

**IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NO.1179 OF 2025**

**MS/ KALINDI BRIGHT STEELS &  
TUBES LTD.**

**...APPELLANT**

**VERSUS**

**GHAZIABAD DEVELOPMENT  
AUTHORITY & ORS.**

**...RESPONDENTS**

**ORDER**

1. Heard.
2. This appeal is directed against the final judgment and order dated 31.05.2019 of the Allahabad High Court rendered in WC No.32032/2014, whereunder the appellant sought for quashing of the Recovery Certificate dated 12.05.2014 whereby recovery of Rs.65,71,775/- plus interest of Rs.96,60,509/- totalling to Rs.1,62,32,284/- was sought for came to be dismissed.
3. We have heard the learned counsels appearing for the parties

namely learned Senior Counsel, Shri. Vinay Navare, appearing for the appellant and Shri. Malak Manish Bhatt, learned AOR appearing for the respondents.

**4.** The brief facts which has led to filing of this appeal are as under:

**4.1.** Appellant applied for allotment of two plots measuring 1000 Square meters under a scheme floated by the Ghaziabad Development Authority (hereinafter referred to as “GDA” for the sake of brevity) at the rate of Rs.4,000 per square meter along with 10% deposit amounting to Rs.4,00,000/- in the year 1989. On account of plots not being allotted, appellant approached the High Court by filing Writ Petition No.32792/1991 which came to be withdrawn on 19.05.1994 following the decision taken by the respondent no.1 for allotment of 1000 square meter plot under the State Scheme pursuant to the interim order passed on 16.11.1991, whereunder the High Court directed the GDA that if any commercial plot is available the same should be reserved for the appellant. However, the GDA enhanced the rate to Rs.8,060.20/- per square meter by its allotment letter dated 06.06.1995. The appellant accepted the allotment under protest

and aggrieved by the enhancement of price, filed a Writ (C) No.41775/1996 and during the pendency of the writ petition GDA issued a communication on 05.09.2005 informing the appellant that it was willing to allot the plot measuring 750 square meter with the same FAR in coverage area as was available under the 1989 Scheme subject to withdrawal of the writ petition. Accordingly, the writ petition came to be withdrawn on 26.09.2006. The GDA forwarded a letter to the appellant demanding Rs.80,39,565.90/- for the allotted site calculating at the rate of Rs.8,060.20/- per square meter with an additional interest at the rate of 21% per annum from 06.06.1995 and hiking the total amount to Rs.3,04,37,617.75/-, the appellant objected to the same and GDA by communication dated 25.11.2006 reiterated its demand for the said amount. Appellant deposited the amount under protest in two parts (instalments) namely on 13.11.2006 and on 29.11.2006.

**4.2.** The appellant company on 05.12.2006 submitted a representation to the GDA to refund the excess amount alleging that the rate and mode of interest levelled was exorbitant and contrary to the norms fixed by the GDA. This was followed by

another communication dated 27.12.2006 whereunder the appellant protested the enhancement of the cost of the land from Rs.4,000/- to Rs.8060.20/- per square meter and also by contending that simple interest ought to have been charged instead of compounding interest. Since no reply was forwarded was by the GDA, appellant approached The National Consumer Disputes Redressal Commission by filing a Complaint Case No.42/2007 seeking refund of Rs.2,79,44,312.40/- on the ground of excessive amount having been deposited by it, amongst other reliefs.

**4.3.** The GDA contended before the National Consumer Dispute Redressal Commission that appellant is a defaulter and it was liable to pay interest on the enhanced rate. In the background of the communications dated 04.05.2007 and 01.06.2007 from the State Government addressed the Vice Chairman, GDA to resolve the controversy in accordance with the provisions of the OTS Scheme, the GDA took a decision on 19.05.2007 to refund a sum of Rs.65,71,775.10/- and forwarded the cheque drawn in favour of the appellant which came to be received and it is the stand of the appellant that this amount was a difference of

interest between 15% and 21%. After a period of seven years the District Magistrate, Gujarat demanded refund of the amount of Rs.65,71,775.10/- with interest issuing recovery certificate on the ground that the new incumbent respondent no.2 had cancelled the same on 08.06.2009 and rebate order dated 19.05.2007 passed by predecessor.

**4.4.** This Recovery Certificate was the subject matter of Writ (C) No.32032/2014 before the High Court of Allahabad which came to be dismissed by the impugned order as noted herein supra.

5. We have heard the learned advocates appearing for the parties. The only issue that would arise for our consideration is whether the respondent authority would be empowered to seek refund of Rs.65,71,775.10/- with interest at the rate of 21% per annum. The basis on which the said claim has been raised was the order dated 19.05.2007 had been recalled by the present incumbent of GDA by letter dated 01.07.2009, it is pertinent to note at this juncture that when the matter came to be listed before this Court, an order

came to be passed on 07.01.2020 in the presence of the learned counsel for the respondent, GDA which is to the following effect:-

“It is open for the counsel for the respondents to file reply affidavit, if so advised, in particular, dealing with contention that no prior notice was issued to the petitioners before issuing letter – Annexure P-17 dated 12.05.2014 despite the unambiguous stand taken on affidavit before the National Consumer Forum vide an affidavit filed by the Department in September 2007.”

6. It is the specific case of the appellant that no such letter was ever served upon it and for the first time it has been produced before this Court after the order dated 07.01.2020 came to be passed. Hence much credence cannot be given to the communication dated 01.07.2009. The fact remains that by virtue of the communications on 04.05.2007 and 01.06.2007 advanced by the State Government to the Vice Chairman, GDA to resolve the controversy in accordance with a provision of the OTS scheme, a decision was taken by the GDA on 19.05.2007 to refund Rs.65,71,775.10/- to the appellant herein and accordingly forwarded the cheque to the appellant company. It is also a fact that the GDA having allotted the site in favour of the appellant at

the rate of Rs.4,000/- per square meter had enhanced it to Rs.8060/- per square meter on the strength of interest having been calculated at the rate of 21% per annum with effect from 06.06.1995. It is in this background we deem it proper to put a quietus to this litigation by directing the appellant herein to refund the said amount of Rs.65,71,775.10/- to the respondent – GDA and we further direct the appellant to pay a sum of Rs.10,00,000/- in addition to the sum of Rs.65,71,775.10/- , thereby making the total sum of Rs.75,71,775/- in respect of all claims of respondent which would meet the ends of justice. This Court has also taken note of the fact that appellant has paid a sum of Rs.3,04,37,617,75/- which has been deposited by the appellant in two parts i.e., on 13.11.2006 and 29.11.2006 which swayed in our mind to issue the direction to the appellant to pay the aforesaid amount of Rs.75,71,775/-. The aforesaid amount of Rs.75,71,775/- shall be deposited by the appellant with the respondent within three months from today. Accordingly, the appeal is allowed and recovery notice dated 12.05.2014 and any subsequent demand notice with regard to the subject property shall also stand quashed and there shall be no further claim subsisting against appellant herein in respect of subject property.

No costs.

7. All pending application(s) stands consigned to records.

.....J.  
[ARAVIND KUMAR]

.....J.  
[PRASANNA B. VARALE]

**NEW DELHI;  
MAY 27<sup>th</sup>, 2026.**

ITEM NO.46

COURT NO.15

SECTION III-A

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Civil Appeal No(s).1179/2025

M/S KALINDI BRIGHT STEELS AND TUBES LTD.

Appellant(s)

VERSUS

GHAZIABAD DEVELOPMENT AUTHORITY & ORS.

Respondent(s)

[ONLY IA.NO. 85697/2025 IS LISTED UNDER THIS ITEM]  
IA No. 85697/2025 - CLARIFICATION/DIRECTION

Date : 27-05-2026 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE ARAVIND KUMAR  
HON'BLE MR. JUSTICE PRASANNA B. VARALE

For Appellant(s) : Mr. Vinay Navare, Sr. Adv.  
Mr. Sarad Kumar Singhania, Adv.  
Ms. Rashmi Singhania, AOR

For Respondent(s) : Mr. Malak Manish Bhatt, AOR  
Ms. Chhavi Tokas, Adv.

Mr. Nitesh Ranjan, AOR

UPON hearing the counsel the Court made the following  
O R D E R

Civil Appeal is allowed in terms of the signed order placed on the file.

All pending application(s) stands consigned to records.

(NEHA GUPTA)  
COURT MASTER (SH)

(AVGV RAMU)  
COURT MASTER (NSH)