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

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Date of Decision: 09.04.2026

+ **LPA 245/2026 & CM APPL. 22878/2026**

ANJALI KHURANA

.....Appellant

Through: Mr. Rajesh Banati, Advocate.

versus

GOVT. OF NCT OF DELHI THROUGH OFFICE OF

COMMISSIONER OF INDUSTRIES & ANR.

.....Respondents

Through: None.

CORAM:

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE TEJAS KARIA

TEJAS KARIA, J. (Oral)

1. The present Letters Patent Appeal is filed against the Judgment dated 27.02.2026 (“**Impugned Judgment**”) passed by the learned Single Judge in W.P.(C) 7780/2013 (“**Writ Petition**”), whereby the Writ Petition filed by the Appellant seeking allotment of an industrial plot under the Relocation Scheme was dismissed.

2. It is the case of the Appellant that the Appellant had applied for allotment of an industrial plot pursuant to an advertisement issued by the Respondents in the year 1996 and had deposited earnest money of ₹25,000/- along with the application, out of which ₹6000/- was deposited by the Appellant from her own funds and ₹18,750/- was deposited by one Jain Cooperative Bank Limited (“**Bank**”) on behalf of the Appellant by



advancing loan. The Respondents *vide* letter dated 26.05.1999 informed the Appellant that the Appellant is eligible for allotment of a flatted factory measuring 50 sq. mts. at Jhilmil Industrial Area. Pursuant to a draw of lots held on 08.06.1999, the Appellant was allotted a flatted factory measuring 50 sq. mts. at Jhilmil Industrial Area on the first floor (“**Industrial Unit**”).

3. It is further submitted on behalf of the Appellant that after the receipt of the letter dated 26.05.1999, the Appellant requested Respondent No. 2 for shifting of the Industrial Unit to the ground floor on account of installation of heavy machinery, but Respondent No. 2 did not consider the said request of the Appellant. The Appellant contended that Respondent No. 2 did not give possession of the Industrial Unit to the Appellant and did not refund the earnest money.

4. The Appellant further submitted that subsequent to the letter dated 27.03.2008 issued by the Bank asking the Appellant to deposit the loan amount with interest by 31.03.2008, the Appellant deposited a sum of ₹1,12,000/- on 31.03.2008 with the Bank, and *vide* a letter of the same date further requested the Respondents to inform the balance amount so that entire balance amount could be deposited for taking possession of the Industrial Unit.

5. It is the case of the Appellant that the Respondents in the year 2009 took out an advertisement in Hindi Newspaper and asked the allottees to make fresh request for allotment. Accordingly, the Appellant *vide* letter dated 15.10.2009 requested the Respondents to allot the plot but the Respondents failed to accede to the request made by the Appellant.

6. Respondent No. 2 has contended that pursuant to the order dated 24.01.2001 passed by the Hon’ble Supreme Court in *M.C. Mehta v. Union*



of India, W.P.(Civil) No. 4677/1985, Respondent No. 2 had issued a Public Notice in Hindustan Times, Times of India, Punjab Kesari on 26.01.2001 (“**Public Notice**”) notifying all the allottees of plots / flatted factories under the Relocation Scheme to make the payment by 31.03.2001 and that failure to make payment by 31.03.2001 would entail cancellation of allotment, however the Appellant failed to make the complete payment of the Industrial Unit by 31.03.2001.

7. Further, *vide* letter dated 11.01.2000, the Appellant was asked to pay an amount of ₹5,17,812.52/- towards the cost of the Industrial Unit within a period of three weeks, however, the Appellant failed to make the requisite payment within the prescribed time and therefore, the allotment of the Industrial Unit in favour of the Appellant was cancelled *vide* letter dated 11.10.2006 (“**Cancellation Letter**”).

8. The Impugned Judgment has observed that even if the Appellant disputes receipt of the Cancellation Letter, the Public Notice issued pursuant to the directions in *M.C. Mehta (supra)* applied to all allottees and, admittedly, the Appellant did not make the payment within the prescribed time and that the payment made to the Bank by the Appellant was in 2008, much after the deadline given in *M.C. Mehta (supra)*. It has been further held that the Appellant had not placed any document or communication on record evidencing the alleged request for change of floor of the Industrial Unit.

9. Accordingly, the Writ Petition was dismissed, with a direction to refund the earnest money deposit in accordance with law.

10. We have heard the learned counsel for the Appellant and perused the material placed on record.



11. The primary grounds raised on behalf of the Appellant to challenge the Impugned Judgment are that the same failed to appreciate that the Respondents themselves admitted receipt of a request for change of floor of the Industrial Unit, that the Cancellation Letter was never served on the Appellant, that the Respondents have taken inconsistent stands regarding the date of cancellation of allotment of the Industrial Unit, that the letter dated 27.03.2008 and the subsequent deposit made by the Appellant with the Bank on 31.03.2008 show that the allotment of the Industrial Unit had not been cancelled even till 31.03.2008, and that the Appellant continued to be shown as eligible on Respondent No. 2's website even in the year 2013.

12. In our view, the aforesaid submissions do not have merit. The Appellant was allotted the Industrial Unit and was required to comply with the payment schedule prescribed in the Public Notice. It is also not in dispute that the Appellant did not make the requisite payment within the prescribed time, i.e., by 31.03.2001.

13. The Impugned Judgment has considered the effect of the Public Notice which was issued in compliance of the judgement of the Apex Court in *M.C. Mehta (supra)* that clearly stipulated that failure to make payment by 31.03.2001 would result in cancellation of allotment and that no further cancellation correspondence would be entertained. Once such a public notice, issued in pursuance of judicial directions, is applicable across the board, the absence of proof of individual service of the Cancellation Letter does not advance the case of the Appellant. The admitted position remains that the Appellant did not comply with the payment obligations prescribed in the Public Notice.



14. The subsequent deposit made by the Appellant with the Bank in the year 2008 also cannot revive an allotment which already stood cancelled. The Impugned Judgment has rightly observed that by that time, the allotment already stood cancelled in view of non-compliance of the terms of the Public Notice issued pursuant to directions in *M.C. Mehta (supra)*.

15. The plea founded on the alleged status reflected on Respondent No. 2's website in the year 2013 also does not assist the Appellant. The same, at best, reflects the status and cannot dilute the consequences of the Appellant's failure to comply with the payment obligations within the prescribed time.

16. Insofar as the reliance placed by the Appellant on *Dharnidhar Mishra v. State of Bihar*, (2024) 10 SCC 605 is concerned, the said decision holds that delay and laches cannot be raised in a case of a continuing cause of action and that there is no period of limitation prescribed for the courts to exercise their constitutional jurisdiction to do substantial justice.

17. As the Appellant failed to comply with the payment obligations within the prescribed time, the allotment stood cancelled. The later communications in 2008, 2009 and 2013 do not disclose any acknowledgment of a subsisting right or any decision by the Respondents which could be said to give rise to a fresh or recurring cause of action.

18. In that view of the matter, *Dharnidhar Mishra (supra)* cannot be pressed into service in the facts of the present case. Even otherwise, the learned Single Judge has not dismissed the Writ Petition on the grounds of delay and laches, but upon a consideration of the substantive merits of the case.



19. We are of the considered view that the Impugned Judgment correctly appreciates the facts and law and no ground is made out for interference in the present Appeal.

20. However, insofar as the issue of earnest money is concerned, it is evident from the material placed on record that an amount of ₹27,042/- is lying credited with Respondent No. 2. The Appellant having failed to comply with the payment obligations within the time prescribed in the Public Notice, the allotment stood cancelled upon expiry thereof, i.e., by 31.03.2001. In the facts and circumstances of the present case, we deem it appropriate to direct Respondent No. 2 to refund the said amount to the Appellant along with simple interest at 6% per annum from 31.03.2001 till the date of actual payment.

21. The aforesaid amount shall be released to the Appellant within a period of eight weeks from date, subject to completion of requisite formalities, if any.

22. With the aforesaid direction, the present Letters Patent Appeal is dismissed. The pending applications also stand disposed of. There shall be no order as to costs.

23. The Appellant shall communicate a copy of this Order to the Respondents for compliance.

TEJAS KARIA, J

DEVENDRA KUMAR UPADHYAYA, CJ

APRIL 9, 2026/hk