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

% *Date of Decision: 12th November, 2025*

+ W.P.(C) 4039/2014 & CM APPLs. 66460/2025, 70413/2025

PRAKASH OIL CORPORATION AND ANRPetitioners
Through: Mr. Arun Maitri and Ms. Radhika
Chandrashekhar, Advocates.

versus

DELHI DEVELOPMENT AUTHORITY AND ANR
.....Respondents
Through: Ms. Shobhana Takiar, SC with Mr.
Shivam Takiar, Mr. Prateek Dhir and Mr. Kuljeet
Singh, Advocates for DDA.

CORAM:
HON'BLE MS. JUSTICE JYOTI SINGH

JUDGEMENT

JYOTI SINGH, J. (ORAL)

1. This writ petition is filed on behalf of the Petitioners under Article 226 of the Constitution of India seeking the following relief:-

“A) Quash the demand so raised by D.D.A. through letter No. F.24 (131 (1995 /CL /1307 dated 03.06.2014 in respect of Plot No. 36, Block 'A', Mangolpuri Industrial Area Phase-I, Delhi as the said demand is in contravention of the DDA (Disposal of Developed Nazul Land) Rules, 1981; OR IN THE ALTERNATIVE; Modify the demand so raised by the D.D.A. vide their letter No. F.24 (131 (1995 /CL /1307 dated 03.06.2014 in respect of Plot No. 36, Block 'A', Mangolpuri Industrial Area Phase-I, Delhi to Rs.4539/- per square meter on pre-determined rats as per DDA (Disposal of Developed Nazul Land) Rules, 1981.”

2. To the extent necessary facts as set out in the petition are that Government framed a Scheme for Resettlement of Petroleum Dealers from non-confirming areas to confirming areas. Under the said Scheme,



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Respondent No. 1/DDA allotted a plot admeasuring 12.50 sq. meters bearing No. D-18, Mangolpuri Industrial Area, Phase I, Delhi to the Petitioners vide allotment letter dated 13.12.1995 at pre-determined rate of Rs. 4,539/- per sq. meter.

3. It is averred in the petition that Petitioners were entitled to 75 sq. meter plot area but DDA allotted a plot of 12.50 sq. meters, since they were in possession of premises bearing No. 35/37, Punjabi Bagh, New Delhi, measuring more than 100 sq. meters area in the non-confirming area. Petitioner No. 1 herein/Prakash Oil Corporation filed W.P.(C) No. 2063/1996 as DDA was not allotting a plot size of 75 sq. meters, which was disposed of on 07.11.2012 with a direction to DDA to allot plot measuring 75 sq. meters in Mangolpuri Industrial Area, if available. Alternatively, DDA was directed to allot an alternate plot of 75 sq. meters in any other confirming industrial area within 12 weeks. Court further directed that fresh allotment shall be made at prevalent rate subject to Petitioner No. 1 surrendering the existing allotment forthwith since Petitioner No. 1 was holding on to the existing allotment. Petitioner No. 1 filed Review Petition No. 10/2013, which was dismissed on 08.03.2013.

4. It is further averred that thereafter Petitioners took up the matter with DDA seeking compliance of the order dated 07.11.2012. All necessary documents for allotment were submitted by the Petitioners on 18.09.2013 with DDA. Complying with the directions of the Court, DDA held a draw and allotted plot No. 36, Block A, Mangolpuri Industrial Area, Phase I, New Delhi admeasuring 75 sq. meters to the Petitioners and subsequently issued letter dated 03.06.2014, received by the Petitioners on 11.06.2014, demanding an amount of Rs. 83,47,637/- as cost of the plot. It is this



demand which the Petitioners question in the present petition as being exorbitant and contrary to Delhi Development Authority (Disposal of Developed Nazul Land) Rules, 1981 ('Rules, 1981'). Admittedly, Petitioners had deposited Rs. 56,788/- vide Bank Challan No. 54937 towards cost of 12.50 sq. meter plot, without prejudice to their rights to claim plot size of 75 sq. meters in 1996.

5. Mr. Maitri, learned counsel for the Petitioners submits that the demand of Rs. 83,47,637/- is illegal and arbitrary and contrary to Rule 6(v) of Rules, 1981, which provides that Competent Authority shall allot Nazul land at pre-determined rates in cases enumerated in the said Rule, which includes industrialists or owners, who are required to shift from non-confirming areas to confirming areas under the Master Plan or whose land is acquired or proposed to be acquired and the expression 'pre-determined rates' as defined in Rule 2(l) of Rules, 1981 means rates of premium chargeable from different categories of persons and determined by notification from time to time, by the Central Government, having regard to: (a) cost of acquisition; (b) development charges; and (c) concessional charges for use and occupation of plots mentioned thereunder. Therefore, DDA was obliged to charge only the pre-determined rates, where as the demand is based on prevalent market rate. Mr. Maitri further contends that the demand is also contrary to the observations of the Supreme Court in the judgment in *Delhi Administration through its Secretary v. Umrao Singh, (2012) 1 SCC 194*, more particularly, in paragraph 16. For ready reference, paragraph 16 is extracted hereunder:-

"16. We are therefore of the considered opinion that Rule 6(i) of the Nazul Land Rules is not really a rule which incorporates the 1961 Scheme, but it only provides that if the Authority decides to allot nazul land to the



individuals eligible under the 1961 Scheme, then nazul land shall be allotted at predetermined rates and not at the rates determined in a public auction. The High Court has taken an erroneous view in the impugned order that Rule 6 of the Nazul Land Rules, which was a statutory rule, laid down conditions for allotment of land under the 1961 Scheme and the conditions for allotment of land under the 1961 Scheme could therefore be amended by only statutory rules under Section 56 read with Section 22 of the Act. In our considered opinion, Rule 6 of the Nazul Land Rules did not stipulate the conditions for allotment under the 1961 Scheme and the 1961 Scheme being an administrative scheme could be amended without a statutory rule made under Section 56 read with Section 22 of the Act.”

6. *Per contra*, Ms. Shobhana Takiar, learned Standing Counsel for DDA submits that Petitioners were initially allotted plot measuring 12.50 sq. meters in Mangolpuri Industrial Area under the Scheme of shifting of petroleum dealers from Punjabi Bagh, a non-confirming area to industrial area at pre-determined rate and Petitioners deposited the premium amounting to Rs. 56,788/- @ Rs. 4,539/- per sq. meter and Lease Deed was executed on 13.05.1996. Petitioners wrote to DDA on 10.02.1997 pointing out that they were holding land measuring 666 sq. yards in Punjabi Bagh for business of petroleum products and therefore they should be allotted a plot of bigger size. The request was rejected on 17.02.1997 as per the policy guidelines and being aggrieved, Petitioner No. 1 filed W.P.(C) No. 2063/1996 for allotment of land measuring 75 sq. meters. Writ petition was disposed of with a direction to allot plot of 75 sq. meters either in Mangolpuri Industrial Area or in any other confirming industrial area, if the same was not available in Mangolpuri at prevalent rates. Aggrieved with the direction of paying prevalent rates, Petitioners filed Review Petition No. 10/2013, which was dismissed and there was no further challenge to these orders. In consonance with the directions of the Court, DDA raised a revised



demand vide letter dated 03.06.2014, demanding a balance premium of Rs. 83,47,637/- after deducting the amount already paid.

7. It is urged that it not open to the Petitioners to contest the demand once the Court has directed that the plot will be allotted at prevalent rates and order has attained finality. The reason why the Court directed allotment at prevalent rate was that Petitioners were holding on to the existing land even on the date of the decision. Had they surrendered the allotment of plot of area 12.50 sq. meters in 1996, they could have sought allotment at the rates prevalent in 1996 but having not done so, DDA was held entitled to charge prevalent rate. In any event, Petitioners cannot call upon this Court to set aside the directions passed in W.P.(C) No. 2063/1996 once they failed to challenge the said order at the appropriate time.

8. Heard learned counsels for the parties and examined their rival submissions.

9. As brought forth by DDA in the counter affidavit, Petitioners were initially plot No. D-18, Mangolpuri Industrial Area, Phase I, Delhi, admeasuring 12.50 sq. meters under a Scheme formulated for shifting of petroleum traders from non-confirming areas to industrial areas and Petitioners deposited a premium of Rs. 56,788/- @ Rs. 4,539/- per sq. meter. Aggrieved with allotment of plot of smaller size and finding themselves entitled to a plot measuring 75 sq. meters, Petitioner No. 1 filed W.P.(C) No. 2063/1996 seeking allotment of land measuring 75 sq. meters. This writ petition was allowed vide order dated 07.11.2012¹ and relevant part of the order is as follows:-

“In view of the aforesaid, this writ petition is allowed and the respondents are directed to provide an alternate allotment of plot measuring 75 sq.



meters in Mangolpuri Industrial Area, New Delhi, if available. Alternatively, respondents shall allot an alternate plot of 75 sq. meters in any other confirming industrial area within a period of twelve weeks or so. Needless to say, aforesaid fresh allotment shall be made at prevalent rate subject to petitioner surrendering the existing allotment forthwith. It is being so ordered because petitioner had been holding on to existing allotment all this time.”

10. Against the said order, Petitioner No. 1 filed Review Petition No. 10/2013, seeking modification of the order to the extent that allotment of 75 sq. meter area of plot be made to Petitioner No. 1 at the rate prevalent at the time of filing the writ petition i.e., 1996. Court declined to modify the order and dismissed the review petition on 08.03.2013. Admittedly, these orders were not challenged by Petitioners and have attained finality. In the backdrop of these orders, counsel for DDA is right in her submission that it is no longer open to the Petitioners to contest the demand based on prevalent rates. If the Petitioners felt strongly that the demand was in contravention of Rules, 1981, it was open to them to have urged this point before the writ Court and/or assailed the orders dated 07.11.2012 and 08.03.2013, which they chose not to, for reasons best known to them. Having accepted the orders of the writ Court in the earlier writ petition, Petitioners cannot call upon this Court to direct DDA to charge the rates prevalent in 1996 and issue a revised demand on pre-determined rates in the present writ petition, as that would amount to reviewing the order of the learned Single Judge of this Court, which cannot be done by this Court. The issue having been crystalized between the parties binds them and hence no infirming can be found with the impugned demand based on the Rules, 1981 and for the same reason, the judgment relied on by counsel for the Petitioners cannot come to their aid.



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11. Consequently, writ petition is dismissed being devoid of merit along with pending applications.
12. Date of 23.02.2026 stands cancelled.

JYOTI SINGH, J

NOVEMBER 12, 2025
S.Sharma