2026 INSC 1259

REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL ORIGINAL JURISDICTION

MISCELLANEOUS APPLICATION NO. 89 OF 2026
IN
WRIT PETITION (C) No. 876 OF 1996

OKHLA ENCLAVE PLOT HOLDERS WELFARE ASSOCIATION ....PETITIONER(S)

VERSUS

UNION OF INDIA AND OTHERS ....RESPONDENT(S)

WITH

MISCELLANEOUS APPLICATION NO(S). 811 OF 2026
IN WRIT PETITION (C) NO(S). 876 OF 1996

DIARY NO(S). 38954 OF 2024
DIARY NO(S). 5631 OF 2025

MISCELLANEOUS APPLICATION NO(S). 810 OF 2026
IN MISCELLANEOUS APPLICATION NO(S). 1221 OF 2024 IN WRIT PETITION(C) NO(S). 876 OF 1996

MISCELLANEOUS APPLICATION NO(S). 3155 OF 2026 IN WRIT PETITION (C) NO(S). 876 OF 1996

MISCELLANEOUS APPLICATION NO(S). 812 OF 2026 IN WRIT PETITION (C) NO(S). 876 OF 1996

MISCELLANEOUS APPLICATION NO(S). 813 OF 2026 IN WRIT PETITION (C) NO(S). 876 OF 1996

MISCELLANEOUS APPLICATION NO(S). 2650 OF 2026

DIARY NO(S). 17124 OF 2026

DIARY NO(S). 35139 OF 2026

DIARY NO(S). 45101 OF 2026

MISCELLANEOUS APPLICATION NO(S). 3153 OF 2026 IN WRIT PETITION (C) NO(S). 876 OF 1996

DIARY NO(S). 54035 OF 2026

O R D E R

Vikram Nath, J.

1. Heard.

2. The present batch of matters arise out of Writ Petition (Civil) No. 876 of 1996, which came to be disposed of by this Court by judgment dated 3rd October, 2019. Subsequent thereto, the matter has continued to frequently and expansively engage the attention of this Court in relation to the implementation of, and compliance with, the directions issued therein. The present proceedings have been occasioned by the need to facilitate and streamline the implementation of the directions issued by this Court, particularly those contained in

the orders dated 25th April, 2025 and 18th May, 2026. In the intervening period, several applications and representations have been placed before this Court by persons claiming to be plot holders or otherwise asserting an interest in the project in question.

BRIEF FACTS

3. Before proceeding to consider the issues arising in the present batch of matters, it would be appropriate to briefly note the factual background of the dispute, the grievances raised by the allottees and the course of proceedings before this Court, including the directions issued from time to time.

4. In the year 1985, M/s Durga Builders Private Limited[1], together with its associate entities, acquired land admeasuring approximately 235 acres (comprising 126.724 acres in Phase I and 107.95 acres in Phase II), situated in the revenue estates of Villages Sehatpur, Agwanpur, and Ismailpur, Sector 91, Faridabad, Haryana, for setting up a residential colony originally styled as 'Okhla Enclave' and subsequently renamed as 'Edenburg City'.

[1] Hereinafter, referred to as the 'Developer'.

5. For the purpose of developing the aforesaid colony, the Department of Town and Country Planning, Haryana[2], granted seven colonisation licences under Section 3 of the Haryana Development and Regulation of Urban Areas Act, 1975[3]. The covenants governing the development of the colony were incorporated into a Bilateral Agreement dated 2nd December, 1991, executed between the Developer and DTCP. In terms of the said agreement, the residential plots were earmarked into three distinct categories in the ratio of 20:25:55, as under:-

> **(i) Economically Weaker Section Category[4]:** Constituting 20% of the total plottable area, with plot sizes ranging between 50 and 125 square metres, to be allotted at subsidised rates determined by the State Government;
>
> **(ii) No Profit No Loss Category[5]:** Constituting 25% of the total plottable area, with plot sizes ranging between 125 and 225 square metres, to be allotted at

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[2] Hereinafter, referred to as 'DTCP'.
[3] Hereinafter, referred to as the '1975 Act'.
[4] For short, "EWS".
[5] For short, "NPNL".

cost-reflective rates determined by DTCP on a no-profit-no-loss basis; and

(iii) General Category: Constituting the remaining 55% of the plottable area, comprising plots generally measuring above 225 square metres, to be sold at market rates determined by the Developer, subject to a statutory ceiling of 15% on net profit.

6. The underlying objective of the aforesaid statutory classification was to ensure that the revenue generated from the commercial sale of General Category plots would, *inter alia*, cross-subsidise the allotment of plots under the EWS and NPNL categories.

7. However, despite having collected substantial sums from prospective allottees, the Developer completely failed to discharge its obligations under the corresponding statutory and contractual covenants. It defaulted in executing the requisite internal and external development works, effected allotments in excess of the sanctioned layout capacity, and made unauthorised as well as duplicate allotments. The Developer also defaulted in

depositing the mandatory External Development Charges and licence renewal fees with the State Government, with the outstanding arrears on account of licence renewal fees alone exceeding Rs.21.86 crores. In addition thereto, the Developer issued unilateral demand circulars arbitrarily enhancing the Internal Development Charges to Rs.2,390-Rs.2,500 per square yard, notwithstanding the significantly lower rates assessed by the Government, namely Rs.878/- and Rs.975/- per square yard towards internal development works, and Rs.4.70 lakhs per gross acre towards External Development Charges. Significantly, all seven colonisation licences granted in favour of the Developer expired in the year 1999 and were not renewed thereafter by the State Government.

8. The persistent failure to provide basic civic infrastructure, coupled with arbitrary monetary demands, generated widespread discontent amongst the plot allottees.

9. In the aforesaid backdrop, diverse associations representing the plot allottees instituted writ petitions before this Court under Article 32 of the Constitution of India in the year 1996, the lead

matter being Writ Petition (Civil) No. 876 of 1996, raising a grievance against the Developer for its failure to fulfill the statutory and contractual covenants. In these proceedings, a specific group of 492 original petitioners was recognized, in whose favour this Court passed interim directions on 7th April, 1997 and 23rd November, 2000 for carving out smaller plot sizes to enable plot adjustments within the colony layout. During the pendency of the said proceedings, this Court, *vide* order dated 2nd December, 1999, directed the allottees to deposit a sum of Rs.50/- per square yard directly into a designated account to meet the costs of colony development. Subsequently, *vide* order dated 14th December, 2007 (in I.A. Nos. 41-42 in W.P. (C) No. 113 of 1996), this Court directed the State authorities to approve building plans submitted by these petitioners to enable them to raise residential construction on their allotted plots.

10. Simultaneously, certain aggrieved plot holders also invoked the writ jurisdiction of the High Court of Punjab and Haryana[6] by filing C.W.P. No. 3311 of

[6] Hereinafter, referred to as the 'High Court'.

2001. The Division Bench of the High Court, *vide* judgment and order dated 18th March, 2002, directed that these litigating allottees, comprising 567 members, be extended full parity with the 492 petitioners before this Court, ordering the execution of sale deeds in their favour upon payment of an additional sum of Rs.50/- per square yard, followed by the delivery of physical possession. The said judgment was reaffirmed by the High Court on 19th May, 2006 in Civil Misc. No. 2971 of 2005 in C.W.P. No. 3311 of 2001, and was ultimately upheld by this Court *vide* order dated 4th January, 2008 in SLP (C) No. 14843 of 2006 preferred by the Developer.

11. However, a subsequent scrutiny of the conveyances executed by the Developer unearthed grave and systematic irregularities. It is alleged that between 2003 and 2010, the Developer executed a vast number of disputed and unauthorized sale deeds. Several of these instruments contained recitals depicting that the conveyances were executed in compliance with directions issued by this Court, notwithstanding that the vendees concerned were complete strangers to the proceedings before this Court. Other glaring anomalies included registered

sale deeds lacking the signatures of the purchasers, backdated conveyances, and the issuance of duplicate payment receipts in respect of same plot numbers. This multiplicity of competing claims, compounded by severe discrepancies in the allotment and title records, necessitated an independent, comprehensive examination into the land ownership, the genuineness of allotments, and the actual extent of site development completed.

12. To resolve this convoluted mismanagement, this Court, *vide* order dated 21st October, 2008, appointed Shri H.P. Sharma, a retired member of the Delhi Higher Judicial Service, as Court Commissioner. The learned Court Commissioner was tasked, *inter alia*, with:-

> (i) Ascertaining the precise quantum of land owned by the Developer and its associate entities across different temporal intervals;
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> (ii) Identifying genuine allottees and determining the legal basis of their respective entitlements;
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> (iii) Assessing the quantum of internal development works completed *vis-à-vis*

the financial outlay required to execute the remaining infrastructure; and

(iv) Conducting an audit of the funds collected by the Developer from plot purchasers against the amounts actually deposited with the State authorities.

13. Pursuant to the directions issued by this Court, the learned Court Commissioner published public notices in national English and Hindi dailies, conducted hearings of concerned stakeholders, and carried out a comprehensive record scrutiny. The Commissioner submitted his report dated 5th January, 2010, which was taken on record by this Court on 8th January, 2010. Out of more than 3,000 claimants, the Commissioner identified 2,196 valid plot entitlements. However, during subsequent proceedings on 4th April, 2013 and 22nd April, 2013, diverse groups of allottees filed objections alleging that their individual claims had not been properly evaluated. Consequently, this Court directed the Director General, Town and Country Planning,

Haryana[7], to undertake a fresh field survey and demarcate the plots available for allotment.

14. In order to safeguard the subject land against further unauthorized encroachments and third-party encumbrances, this Court, *vide* orders dated 17th July, 2013 and 18th July, 2013, directed DGTCP to assume official custody of the entire licensed area admeasuring approximately 235 acres and take charge of its watch-and-ward and maintenance. DGTCP was further directed to reconcile the 2,196 entitlements identified by the Court Commissioner with the 844 allottees recognized pursuant to the orders of the High Court, and to prepare a consolidated draft allotment list. In compliance therewith, DGTCP filed a comprehensive affidavit dated 15th November, 2013, identifying 3,002 potential claimants across the three categories.

15. To resolve the multiplicity of competing claims and establish a uniform verification mechanism, this Court, *vide* orders dated 10th December, 2015 and 27th January, 2016, constituted a one-member Special Committee headed by Hon'ble Mr. Justice

[7] Hereinafter, referred to as 'DGTCP'.

(Retd.) Vikramajit Sen, former Judge of this Court. The Special Committee, in turn, constituted a Scrutiny Committee under the chairmanship of the Senior Town Planner, Faridabad, to conduct field inspections, audit physical files, and verify payment receipts.

16. To ensure transparency in the verification exercise and following public notices issued in August, 2016 inviting all original allottees to submit their claim records, the Special Committee, *vide* order dated 7th May, 2016, prescribed the following mandatory eligibility criteria:-

(i) **Payment of Land Cost:** The entire land cost must have been booked and paid on or before 7th April, 1997;

(ii) **Deposit of Development Charges:** The entire development charges, or the interim sum of Rs.50/- per square yard pursuant to the order dated 2nd December, 1999, must have been deposited on or before 31st December, 1999; and

(iii) **One Plot Per Family:** Strict adherence to the restriction of one plot

per family, regardless of the allotment category, to prevent speculative hoarding and cross-subsidise subsidized housing quotas.

17. The scrutiny exercise was conducted against the sanctioned layout plan comprising 2,926 plots (1,502 in Phase I and 1,424 in Phase II), across an inventory of 1,603 EWS, 783 NPNL, and 540 General Category plots, notwithstanding that approximately 46.85 acres of the 235-acre project land had fallen under heavy illegal encroachments, leaving only 187.825 acres available for layout planning. Against this inventory, over 2,690 claims were submitted for verification. During the scrutiny, when legal complexities arose regarding cut-off dates, power of attorney transfers, and multi-plot holdings, the Special Committee issued a communication dated 11th October, 2018, referring four fundamental legal questions to this Court for clarification. Following multiple hearings, the eligibility criteria and verification mechanism so formulated were subsequently examined and approved by this Court

vide judgment dated 3rd October, 2019[8], thereby affirming the two cut-off dates and the one-plot-per-family rule as the definitive basis for scrutinising all claims.

18. While addressing the completion of the balance development works abandoned by the defaulting developer, this Court approved a total financial outlay of Rs.128.70 crores, comprising Rs.70 crores towards internal development works, Rs.47 crores towards External Development Charges, and Rs.11.70 crores towards a 10% contingency provision. The aforesaid expenditure was directed to be apportioned amongst the eligible plot holders, who were required to deposit their proportional shares with DGTCP within a stipulated timeframe, failing which their allotment would revert and the developer would be liable to refund their land consideration with interest. Upon deposit of the apportioned development charges, DTCP was directed to execute the requisite conveyance deeds in favour of the eligible allottees in terms of Section 8(4) of the 1975

[8] (2019) 9 SCC 572.

Act and deliver physical possession of demarcated plots.

19. Pursuant to the scrutiny exercise conducted under the aegis of the Special Committee, Justice (Retd.) Vikramajit Sen submitted the primary Special Committee Report dated 16th January, 2023, identifying 1,011 eligible allottees in Phase I (comprising 96 EWS, 866 NPNL, and 49 General Category allottees) and the same was accepted by this Court *vide* order dated 11th July, 2023. Although Justice (Retd.) Vikramajit Sen tendered his resignation on 5th September, 2023 upon completing the Phase I report, this Court *vide* order dated 23rd July, 2024 requested him to re-engage and chair the Special Committee to resolve remaining disputes. However, as a substantial number of persons asserting title on the strength of unscrutinised sale deeds and allied documents remained outside the audit, the overall determination of claims pertaining to the project land remained incomplete/non conclusive.

20. To bring these unresolved claims within the framework of judicial scrutiny, this Court *vide* order dated 25th April, 2025 directed a fresh scrutiny

exercise for the remaining claims in Phase II, specifically directing 480 holders of unverified sale deeds (out of 492 litigating petitioners) to submit their title deeds before the Scrutiny Committee for verification. Crucially, this Court modified its earlier judgment dated 3rd October, 2019, to permit General Category allottees holding multiple market-rate plots to participate in the Phase II scrutiny and ordered the verification of commercial/shop plot claims as well. The State Government was further directed to evict unauthorized encroachers, clear outstanding statutory developer liabilities, and make earnest endeavour to secure a 65% land share for plotted development, while Justice (Retd.) Vikramajit Sen was requested to oversee the verification of the remaining claims.

21. In response to the public notices issued pursuant to the aforesaid directions, a total of 2,036 claims were received for Phase II scrutiny (the second round of claim audits conducted by the Committee), comprising 1,739 claims backed by registered sale deeds or General Power of Attorney instruments (to be specific, 1637 registered Sale Deeds and 102 GPAs/SPAs verified with local revenue records), and

297 fresh claims supported by ancillary documentation. However, before the scrutiny exercise could reach its logical conclusion, a grave administrative irregularity surfaced. It was brought to notice of this Court that by 25th March, 2025 local DTCP officials had unauthorizedly sanctioned building plans in respect of 480 claims that had not yet been verified by the Special Committee, allowing certain unverified claimants to jump the queue ahead of genuine, verified allottees in an egregious manner.

22. Perturbed by the premature sanction of building plans without awaiting judicial verification and the systematic undermining of court directives, Justice (Retd.) Vikramajit Sen tendered his resignation to the Hon'ble the Chief Justice of India on 17th November, 2025 (reiterated *vide* official letters dated and 5th June, 2026 and 29th August, 2026). This untoward development stalled the Phase II scrutiny, necessitating further directions from this Court to ensure the orderly completion of the verification process.

23. In the aforesaid backdrop, and upon considering several urgent applications filed by plot holder associations and DTCP, this Court passed

further directions *vide* order dated 18th May, 2026, with a view to ensuring effective implementation of its earlier orders dated 3rd October, 2019 and 25th April, 2025 and facilitating the expeditious completion of the pending scrutiny exercise. By the said order, the State of Haryana was directed to appoint a senior officer as a Nodal Officer, who would function as a single-window authority to receive, index, and digitize all allottee representations without making any independent administrative determination on the merits or legal eligibility of individual claims.

24. Significantly, *vide* paragraph 8(ix) of the said order, this Court issued specific directions to the registration, revenue, municipal, and development authorities, restraining them from permitting any transfer, mutation, registration, building permission, or creation of third-party rights in respect of the project land in any manner prejudicial to the directions given by this Court *vide* judgments dated 3rd October, 2019 and 25th April, 2025, or the ongoing proceedings before the Special Committee, thereby establishing an absolute judicial embargo against unauthorized construction permissions and arbitrary title mutations.

25. Furthermore, to prevent administrative conundrum and to ensure that the Special Committee does not remain *functus officio*, this Court issued notice to Mr. Alok Sangwan, learned senior A.A.G. appearing for the State as well as Ms. Rashmi Nandakumar, learned Amicus Curiae, on the aspect of appointing a new Chairperson of the Special Committee, so as to facilitate the completion of the pending Phase II scrutiny, the verification of competing claims, and the eventual handover of plots to the eligible allottees.

26. In compliance with the directions issued *vide* order dated 18th May, 2026, the State of Haryana filed a compliance affidavit dated 17th August, 2026, detailing the administrative steps taken pursuant thereto. As per the affidavit, the Senior Town Planner, Faridabad, was designated as the Nodal Officer to function as a single point of contact for receiving representations from the allottees. Public notices were also duly published, inviting the remaining unscrutinised claimants and holders of sale deeds to submit their claim dossiers. The notices laid down the procedure for submission of physical copies as well as digitised records on flash drives, while

expressly directing claimants to refrain from directly approaching or contacting the Special Committee.

27. The affidavit further detailed the protective measures executed to secure the project land and enforce the restraint enjoined under Paragraph 8(ix) of the order dated 18th May, 2026. These measures included the deployment of dedicated watch-and-ward personnel to safeguard the unencumbered area admeasuring 187.825 acres and prevent any fresh unauthorized construction or encroachment. It was submitted that the State had already issued administrative instructions to the revenue, registration, and municipal authorities in Faridabad prohibiting mutations, registration of sale deeds, and grant of building plan approvals.

28. The Senior Town Planner-cum-Nodal Officer, Faridabad, convened meetings with the representatives of the allottees on 29th July, 2026, 13th August, 2026, and 21st August, 2026. The meetings were convened to receive and compile the claim representations submitted by the allottees, both in physical form and in digitised form on flash drives, and to ensure their proper indexing and preservation.

SUBMISSIONS ON BEHALF OF LEARNED AMICUS CURIAE

29. Ms. Rashmi Nandakumar, learned Amicus Curiae, brought to the notice of this Court the unfortunate circumstances which culminated in the resignation of Justice (Retd.) Vikramajit Sen as Chairperson of the Special Committee. It was submitted that Justice (Retd.) Vikramajit Sen had, in July 2024, graciously consented to re-engage with the matter, moved by the plight of hundreds of homebuyers who had been awaiting the resolution of their claims for nearly four decades. However, the very administrative machinery entrusted with implementing the directions of this Court failed to extend the requisite cooperation and, instead, acted in a manner prejudicial to the functioning of the Special Committee and impeded the implementation of the judicial directions.

30. Learned Amicus Curiae further submitted that, during the meeting of the Special Committee held on 21st August, 2026, it came to light that officials of the DTCP had sanctioned building plans, up to 25th March, 2025, in respect of 480 claimants whose claims had not been scrutinised by the Special

Committee. These approvals were stated to have been granted shortly before the judgment dated 25th April, 2025, which had contemplated verification of the claimants' title by the Scrutiny Committee before any demarcation or construction could be undertaken. It was submitted that, by permitting building plans to be sanctioned in favour of persons whose claims remained unverified, the concerned officials had enabled such claimants to bypass the prescribed scrutiny process and gain precedence over genuine allottees who had duly submitted themselves to the verification exercise.

31. The learned Amicus Curiae also invited the attention of this Court to the letter dated 29th August, 2026 addressed by Justice (Retd.) Vikramajit Sen to the Hon'ble the Chief Justice of India, wherein he expressed his inability to "gloss over" the aforesaid departures from the directions of this Court. It was submitted that Justice (Retd.) Vikramajit Sen regarded the sanctioning of such building plans as indicative of circumstances extending beyond a mere administrative lapse and expressed his inability to continue as Chairperson of the Special Committee

when the implementation of the judgments of this Court was being frustrated in this manner.

32. In these circumstances, learned Amicus Curiae urged this Court to take serious note of the discrepancies brought to its notice.

33. It was further urged that a new Chairperson be appointed to the Special Committee to ensure continuity of the scrutiny process.

SUBMISSIONS ON BEHALF OF THE APPLICANTS/PLOT ALLOTTEES

34. Learned Senior Counsel and learned counsel appearing for the respective categories of plot allottees advanced extensive submissions touching upon their competing claims and legal entitlements.

35. It was vehemently contended on behalf of the verified allottees that their claims stood conclusively audited and verified by the Special Committee *vide* its primary report dated 16th January, 2023, which was formally accepted by this Court on 11th July, 2023. These allottees had fully satisfied the tripartite eligibility criteria approved by this Court, namely, payment of the entire land cost on or before 7th April, 1997; deposit of the development charges or the

interim sum of Rs.50/- per square yard on or before 31st December, 1999; and strict compliance with the 'one plot per family' mandate. Consequently, it was submitted that their status and entitlements had achieved finality before the judicial fora and could not be subjected to re-scrutiny or unravelled through any subsequent administrative exercise. It was further urged that these verified allottees ought not to be forced into a fresh draw of lots or placed on an equal footing with unverified claimants, as doing so would cause grave prejudice to genuine homebuyers who have been awaiting physical possession of the plots as per their entitlement for several decades.

36. Learned counsel representing the General Category allottees submitted that they had purchased plots falling within the open-market quota at prevailing commercial rates and paid full consideration under registered conveyances. Unlike the EWS and NPNL categories, these purchasers had not availed of any state subsidy or concessional pricing. It was, therefore, argued that registered conveyance deeds executed by the Developer and duly stamped by the State revenue authorities could

not be unilaterally ignored or invalidated by the DTCP through botched up administrative process.

37. Learned counsel appearing for the EWS and NPNL allottees placed reliance upon the Bilateral Agreement dated 2nd December, 1991, which earmarked 20% of the plottable area for EWS and 25% for NPNL categories to fulfill the statutory objective of affordable social housing.

38. It was contended that priority and precedence must be accorded to the original allottees who had paid full consideration between 1986 and 1997, as opposed to claims originating from subsequent open-market transactions between 2003 and 2010.

39. Learned counsel appearing on behalf of the Okhla Enclave Plot Holders (Allottees) Forum (Regd.) submitted that the property rights of its members already stand crystallised pursuant to the judgments dated 18th March, 2002 and 19th May, 2006 passed by the High Court in C.W.P. No. 3311 of 2001, which were affirmed by this Court upon dismissal of SLP (C) No. 14843 of 2006 on 4th January, 2008. It was contended that the claims of the members of the Forum stand on an entirely distinct footing and are not comparable to those of persons asserting rights

on the basis of unverified open-market transactions. According to learned counsel, no further substantive adjudication of their claims survives and, therefore, they ought not to be subjected to any fresh or further administrative scrutiny.

40. With respect to the claimants whose sale deeds and title documentation is still pending scrutiny, it was submitted that this Court, *vide* its judgment dated 25th April, 2025, had explicitly mandated a fresh scrutiny exercise for the remaining unverified title-holders. Pursuant to public notices published in that behalf, these applicants had deposited their respective original title deeds and credentials in good faith, adhering strictly to the prescribed procedure. It was, therefore, contended that *bona fide* purchasers ought not to be penalized, nor should their entitlements be indefinitely stymied, on account of administrative lapses, procedural delays, or irregularities solely attributable to the State authorities and the Developer.

41. Learned counsel appearing for the purchasers of commercial plots submitted that they had booked commercial units during the early 1990s and had paid the full land consideration together with the

requisite development charges upfront. It was urged that their claims stand on an entirely distinct footing from those of residential plot allottees and warrant independent consideration. Learned counsel prayed for the immediate demarcation and delivery of physical possession of commercial plots to eligible purchasers, contending that their accrued rights ought not to be held hostage or prejudiced by the protracted litigation surrounding residential allotments.

SUBMISSIONS ON BEHALF OF THE STATE

42. Shri Alok Sangwan, learned Senior A.A.G. appearing for the State of Haryana, submitted that the State proposes to undertake a comprehensive verification exercise at the district level. For this purpose, it was suggested that a Committee be constituted comprising the Senior Town Planner, the District Town Planner, the Tehsildar/Sub-Registrar, Faridabad, and designated State Legal Officers/Advocates, to examine and verify the claims and documents submitted by the persons concerned.

43. It was further submitted that the exercise of verification ought to be completed within a strict and non-extendable time frame, upon the expiry of which

the total number of claimants should stand finally determined and frozen, so as to prevent any further claims from being introduced into the process.

44. Shri Sangwan also proposed strict enforcement of an absolute prohibition on the execution and registration of any fresh sale deeds, transfers through General Power of Attorney, or mutations in respect of the project land, so as to preserve the status of the property and prevent the creation of any further third-party rights during the pendency of the verification and scrutiny process.

SUBMISSIONS ON BEHALF OF THE DEVELOPER

45. Shri Balbir Singh, learned senior counsel appearing for the Developer, drew the attention of this Court to the findings recorded by the Scrutiny Committee and the Special Committee, which had revealed instances of extensive duplication in respect of individual plots. It was submitted that multiple competing registered sale deeds, General Power of Attorneys and booking receipts were found to be in circulation in respect of the same plots, giving rise to overlapping and conflicting claims.

46. Learned senior counsel contended that such parallel/multiple claims had, in several instances,

been created by secondary property dealers and unauthorised intermediaries without the knowledge, consent or authorisation of the Developer. He, therefore, submitted that a comprehensive verification exercise ought to be undertaken to identify and eschew forged, fabricated, backdated, duplicate and unauthorised documents.

47. It was further urged that such an exercise should specifically ascertain the genuineness and validity of the sale deeds relied upon by the respective claimants, thereby distinguishing genuine first-instance allottees who had duly paid the requisite land consideration from those asserting rights on the basis of unauthorised or fabricated transactions.

ANALYSIS AND DISCUSSION

48. We have heard learned Amicus Curiae, learned counsel appearing for the claimants, learned Additional Advocate General appearing for the State of Haryana and learned senior counsel appearing for the Developer. We have also perused the material placed on record and considered the notes and suggestions tendered during the course of the hearings.

49. The factual matrix of the present dispute has been complicated beyond imagination by a multiplicity of judicial and administrative proceedings spanning nearly four decades, overlapping categories of claimants, and glaring discrepancies in the numerical data emerging across various records. Over the years, the controversy has traversed multiple forums and stages of scrutiny, commencing with writ petitions under Article 32 of the Constitution of India before this Court and parallel proceedings before the High Court, followed by the appointment of a Court Commissioner, the constitution of a Special Committee by this Court, and subsequent departmental audits. The determinations emerging from these distinct exercises have generated competing sets of rights and entitlements that now urgently require judicial reconciliation.

50. The complexity is further accentuated by the stark disparity between the land area physically available on site and the sheer volume of claims founded upon title instruments executed by the Developer and other opportunistic persons who have tried to take advantage of the prevailing

uncertainties. It was brought to notice of this Court that over 2,000 registered sale deeds had been executed against a strictly limited inventory of plottable land, and that a substantial portion of the land remains affected by unauthorized encroachments. The situation is further compounded by distinct tiers of claimants, comprising 492 original writ petitioners, 567 allottees recognized pursuant to High Court judgments, 1,011 Phase I allottees whose claims stand verified, and 2,036 Phase II applicants whose title documents await verification.

51. The category-wise inventory presents an even more daunting challenge. For instance, against 866 verified NPNL allottees in Phase I, only about 150 vacant plots are stated to be physically available on the ground. Consequently, the task before this Court is not confined to the routine verification of individual title deeds; it mandates a comprehensive reconciliation of competing equities against actual land availability at the ground level, the protection of rights already crystallised under judicial orders, and the formulation of a workable, non-disruptive mechanism to bring these protracted proceedings to a definitive and equitable conclusion.

52. Indisputably, the following core facts, eligibility parameters, and some ancillary issues have attained finality and do not require further attention or re-agitation before this Court:-

i. The entitlement of plot claimants remains governed by the cut-off parameters as affirmed by this Court *vide* judgment and order dated 3rd October, 2019, i.e., requiring full payment of land costs on or before 7th April, 1997 and development charges on or before 31st December, 1999. While compliance with the "one claim per family" rule remains mandatory for EWS and NPNL categories, this Court *vide* judgment dated 25th April, 2025 explicitly modified the 3rd October, 2019 order to exempt General Category allottees from the single-claim restriction, permitting multiple-plot holders in the General Category to participate in Phase II scrutiny.

ii. The substantive property rights and plot entitlements of the 1,011 verified allottees, comprising 866 NPNL, 96 EWS, and 49

General Category purchasers, stand fully crystallised, finalized, and judicially confirmed, having been conclusively identified under the primary report of the Special Committee dated 16th January, 2023, which was formally taken on record and given imprimatur by this Court *vide* order dated 11th July, 2023.

iii. Notwithstanding the fact that several amongst the 480 unscrutinised allottees (out of the original 492 Supreme Court petitioners) possessed registered sale deeds, held building plan sanctions issued under this Court's interim order dated 14th December, 2007, and asserted physical possession or prior judicial protection, this Court *vide* judgment dated 25th April, 2025 unequivocally rejected any plea of blanket exemption. This Court observed that interim protective orders or paper conveyances cannot dispense with a rigorous title audit, and directed these 480 allottees to mandatorily submit to the document verification criteria so as to

establish the underlying legality and genuineness of their respective claims.

iv. Out of the total licensed area of 234.674 acres comprising Sector 91 (Okhla Enclave), an extensive pocket admeasuring 46.85 acres is reportedly encumbered by unauthorized encroachments and illegal constructions. This substantial physical reduction in land area has severely constrained and reduced the actual area available at the site for layout planning, infrastructural execution, and plot allocation to merely 187.825 acres.

53. While the core eligibility parameters and verified lists stand judicially accepted, the following substantive issues remain pending and require adjudication and directions from this Court:-

i. Following the formal resignation tendered by Justice (Retd.) Vikramajit Sen, the Special Committee has become *functus officio*. Consequently, it becomes imperative for this Court to appoint a new Chairperson and reconstitute the Special

Committee and steer the Phase II scrutiny to its logical conclusion.

ii. Pursuant to the directions issued *vide* judgment dated 25th April, 2025, the authorities received a total of 2,036 fresh Phase II claims, comprising 1,637 claims supported by registered sale deeds, 102 backed by General or Special Power of Attorney instruments, and 297 applications founded upon ancillary documentation. Preliminary administrative checks unearthed glaring anomalies, including duplicate sale deed registrations executed over identical plot units. However, comprehensive title verification across this entire pool of 2,036 claims remains pending.

iii. While the basic plot entitlement of the 1,011 verified claimants stood crystallised and judicially recognised upon the acceptance of the primary Special Committee Report *vide* order dated 11th July, 2023, the physical handing of possession is stalled owing to severe

physical inventory deficit, specifically, where 866 verified NPNL purchasers compete for merely 150 vacant NPNL plots (a net deficit of 716 plots), and 49 verified General Category buyers compete for a solitary 1 vacant plot (a net deficit of 48 plots).

iv. The moot question requiring answer thus is whether this Court ought to evolve a comprehensive, equitable framework to resolve this acute supply-demand mismatch, establish transparent criteria for plot distribution, and determine the rights and remedies available to unaccommodated verified allottees?

v. Whether the DTCP can be directed to rezone, re-layout, or convert the unutilised land bank earmarked for the EWS category into NPNL sized plots or multi-storeyed residential group housing complexes to mitigate the acute physical deficit of 716 NPNL plots, and whether any such conversion or land-use modification would be legally permissible under the statutory

framework, rules, and bilateral agreement covenants governing the original development plan?

vi. Whether the judgment dated 25th April, 2025, insofar as it modified the earlier judgment dated 3rd October, 2019 by exempting open-market General Category plot purchasers from the 'one plot per family' restriction, warrants revisiting, modification, or further clarification to prevent speculative hogging of plots and to ensure equitable land distribution across all categories?

vii. Out of the 480 unscrutinised original petitioners before this Court, 74 allottees have defaulted in submitting their sale deeds and supporting credentials for audit. Whether these defaulting allottees deserve to be granted a final opportunity to submit their title documentation before the reconstituted Special Committee?

viii. Whether the plot entitlements of the 567 members of the Okhla Enclave Plot Holders (Allottees) Forum stand fully

crystallised pursuant to the judgment of the High Court in C.W.P. No. 3311 of 2001 (which attained judicial finality upon affirmation by this Court vide order dated 4th January, 2008 in SLP (C) No. 14843 of 2006), and whether, by virtue thereof, they are entitled to an absolute exemption from undergoing any further Phase II administrative re-scrutiny or document re-verification?

ix. The final list of eligible allottees, the criteria governing allotment, and the applicable pricing structure in respect of commercial shop plots likewise mandate rigorous examination, financial audit, and verification under the aegis of the reconstituted Scrutiny Committee.

x. Whether the building plans sanctioned by local DTCP officials in favour of unverified plot holders up to 25th March, 2025, allegedly in direct breach of the restraint orders passed by this Court and prior to document verification by the Special Committee, are liable to be declared null

and void ab initio, and what consequential directions, administrative inquiries, or remedial measures are warranted in respect thereof?

xi. The Developer is reportedly in continued default of its statutory liability towards licence renewal fees and External Development Charges, quantified at Rs.21.86 crores, together with interest at the rate of 6% per annum calculated from 28th February, 2019. Additionally, a sum of Rs.1.25 crores has been incurred by DTCP, towards watch-and-ward security arrangements for the project land. The current recovery status of these amounts and the enforcement measures executed against the defaulting Developer, therefore, warrant close scrutiny.

xii. Equally, a comprehensive audit is imperative regarding the development charges payable by eligible allottees towards the completion of essential colony infrastructure. This necessitates verifying the precise quantum collected from

verified allottees and deposited into the designated State account against the total approved outlay of Rs.128.70 crores. It is essential to reconcile individual deposits made by allottees over the preceding three decades, ensuring that past payments are duly credited and adjusted against their final financial obligations. Such an audit is crucial to establish the net funds available for infrastructure completion and determine the final financial liabilities, if any, of the respective stakeholders.

54. In view of the aforesaid backdrop and taking judicial notice of the formal resignation tendered by Justice (Retd.) Vikramajit Sen, and having regard to the imperative need to ensure seamless continuity in the administration, supervisory oversight, and functioning of the Special Committee, we deem it appropriate to appoint Justice (Retd.) Sanjay Karol, former Judge of this Court, as the Chairperson of the reconstituted Special Committee.

55. The Special Committee shall process and verify all applications submitted by the open-market General Category plot claimants to determine valid

title and payment of full market consideration. Such verification shall proceed on its individual merits, unfettered by the 'one plot per family' restriction.

56. All defaulting claimants who have hitherto failed to submit their claim dossiers before the Special Committee are granted a final indulgence to submit their applications along with complete supporting documentation before the Nodal Officer strictly within a period of three weeks from the date of present order i.e., 20th November, 2026, who then shall index the applications and forward the same to the Special Committee. However, any allotment in favour of such applicants shall remain subject to the final orders of this Court.

57. Inasmuch as all original writ petitioners before this Court were directed to subject their documents to verification, the members of the Okhla Enclave Plot Holders (Allottees) Forum cannot claim any automatic parity or exemption from scrutiny, and shall accordingly submit their claim dossiers before the Special Committee for title and document audit.

58. The broad parameters, terms of reference, and supervisory mandate governing the functioning of the reconstituted Special Committee shall be as under:-

a. Undertake a comprehensive document scrutiny, revenue audit, and title verification of all pending Phase II claims, including applications received within the final 3-week window granted herein. Scrutiny shall be conducted with strict adherence to the twin cut-off parameters as affirmed *vide* judgment dated 3rd October, 2019. The Special Committee may examine the corresponding revenue records to resolve title anomalies, including duplicate sale deeds and parallel third-party transfers, and weed out fraudulent claims.
b. Audit the physical status of the 1,011 verified claimants whose basic entitlement stands crystallized *vide* order dated 11th July, 2023; ascertain how many of them have secured physical possession, how many remain unaccommodated due to inventory deficits, and identify all unauthorized occupants or encroachers currently holding project land.
c. Evaluate the net unencumbered plottable land *vis-à-vis* verified allottees and formulate a transparent, equitable allocation scheme, incorporating draws of lots, layout plan

modifications, or monetary refund with/without interest, to address the acute plot deficit. In doing so, the Special Committee shall examine whether the DTCP can be directed to re-layout, rezone, or convert unutilized EWS land banks, if any, into NPNL-sized plots or multi-storey residential group housing complexes to maximize yield and mitigate physical land shortfalls.

d. Prepare and place before this Court final category-wise lists of verified allottees across NPNL, EWS, and General categories, as well as eligible commercial shop plot claimants who satisfy prescribed eligibility norms.

e. The Special Committee shall investigate and report on the administrative irregularities highlighted in the communication addressed by Justice (Retd.) Vikramajit Sen regarding building plans sanctioned by local DTCP officials in favour of unscrutinised claimants up to 25th March, 2025, in direct breach of this Court's restraint orders, and suggest appropriate remedial and disciplinary measures.

f. The Special Committee shall verify the exact financial liabilities of both the developer and the verified allottees, determine the amounts actually paid till date, and suggest effective recovery mechanisms to secure project development funds.

g. The Special Committee shall have full autonomy to frame such ancillary issues as it may deem fit, and to lay down its own procedure and modalities for conducting the scrutiny exercise in an expeditious and transparent manner.

59. The newly appointed Hon'ble Chairperson shall forthwith assume all administrative, supervisory, and adjudicatory responsibilities hitherto entrusted to the Special Committee constituted by this Court.

60. Mr. Alok Sangwan, learned Senior A.A.G. appearing for the State of Haryana, shall coordinate with the Hon'ble Chairperson to finalize the operational modalities, administrative infrastructure, secretarial assistance, and logistical support requisite for the seamless functioning of the reconstituted Special Committee.

61. The State of Haryana, acting through the designated Nodal Officer (Senior Town Planner,

Faridabad), shall ensure that all compiled, indexed and digitised records pertaining to the Phase II claims, together with the revenue audit findings and reports reflecting the status of the physical land inventory, are handed over and placed before the Hon'ble Chairperson within a period of two weeks from the date of this order.

62. The State of Haryana shall continue to extend complete administrative, logistical, and financial cooperation to the Special Committee, including the prompt disbursement of honorarium, administrative expenses, and the provision of secure, suitable venue facilities for conducting hearings, stakeholder interactions, and scrutiny drives.

63. The Special Committee shall be provided with dedicated secretarial and administrative assistance, comprising one Personal Assistant, one Lower Division Clerk, and two Legal Researchers, who may be engaged as per the choice and discretion of the Hon'ble Chairperson. The State of Haryana shall also make the necessary administrative arrangements and provide the requisite infrastructure for the sittings of the Special Committee.

64. The Chairperson of the Special Committee shall be entitled to a fixed Honorarium of Rs. 60,00,000/- (Rupees Sixty Lakhs Only), payable in three equal tranches by the State of Haryana, which shall be at liberty to recover the amount so disbursed from the Developer. Of the said amount, a sum of Rs. 20,00,000/- (Rupees Twenty Lakhs Only) shall be paid upfront by the State of Haryana. All persons seeking consideration of their applications, who have not undergone the process of scrutiny earlier and have now been permitted to submit their applications, shall submit, along with their respective applications, a demand draft for a sum of Rs. 10,000/- (Rupees Ten Thousand Only), drawn in favour of the State of Haryana. The amounts so received shall be credited to an escrow account to be opened by the State of Haryana, which shall be utilised for meeting the expenses incurred in the functioning of the Special Committee and for payment of the honorarium to the Chairperson.

65. The Special Committee shall endeavour to complete the scrutiny exercise and submit its report before this Court, in a sealed cover, within a period of four months from today. The State of Haryana, its

designated Nodal Officer and all claimants shall extend full assistance and cooperation to the Special Committee to facilitate the timely completion of the exercise and submission of its report. The learned Amicus Curiae is requested to extend such assistance to the Special Committee as and when called upon to do so.

66. In light of the reconstitution of the Special Committee and the appointment of Hon'ble Justice (Retd.) Sanjay Karol as its Chairperson, Miscellaneous Application bearing Diary No. 17124 of 2026, Miscellaneous Application Nos. 812 of 2026 and 813 of 2026, seeking the appointment of a presiding head for the Special Committee, shall stand disposed of accordingly. All pending interlocutory applications seeking impleadment or directions to submit claim dossiers before the Special Committee are consequently referred to the Hon'ble Chairperson for appropriate consideration in accordance with the Terms of Reference laid down herein.

67. The Registry is directed to forthwith send a copy of this order to Justice (Retd.) Sanjay Karol, Hon'ble Chairperson of the reconstituted Special Committee.

68. List the matters on 02nd March, 2027 at 2 PM as part-heard for further consideration of the status report and to monitor compliance with the directions contained in the present order.

.....J.
(VIKRAM NATH)

.....J.
(SANDEEP MEHTA)

NEW DELHI;
NOVEMBER 20, 2026.