in accordance with the said policy of the DDA. As per paragraph No. 2 of the policy, as no payment was made either by petitioner No. 1 Society or its members prior to Policy dated 04.01.2007, the demand would be calculated on the basis of Policy dated 04.01.2007.
19. I have heard learned counsels for the parties.
20. In the present case, the petitioners duly challenged the imposition of composition fee in the year 1997 itself when the DDA levied it *vide* letter dated 18.03.1996 and the said demand as raised by the DDA was stayed by this Court *vide* order dated 19.12.1997.
21. Later, *vide* order dated 29.04.2009 passed in Writ Petition (C) No. 5616/1997 and more particularly in paragraph No. 16 (reproduced above), the Court in clear words stated that composition fee upto 31.03.1993 has to be levied. Thereafter, the DDA *vide* letter dated 25.09.2009 demanded composition fee from the petitioner No. 1 Society up to 31.03.1993 but calculated as per Policy dated 04.01.2007.



22. The same was also challenged by some of the members of the petitioner No.1 society by filing the Writ Petition (C) No. 4378/2012, which was disposed of *vide* order dated 24.07.2012.
23. After the Order dated 29.04.2009 was pronounced, the petitioner No. 1 society on 14.12.2009 deposited the composition fees in terms of the policy in force as on 31.03.1993 amounting to Rs.14,16,450/- along with other due amounts, as also admitted by the respondent DDA. This shows that it was not that the petitioners were unwilling to make the payment for composition fee or were trying to evade the payment, but the petitioners were challenging the computation of composition fee as made by the DDA.
24. In view of the aforesaid, the observations in the impugned order that the demand was raised by the respondent DDA and since payments were not made, the composition fee will have to be re-worked as per the latest policy is flawed.
25. In the present matter, the policy as per which the composite fee is to be calculated is the one in place at the time when the construction was completed, which is upto 31.03.1993, as also directed in the order dated 29.04.2009 (reproduced above). When the composite fee is to be calculated upto 31.03.1993, then the policy for its calculation shall also be the one in force at that time.
26. For the said reasons, the present petition is allowed and the respondent shall re-work the amount due and payable by the petitioners as per the policy prevalent from 31.03.1993 to 31.03.1996.
27. The demand shall be raised within 4 weeks from today and the petitioners shall deposit the amount, if any, within 4 weeks thereafter.



2026:DHC:654



28. The petition is disposed of in aforesaid terms.

JANUARY 19, 2026 / (MS)
(Corrected and released on 27.01.2026)

JASMEET SINGH, J