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(Judgment reserved on 15.09.2025)

(Judgment delivered on 15.10.2025)

2025:AHC:184118-DB

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT - C No. - 30137 of 2023

Logix Buildwell Private Limited ……Petitioners(s)

Versus

State Of U.P. And 2 Others ……Respondents(s)

Counsel for Petitioners(s)	:	Pankaj Dubey
Counsel for Respondent(s)	:	Alok Mishra, C.S.C., Kaushalendra Nath Singh

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Court No. - 29

HON'BLE MAHESH CHANDRA TRIPATHI, J.
HON'BLE ANISH KUMAR GUPTA, J.

(Per: Mahesh Chandra Tripathi, J.)

1. Heard Shri H.N. Singh, learned Senior Counsel, assisted by Shri Pankaj Dubey, learned counsel for the petitioner, Shri M.C. Chaturvedi, learned Senior Counsel, assisted by Shri Kaushalendra Nath Singh, learned counsel for the respondent Nos.2 and 3 - NOIDA Authority and Shri Ambrish Shukla, learned Additional Chief Standing Counsel for the State-respondent No.1.

A. PRAYER:

2. The writ petitioner - *Logix Buildwell Private Limited*[1], a company incorporated under the provisions of the Companies Act, 1956, and engaged in the business of real estate development in the National Capital Region of India, has approached this Court by invoking its writ jurisdiction under Article 226 of the Constitution of India, praying, *inter alia,* for the following reliefs:

> *"i. To issue a Writ, order or direction in the nature of CERTIORARI, calling the records and quashing the impugned order dated 06.03.2023 passed by Respondent no. 3. (Annexure No. 5 of the Writ Petition).*
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> *ii. To issue a Writ, order or direction in the nature of CERTIORARI, calling the records and quashing the impugned Item no. 18 of 208th Board meeting dated 28.12.2022 so far its related to non-payment of interest. (Annexure No. 9 of the Writ Petition).*
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> *iii. To issue a Writ, order or direction in the nature of MANDMUS commanding the Respondents Authority to pay the interest @ 14% on amount deposited by the petitioner."*

B. FACTS OF THE CASE:-

3. It transpires from the record that in the year 2011, Respondent No. 2, i.e. the New Okhla Industrial Development Authority, invited sealed tenders under a two-bid system for the allotment of commercial plots on lease for a period of 90 years on an "as is where is" basis. The petitioner submitted its bid for Plot No. 4, Block-CC, Sector 32, Scheme No. 2010-11 (Commercial Builders Plot-VI), and deposited an earnest money of Rs.10 crores. The petitioner emerged as the highest bidder at Rs.1,11,250/- per square meter, resulting in a total premium of Rs.556.25 crores for the 50,000-square-meter plot. The allotment terms required the petitioner to deposit 10% of the premium within 90 days, adjusted against the earnest money, with the remaining 90% payable in 16 half-yearly installments. The lease deed and possession were to be provided within 180 days of allotment.

3.1. As it was alleged that the NOIDA Authority failed to provide the checklist and execute the lease deed, thereby hindering the petitioner

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1 petitioner-company

from taking possession and arranging finance for its project, the petitioner-company approached this Court by preferring Writ-C No. 8923 of 2022 (Logix Buildwell Private Limited vs. State of U.P. and 3 others) with a prayer to quash the order dated 12.03.2021 issued by the NOIDA Authority whereby the allotment was cancelled and initial token money was forfeited and further to direct the refund of the allotment money of over Rs.62 crores with interest. It was contended on behalf of the petitioner that the cancellation and forfeiture were unjust, as the NOIDA Authority failed to discharge its contractual obligations, rendering the project unviable. The NOIDA Authority, on the other hand, contended that the petitioner had not complied with certain procedural requirements and claimed that it was entitled to forfeit the amounts in terms of the allotment.

3.2. The Division Bench, applying the principles of legitimate expectation and public trust, held that NOIDA's conduct amounted to unjust enrichment. The Authority failed to act reasonably and in good faith, thereby depriving the petitioner of its rights despite deposit of token amount. The writ petition was allowed on 11.08.2022; the cancellation order dated 12.03.2021, passed by the Deputy General Manager (Commercial) under which the deposited amount was forfeited, was set aside. NOIDA Authority was directed to refund Rs.62,09,59,254/- within 45 days, leaving the question of interest open to be decided on a separate application. For ready reference, Paras 21 and 22 of the order dated 11.08.2022 are reproduced below:

> *"21. Accordingly, the writ petition is allowed. The order dated 12.3.2021 passed by the respondent No. 3-Deputy General Manager (Commercial), New Okhla Industrial Development Authority, NOIDA, so far as it forfeits the amount deposited by the petitioners in respect of the plot No. CC-4, Sector-32, NOIDA, is set aside. The respondent No. 2- New Okhla Industrial Development Authority, NOIDA is directed to refund the amount of Rs.62,09,59,254/- within 45 days from the date of service of certified copy of this order before it.*
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> *22. So far as the interest part is concerned, at this stage, we are not passing any order, leaving it open to the petitioner to prefer an appropriate application before the competent authority of the respondent. In the eventuality of such an application being filed, it is expected from the*

authority to pass appropriate orders after considering all aspects of the matter strictly, in accordance with law."

3.3. Thereafter, in compliance with the judgment and order dated 11.08.2022, the NOIDA Authority, in its 208th Board Meeting convened on 28.12.2022, decided to refund the token money/ deposited amount. After considering legal advice, it was further resolved that the aforesaid judgment dated 11.08.2022 would not be challenged before the Hon'ble Supreme Court and that the amount earlier forfeited may be released. Consequently, the petitioner, through an application dated 30.01.2023, raised a claim for interest. However, vide letter dated 14.02.2023, the petitioner-company withdrew its earlier application dated 30.01.2023, clarifying that the demand for interest had been made on the wrong advice of an advocate. In view of the letter dated 14.02.2023, the NOIDA Authority accepted the claim for refund and, by order dated 06.03.2023, informed the petitioner that the token amount deposited by the petitioner-company was being returned. The order dated 06.03.2023 alongwith the decision dated 28.12.2022 taken in 208th Board meeting is under challenge in the instant writ petition.

C. SUBMISSIONS ON BEHALF OF PETITIONERS:

4. Shri H.N. Singh, learned Senior Counsel, assisted by Shri Pankaj Dubey, learned counsel for the petitioner, advanced the following comprehensive submissions on behalf of the petitioner-company:

4.1. Learned Senior Counsel submitted that the impugned action of the NOIDA Authority constitutes a flagrant and impermissible attempt to modify, vary, and override the clear and unambiguous directions issued by this Hon'ble Court vide order dated 11.08.2022. The Division Bench of this Court, after elaborate hearing and consideration of all relevant facts and circumstances, had directed the NOIDA Authority to refund the amount of Rs.62,09,59,254/- within 45 days. This direction was categorical, unconditional, and left no room for the Authority to attach

any additional terms, conditions, or riders to the refund. However, in complete disregard of the Court's order, the Board of NOIDA Authority, in its 208th Board Meeting held on 28.12.2022, took upon itself to add an extraneous condition by requiring the petitioner to furnish an undertaking that no claim for interest would be made in future and that no further litigation would be initiated.

4.2. It was vehemently argued that the NOIDA Authority had no legal authority, jurisdiction, or power to modify, alter, supplement, or add conditions to an order passed by this Hon'ble Court. If the Authority was aggrieved by any aspect of the Court's order or felt that certain conditions should have been incorporated, the only legally permissible course available was to approach this Court through a formal modification application under the relevant rules, or to prefer an appeal before the appropriate higher forum, however the NOIDA Authority chose to do neither.

4.3. Learned Senior Counsel further submitted that the petitioner-company found itself in an extremely difficult and coercive situation. The company had already suffered immense financial losses and hardship on account of the Authority's failure to execute the lease deed and hand over possession despite the petitioner having deposited substantial amounts totaling over Rs.62 crores. The company was in dire need of funds for its ongoing business operations and to mitigate the cascading losses arising from the Authority's defaults. When the Authority made the refund conditional upon furnishing an undertaking waiving all claims to interest, the petitioner was left with no practical choice but to comply, however reluctantly and under protest.

4.4. It was emphasized that the undertaking dated 09.01.2023 was not given voluntarily or with free consent, but was extracted under economic duress and compulsion of circumstances. The petitioner-company was placed in a situation where refusing to give the undertaking would have meant indefinite delay in receiving even the principal amount that had been directed to be refunded by this Court. Given the acute financial

stress and the urgent need for funds, the petitioner felt compelled to sign the undertaking as a matter of necessity, not choice. This undertaking, being obtained under such coercive circumstances, cannot be treated as a voluntary waiver of the petitioner's legitimate right to claim interest.

4.5. Furthermore, learned Senior Counsel pointed out that even after submitting the undertaking, the NOIDA Authority did not release the funds immediately. There were further delays, adding to the petitioner's distress and financial burden. In this backdrop, the petitioner-company, through its letter dated 30.01.2023, sought to assert its claim for interest, which was its legitimate entitlement. However, facing continued pressure and uncertainty regarding the release of funds, the petitioner was once again compelled to withdraw that application vide letter dated 14.02.2023, stating that it was sent by mistake. This sequence of events clearly demonstrates the vulnerable and pressurized position in which the petitioner found itself, and the manner in which the Authority exploited this vulnerability to extract concessions that were neither legally warranted nor contemplated by this Court's order.

4.6. Learned Senior Counsel strongly contended that the actions of the NOIDA Authority, particularly the decision taken in the 208th Board Meeting to attach conditions to the refund, amount to contempt of court. When this Hon'ble Court directs a party to take certain action, that party is bound to comply with the letter and spirit of the order. The Authority cannot pick and choose which parts of the order to comply with, nor can it add its own terms and conditions for the compliance. By requiring an undertaking as a precondition for refund, the Authority effectively modified the Court's order, which is a direct and serious violation of judicial authority.

4.7. Learned Senior Counsel further submitted that the impugned order dated 06.03.2023, whereby the Authority finally communicated that no interest would be payable, was passed in blatant disregard of paragraph 22 of this Court's order dated 11.08.2022. The Court had specifically kept the question of interest open and had expected the Authority to

consider any application for interest "strictly in accordance with law." However, instead of examining the claim on its legal merits, the Authority simply took refuge behind the undertaking that it had itself extracted under duress, and mechanically rejected the claim. This approach defeats the very purpose and intent of this Court's direction and renders paragraph 22 meaningless.

4.8. Learned Senior Counsel vehemently submitted that on the merits, the petitioner-company is fully entitled to interest on the deposited amount. The petitioner had deposited substantial sums aggregating to over Rs.62 crores with the NOIDA Authority in good faith, expecting that the Authority would fulfill its contractual obligations by executing the lease deed and handing over possession of the plot within the stipulated time. However, the Authority failed to discharge these fundamental obligations, thereby keeping the petitioner's money without any lawful basis or justification.

4.9. It was argued that the retention of such large amounts without executing the contract or delivering the plot amounts to unjust enrichment on the part of the Authority. The petitioner has been deprived of the use and benefit of its own funds for a period exceeding a decade. During this period, the petitioner could have deployed these funds in other business ventures or investments, earning returns and interest. The denial of interest would mean that the Authority gets to use the petitioner's money at zero cost, while the petitioner bears the entire opportunity cost and consequential losses. This is manifestly unjust and inequitable.

4.10. Learned Senior Counsel further submitted that the NOIDA Authority's repeated failures, i.e. failure to provide the checklist for execution of lease deed, failure to execute the lease deed itself, failure to hand over possession, and failure to refund the amounts promptly even after Court's direction, have caused severe prejudice, harm, and financial losses to the petitioner-company. The petitioner has suffered not only direct monetary losses but also loss of business opportunities,

reputational damage, and adverse impacts on its credit facilities and banking relationships. In these circumstances, awarding interest is not a matter of grace or bounty, but a matter of right and necessary compensation for the losses suffered due to the Authority's defaults and high-handed conduct.

4.11. He lastly submitted that, in this background, this Hon'ble Court may be pleased to grant all the reliefs sought in the writ petition, particularly by directing the NOIDA Authority to pay interest at the rate of 14% per annum on the refunded amount from the date of deposit till the date of actual payment.

D. SUBMISSIONS ON BEHALF OF NOIDA AUTHORITY AND THE STATE RESPONDENTS:-

5. On behalf of respondent Nos. 2 and 3 – NOIDA Authority, Shri M.C. Chaturvedi, learned Senior Counsel, assisted by Shri Kaushalendra Nath Singh, submitted that the writ petition filed by the petitioner company is wholly misconceived, devoid of merit, and deserves outright dismissal. The entire relief claimed by the petitioner is based upon an incorrect assumption that the Authority is liable to pay interest on amounts deposited by the petitioner. Such a plea is not borne out either from the governing scheme, the terms and conditions of allotment, or from the subsequent conduct of the petitioner. The petition is nothing but an attempt to seek double benefit after having voluntarily availed a refund of deposited amounts along with specific undertakings given by the petitioner itself before this Court and the NOIDA Authority.

5.1. He further submitted that the first and foremost fact which must be placed on record is that the petitioner was allotted land by NOIDA Authority under a specific scheme of allotment. The scheme itself clearly stipulated conditions regarding payments, execution of lease deed, taking of possession, consequences of delay, and also consequences of default. It was unambiguously provided that the allottee

was required to deposit 10% of the tendered amount within 90 days of issuance of allotment letter, and thereafter to complete execution of lease deed within 180 days. In case of failure, the allotment was liable to be cancelled and substantial forfeiture imposed. Extension of time could be granted only in exceptional circumstances and that too on payment of interest at the rate of 11% normal plus 3% penal interest. Beyond the prescribed period, the scheme did not contemplate further indulgence, and NOIDA Authority was within its rights to cancel the allotment.

5.2. The petitioner-company, despite being fully aware of these stipulations, failed to honour its obligations. It failed to deposit the requisite amounts within time. Instead, it sought repeated extensions, first within 120 days and then beyond even that period. On the special request of the petitioner, NOIDA Authority placed the matter before its Board, which, in a gesture of accommodation, extended time till 31.01.2012. Even this extended deadline was not honoured by the petitioner-company, and it continued to default. This non-compliance directly resulted in non-execution of the lease deed, and as per the clear terms of allotment, the NOIDA Authority was justified in treating the allotment as lapsed.

5.3. He further argued that the petitioner's contention that it had performed all obligations or was prevented by circumstances beyond its control is factually incorrect and misleading. The record clearly establishes that the petitioner repeatedly defaulted on payment obligations, sought multiple extensions, and failed to deposit dues even within the extended timelines. This consistent non-compliance directly resulted in non-execution of the lease deed. As per the express terms of allotment accepted by the petitioner, the NOIDA Authority was fully justified in treating the allotment as lapsed. The responsibility for non-execution of the lease deed lies entirely with the petitioner-company.

5.4. He also pointed out that at this stage, it is significant to highlight Clause L(2) of the allotment conditions. That clause expressly provided that if an allottee wished to surrender its plot, such surrender had to be

done within 30 days of allotment. In such an event, the NOIDA Authority could forfeit a part of the premium and refund the balance without interest. This clause is crucial because it shows two things: first, refund was permissible only without interest, and second, there was no contractual obligation on NOIDA Authority to ever pay interest on deposited amounts. This alone demolishes the foundation of the petitioner's prayer for interest at 14%.

5.5. Shri M.C. Chaturvedi, learned Senior Counsel further submitted that the petitioner had earlier approached this Court in Writ Petition No. 8923 of 2022, seeking refund of the amount deposited. This Court, by its order dated 11.08.2022, directed the Authority to refund the principal sum of Rs.62,09,59,254/-. Pursuant thereto, and crucially, on the basis of an affidavit given by the petitioner company, the NOIDA Authority refunded the entire principal amount. The petitioner-company specifically undertook that it would not claim any interest on this refunded amount in future and that no further action would be initiated against NOIDA Authority. This undertaking was material in persuading the Authority not to challenge the Court's order before the Hon'ble Supreme Court. In fact, the matter was placed before the Board of NOIDA, and on the strength of this clear undertaking, the Board resolved to release the amount without contest.

5.6. In this backdrop, learned Senior Counsel submitted that having consciously availed the refund, without deduction and without further litigation, and having voluntarily given an undertaking not to claim interest, the petitioner is now estopped from turning around and filing the present writ petition to seek interest. The doctrine of approbation and reprobation squarely applies. A party cannot accept the benefits of a settlement or undertaking on one hand, and then claim an inconsistent advantage on the other. Such conduct amounts to abuse of process of law. In support of his submissions, learned Senior Counsel has placed reliance upon judgment of Hon'ble Supreme Court in **Kalpraj Dharamshi and others vs. Kotak Investment Advisors Ltd. And**

others[2] and a judgment of Division Bench of this Court in **Smt. Madhubala Jaiswal vs. Real Estate Appellate Tribunal**[3]**.**

5.7. Shri M.C. Chaturvedi, learned Senior Counsel had also pointed out that the claim of interest is contrary to the scheme itself. The allotment terms did not provide for interest in cases of refund. On the contrary, the scheme expressly contemplated that in case of surrender or cancellation, refund would be made without interest. This is the consistent policy of NOIDA Authority, uniformly applied to all allottees. If the petitioner's plea is accepted, it would create an anomalous situation where one allottee, by breaching conditions and seeking refund, stands to earn interest, whereas another allottee who complied with the scheme suffers. This would be inequitable and discriminatory.

5.8. He further submitted that the petitioner's reliance on alleged equities or hardships is entirely misplaced. The NOIDA Authority is a statutory body governed by its schemes and rules. It cannot be compelled to pay amounts which are not authorised under the scheme. Courts have repeatedly held that public authorities cannot be bound by claims *dehors* the terms of allotment, especially where the allottee itself is at fault. In this case, the petitioner-company was in breach of its obligations and is seeking to derive benefit from its own wrong.

5.9. It was pointed out by the learned Senior Counsel that even the petitioner's subsequent actions showed lack of bona fides. After obtaining refund on the strength of its undertaking, it filed the present petition. Initially, it even submitted a letter dated 30.01.2023 withdrawing its claim, but later retracted the withdrawal by another letter dated 14.02.2023. This flip-flop conduct demonstrates that the petitioner is indulging in speculative litigation, trying to reopen settled issues to extract monetary advantage. Such a course cannot be permitted.

5.10. He argued that the argument of the learned counsel for the petitioner company that since the petitioner-company deposited huge

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2 (2021) 10 SCC 401 (Para-106 and 107)
3 2024 (9) ADJ 361 (DB) (Paras 32 to 39)

sums with the NOIDA - Authority, it is entitled to interest as a matter of right, is absolutely fallacious. The petitioner deposited those sums as part of consideration for allotment. Those amounts were not lying with NOIDA Authority as free funds, but as part of an ongoing contractual process. When that process failed due to petitioner's default, the refund was made strictly in accordance with the governing scheme. The petitioner's deposits cannot be equated to a fixed deposit or a loan where interest accrues by default. It was a conditional payment under allotment, and therefore no question of interest arises.

5.11. In addition thereto, he submitted that the affidavit filed before the NOIDA Authority, annexed as Annexure CA-4 to the counter affidavit, clearly records that the petitioner-company gave up its claim for interest. This document alone is sufficient to non-suit the petitioner-company. It is an admission by the petitioner-company itself. Courts have consistently held that a party is bound by its own undertakings and cannot later resile. The NOIDA Authority has acted on the strength of that undertaking, including its decision not to file an SLP. To now permit the petitioner-company to agitate for interest would not only be unjust to the Authority but also set a dangerous precedent encouraging litigants to dishonour solemn undertakings given before judicial forums and statutory Authorities.

5.12. Learned Senior Counsel emphasized that the Authority has, throughout, acted with fairness and indulgence. Instead of straightaway cancelling the allotment upon default, it granted repeated extensions, even by Board resolution, to facilitate the petitioner-company. It refunded the entire deposit without deduction of forfeiture, despite having the right under the scheme to forfeit a substantial portion. It did not contest the matter further in higher courts, only because of the petitioner's solemn assurance. The NOIDA Authority has, therefore, acted more than reasonably. The petitioner-company, on the other hand, is attempting to misuse the Court's jurisdiction to claim what was never promised, never agreed, and expressly given up.

5.13. Learned Senior Counsel vehemently submitted that in view of the above, the instant writ petition is wholly misconceived. There is no contractual, statutory, or equitable basis for directing payment of interest to the petitioner-company. On the contrary, the petitioner is estopped by its own conduct and undertaking. The petition is liable to be dismissed with costs, to prevent such abuse of process.

5.14. Shri Ambrish Shukla, learned Additional Chief Standing Counsel for the State-respondent No.1, associated himself entirely with the submissions advanced by Shri M.C. Chaturvedi, learned Senior Counsel appearing on behalf of respondent Nos. 2 and 3 – NOIDA Authority, and adopted the same without any objection/ reservation.

E. DISCUSSION AND FINDINGS:-

Analysis of Contractual Framework and Statutory Obligations

6. Having heard learned counsel for both sides and having perused the record carefully, we find ourselves confronted with a case that raises significant questions about the nature of contractual obligations, the scope of court orders, and the conduct of parties in honouring solemn undertakings given before judicial forums.

6.1. Before delving into the above questions, it is necessary to appreciate the factual matrix in its entirety. The petitioner-company participated in a commercial tender process initiated by NOIDA Authority for allotment of a valuable commercial plot. The petitioner-company emerged successful and was required to comply with certain payment schedules and procedural requirements as per the scheme of allotment. Admittedly, the petitioner-company failed to meet several of these obligations within the stipulated time frames. Extensions were sought and granted, yet defaults continued. Eventually, the allotment was cancelled and amounts forfeited by the Authority.

6.2. The petitioner then approached this Court in Writ Petition No. 8923 of 2022, challenging the cancellation and forfeiture. This Court, in its wisdom, found merit in the petitioner's grievance and directed refund of the deposited amount of Rs. 62,09,59,254/- within 45 days. Significantly, in paragraph 22 of the order dated 11.08.2022, this Court specifically left open the question of interest and permitted the petitioner to prefer an appropriate application before the competent authority. At the cost of repetition, the relevant portion of paragraph 22 reads as follows:

> *"22. So far as the interest part is concerned, at this stage, we are not passing any order, leaving it open to the petitioner to prefer an appropriate application before the competent authority of the respondent. In the eventuality of such an application being filed, it is expected from the authority to pass appropriate orders after considering all aspects of the matter strictly, in accordance with law."*

6.3. A plain reading of this paragraph makes it abundantly clear that this Court did not grant any entitlement to interest. The Court merely left the door open for the petitioner to make an application to the Authority, which would then decide the matter considering all aspects in accordance with law. There was no direction, implicit or explicit, that interest was payable or that the Authority was bound to grant interest. The matter was left entirely to the discretion of the Authority to be exercised in accordance with the governing legal framework.

The Modification Issue of the Court's order dated 11.08.2022

6.4. We have carefully considered the submission of learned Senior Counsel for the petitioner to the effect that it was not permissible for the NOIDA Authority to modify this Court's order by attaching conditions to the refund. While we appreciate that the Court's order dated 11.08.2022 did not expressly authorize the Authority to seek an undertaking, we must also recognize that paragraph 22 of the order left the question of interest entirely open to be decided by the Authority **"after considering all aspect of the matter strictly in accordance with law."** The order did not grant any automatic entitlement to interest, nor did it preclude the Authority from seeking clarifications or assurances before effecting the

refund. In the circumstances, while the Authority's approach may have been overly cautious, we cannot characterize it as an impermissible modification of the Court's order or as contempt. The Authority was within its rights to seek clarity on the scope of its obligations before releasing substantial public funds.

The Nature and Effect of the Undertaking

6.5. The most critical aspect of this case revolves around the undertaking-cum-affidavit dated 09.01.2023 given by the authorised representative of the petitioner company to the NOIDA Authority, stating therein that the company urgently requires funds and seeks release of Rs.62,09,59,254/- in compliance with the aforesaid order dated 11.08.2022. The authorised representative affirmed that upon receipt of this amount, the company will not claim any interest from NOIDA Authority nor initiate further legal proceedings on this matter. This affidavit has been executed specifically in accordance with NOIDA's letter dated 06.01.2023. The undertaking-cum-affidavit dated 09.01.2023 is reproduced below for ready reference:-

"UNDERTAKING-CUM-AFFIDAVIT

1 Davender Mohan Saxena S/o Late Sh. R.M.Rai Saxena, aged about 55 years authorised representative of Logix Buildwell Private Limited, registered office at DGL006, Ground Floor, DLF Galleria, Mayur Vihar, Phase-1 New Delhi-110091 also at A 4 & 5, Sector-16 Noida 201301 Uttar Pradesh, do hereby solemnly affirm and declare as under:

"1. I am the authorised representative of Logix Buildwell Pvt. Ltd. ("Company") and I am competent to swear the present undertaking-cum-affidavit.

2. 1 say that the present undertaking-cum-affidavit is being given on the direction of New Okhla Industrial Development Authority ("NOIDA") in terms of Letter dated 06.01.2023 so that amount would be released at the earliest to the Company by the NOIDA in terms of order dated 11.08.2022 passed by the Hon'ble High Court at Allahabad, as the Company is in dire need of funds and is facing acute financial problems.

3. I say that subject to receipt of the amount of Rs.62,09,59,254/- (Rupees Sixty Two Crores Fifty Nine Lacs Two Hundred and Fifty Four only) in compliance of Order dated 11.08.2022 passed by the Hon'ble High Court of Judicature at Allahabad in Writ-C No. 8923 of 2022 titled as Logix Buildwell Private Limited-Versus-State of UP & Ors., ***the Company would not claim***

any interest from the NOIDA Authority or initiate any further action in this regard against Noida.

4. 1 say that the present undertaking and as such the same is being issued on the directions of NOIDA.

DEPONENT

VERIFICATION:

1, Davender Mohan Saxena, the deponent above-named, do hereby verify that the contents of the foregoing undertaking-cum-affidavit are true and correct to the best of my knowledge, no part of it is false or incorrect and nothing material has been concealed therefrom.

Verified at Noida on this 09 day of January, 2023,

DEPONENT"

(Emphasis Supplied)

6.6. This undertaking was material and consequential. It formed the basis upon which the NOIDA Authority decided to refund the entire amount without deduction and without pursuing further legal remedies before higher forums. The NOIDA Authority placed reliance on this solemn assurance and acted upon it by releasing the substantial sum of Rs. 62,09,59,254/- to the petitioner.

6.7. This undertaking was not extracted under duress or coercion. It was voluntarily submitted by the petitioner company after due consideration and presumably after taking legal advice. In this undertaking, the petitioner company clearly and unequivocally stated that it would not claim any interest on the refunded amount and would not initiate any further litigation against the NOIDA Authority in relation to this matter.

6.8. Having received the benefit of this refund in full, without any deduction whatsoever, the petitioner-company cannot now be permitted to turn around and claim interest. This would be contrary to the most fundamental principles of justice, equity, and good conscience. It would amount to blowing hot and cold at the same time, which is impermissible in law.

6.9. The principle that a party cannot approbate and reprobate is well-established in our jurisprudence. A person cannot accept a benefit under a transaction or undertaking and simultaneously challenge its validity or

seek inconsistent reliefs. The doctrine prevents parties from taking contradictory positions to gain unfair advantages.

6.10. In the present case, the petitioner company accepted the refund on the specific basis that no interest would be claimed. Having obtained that advantage, the petitioner is now estopped from claiming interest. To permit such conduct would not only be unjust to the NOIDA Authority but would also undermine the sanctity of undertakings given before statutory bodies and would encourage dishonourable conduct in litigation.

The Duress Argument regarding undertaking dated 09.01.2023:

6.11. It has been vehemently pressed on behalf of the petitioner that the undertaking dated 09.01.2023 was obtained under economic duress and therefore should not be given effect. We have anxiously considered this submission. While it may be true that the petitioner needed the funds urgently, it cannot be said that the NOIDA Authority applied any unlawful pressure or coercion. The undertaking was given by the petitioner's authorized representative, who is presumed to have acted with full knowledge and understanding of the legal implications. The undertaking was duly notarized and contained a verification clause. If the petitioner felt aggrieved, the proper course was to approach this Court for clarification rather than giving the undertaking and subsequently trying to resile from it. The plea of economic duress, in the facts and circumstances of this case, cannot be sustained.

Application of the Doctrine of Waiver

6.12. The respondents have placed strong reliance on paragraphs 106 and 107 of the judgment of the Hon'ble Supreme Court in **Kalpraj Dharamshi and others vs. Kotak Investment Advisors Ltd. and others (2021) 10 SCC 401**. These paragraphs elucidate/ illustrate the principle of waiver and make it clear that waiver can be inferred when it is shown that the party knew about the relevant facts and was aware of

his right to take the objection in question. The Hon'ble Supreme Court held as follows:

> *"106. It has been held, that a waiver cannot always and in every case be inferred merely from the failure of the party to take the objection. Waiver can be inferred, only if and after it is shown that the party knew about the relevant facts and was aware of his right to take the objection in question. The waiver or acquiescence, like election, presupposes, that the person to be bound is fully cognizant of his rights, and that being so, he neglects to enforce them, or chooses one benefit instead of another.*
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> *107. As such, for applying the principle of waiver, it will have to be established, that though a party was aware about the relevant facts and the right to take an objection, he has neglected to take such an objection."*

6.13. Applying these principles to the facts of the present case, it is evident that the petitioner was fully aware of its right to claim interest, if any. In fact, paragraph 22 of the order dated 11.08.2022 of the Division Bench of this Court specifically kept this question open. The petitioner, being a sophisticated commercial entity represented by competent legal counsel, was fully cognizant of its rights and the implications of giving an undertaking to waive its claim for interest. Despite this knowledge, the petitioner consciously chose to give the undertaking in order to secure the refund expeditiously. Having made that informed choice, the petitioner cannot now resile from its position. The principle of waiver clearly applies, and the petitioner must be held bound by its voluntary act.

The Scheme of Allotment and Absence of Statutory Entitlement to Interest

6.14. It is also necessary to examine whether there exists any contractual or statutory basis for the claim of interest. The learned Senior Counsel for the respondents has rightly drawn our attention to Clause L(2) of the allotment conditions, which expressly provided that in case of surrender of plot, the Authority could refund the balance amount without interest. This clause clearly demonstrates that the scheme of allotment did not

contemplate payment of interest in cases of refund or cancellation. For ready reference, Clause L of the Scheme in question, i.e. Scheme 2010-11 (Commercial Builders Plot – VI) [TERMS AND CONDITIONS FOR ALLOTMENT], is reproduced below:

> *"L. SURRENDER*
>
> *1. The allottee can surrender the plot within 30 days from the date of allotment. In such case, earnest money deposited will be forfeited in total and the balance, if any, deposited against the premium of plot,* ***will be refunded without interest.***
>
> *2. In case the plot is surrendered after 30 days from the date of allotment, the total deposited amount or 30% of total premium, whichever is less,* ***will be forfeited and the remaining amount will be refunded without interest.*** *However, the amount deposited towards lease rent, interest, extension charges etc. shall not be refunded."*
>
> *(Emphasis supplied)*

The Merits of Interest Claim:

6.15. The petitioner's deposit was made as part consideration for the allotment of a commercial plot. It was not a loan or an investment that would automatically carry interest. The amounts deposited were intended to secure the petitioner's rights under the allotment scheme, subject to compliance with its terms and conditions. When the allotment process did not fructify due to various reasons, the refund was made in accordance with the governing scheme, which did not provide for interest.

6.16. The NOIDA Authority is a statutory body governed by its rules, regulations, and schemes. It cannot be compelled to make payments that are not authorized under its governing framework. Courts have consistently held that public authorities must act within the four corners of their statutory powers and cannot be directed to make payments dehors the scheme under which they function. In the absence of any specific provision entitling the allottee to interest on refunded amounts, no such liability can be fastened upon the NOIDA Authority merely on grounds of equity or sympathy. This is particularly so when the

commercial plot was cancelled due to default and token amount was forfeited.

6.17. We have also examined the petitioner's contention that it is entitled to interest as a matter of right, given the prolonged retention of its funds by the Authority. While there is considerable force in the argument that the petitioner has been deprived of the use of its funds for an extended period, we must be guided by the contractual framework and the statutory scheme. As noted earlier, Clause L of the allotment conditions expressly contemplated refund "without interest" in cases of surrender or cancellation. Moreover, the deposits made by the petitioner were not in the nature of a loan or investment, but were payments made as part consideration for allotment of land under a specific scheme. In the absence of any express statutory provision or contractual term providing for interest on refunds, and given the fact that the allotment did not fructify partly due to the petitioner's own delays and defaults, we find it difficult to accept that there is an automatic entitlement to interest. The claim for interest, though understandable from the petitioner's perspective, lacks legal foundation.

The Doctrine of Estoppel by Conduct

6.18. The petitioner's conduct throughout this litigation has been less than satisfactory. After giving a solemn undertaking on 09.01.2023 that it would not claim interest, the petitioner filed an application dated 30.01.2023 seeking interest. When the Authority questioned this inconsistent stand, the petitioner-company, through its letter dated 14.02.2023, withdrew the application dated 30.01.2023 stating that it was sent by mistake by its lawyer. Subsequently, the NOIDA Authority, relying on this withdrawal and the original undertaking, informed the petitioner by the impugned order dated 06.03.2023 that no interest was payable. For ready reference, the letter dated 14.02.2023 is reproduced below:

"Dated-14-02-2023

To, The OSD, (Commercial dept.) Noida Administrative office Sector-6 Noida

***Subject**: Withdrawal of the Letter dated 30.01.2023*

Ref: CC-04, sector-32, Noida

Respected Sir,

This is with reference to the Letter dated 30.01.2023 regarding claim of Interest amount. It is hereby brought into your kind information that we don't want to pursue the same and therefore is withdrawn from our end, Hence the said letter stands revoked unconditionally. The said letter was sent by mistake of our lawyer.

Kindly do the needful.

Thanking You,

Yours Sincerely

For Logix Buildwell Pvt. Ltd.

(Authorized Signatory)"

(Emphasis supplied)

6.19. Now, in the present writ petition, the petitioner-company has once again sought to claim interest. This flip-flop conduct demonstrates lack of *bona fides* on the part of the petitioner. It appears that the petitioner is attempting to extract monetary advantage through persistent litigation despite having voluntarily waived its right to interest.

6.20. Such conduct amounts to an abuse of the process of law and cannot be allowed by this Court. The petitioner is clearly estopped by its own conduct from claiming interest. The doctrine of 'estoppel by conduct' prevents a party from denying or asserting anything contrary to that which has been established as the truth by its own previous acts or representations. In the present case, the petitioner's undertaking and subsequent withdrawal of its application for interest clearly establish that it had given up its claim to interest. Now, the petitioner cannot be permitted to take a contrary stand.

No Advantage from Own Wrong

6.21. The respondents have also relied upon paragraphs 32 to 39 of the judgment of the Division Bench of this Court in **Smt. Madhubala Jaiswal vs. Real Estate Appellate Tribunal**[4]. These paragraphs deal with the well-established principle that no party can take advantage of its own fault, encapsulated in the Latin maxim "commodum ex injuria sua nemo habere debet."

6.22. The Division Bench, following the judgment of the Hon'ble Supreme Court in **M.K. Shah Engineers and Contractors vs. State of M.P.**[5], held as under:

> *"As per the doctrine of 'commodum ex injuria sua nemo habere debet', it is settled law that no party can take advantage of their own fault."*

6.23. The Division Bench further relied upon **Kusheshwar Prasad Singh vs. State of Bihar and others**[6], wherein the Hon'ble Supreme Court observed as under:

> *"It is settled principle of law that a man cannot be permitted to take undue and unfair advantage of his own wrong to gain favourable interpretation of law. It is sound principle that he who prevents a thing from being done shall not avail himself of the non-performance he has occasioned. To put it differently, 'a wrongdoer ought not to be permitted to make a profit out of his own wrong."*

6.24. Similarly, in **Municipal Committee Katra & Ors vs. Ashwani Kumar**[7], the Hon'ble Supreme Court reiterated as under:

> *"It is beyond cavil of doubt that no one can be permitted to take undue and unfair advantage of his own wrong to gain favourable interpretation of law. It is a sound principle that he who prevents a thing from being done shall not avail himself of the non-performance he has occasioned. To put it differently, 'a wrong doer ought not to be permitted to make profit out of his own wrong'."*

6.25. While these principles are primarily applied to prevent authorities from taking advantage of their own defaults, the underlying principle is of universal application. In the present case, the petitioner's own defaults in complying with the payment schedule and other conditions of allotment led to the cancellation. The petitioner-company then obtained relief from this Court in the form of a refund. To secure that refund

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4 2024 (9) ADJ 361 (DB)
5 (1992) 2 SCC 594
6 (2007) 11 SCC 447
7 [Civil Appeal No(s).14970-71 of 2017 decided on 09.05.2024]

expeditiously, the petitioner-company voluntarily gave an undertaking waiving its claim to interest. Having benefited from that strategic decision, the petitioner-company cannot now claim to have been prejudiced by its own voluntary act.

6.26. However, we must also acknowledge that this principle works both ways. The doctrine that no one should profit from their own wrong applies equally to public authorities. Nevertheless, in the present case, the NOIDA Authority cannot be said to have committed any wrong by relying upon the petitioner's solemn undertaking and acting in accordance therewith.

F. <u>CONCLUSION</u>:-

7. Having carefully considered the submissions of learned counsel for both sides, the record of the case, and the legal principles applicable, we find ourselves in agreement with the submissions made on behalf of the respondents. The claim of petitioner-company for interest is wholly unsustainable both on facts and in law.

7.1. Firstly, the order dated 11.08.2022 passed by this Court did not grant any entitlement to interest. It merely left the matter open for the petitioner-company to approach the NOIDA Authority, which would, after considering all aspects of the matter then decide the issue in accordance with law. The NOIDA Authority has precisely accepted the solemn undertaking of the petitioner-company and released the token amount.

7.2. Secondly, the petitioner-company voluntarily gave a solemn undertaking that it would not claim interest. This undertaking was material, which was accordingly acted upon by the NOIDA Authority, and the petitioner-company received the full benefit of refund on that basis. The petitioner-company is now estopped from resiling from that undertaking.

7.3. Thirdly, in view of the terms and conditions of the allotment, which had been voluntarily accepted by the petitioner-company, there is no stipulation regarding refund with interest. On the contrary, the petitioner-company was in default, its allotment was cancelled, and the token money was forfeited. Even otherwise, no right to claim interest can be accorded contrary to the agreed terms and conditions of the allotment letter.

7.4. Fourthly, the conduct of the petitioner-company throughout has been inconsistent and demonstrates a lack of bona fides. The repeated attempts to claim interest despite having waived that right amount to abuse of process.

7.5. We must also observe that while the NOIDA Authority could perhaps have handled the matter with greater expedition and sensitivity, the petitioner's own conduct and repeated defaults in complying with the payment schedules contributed significantly to the unfortunate situation. The principle of clean hands requires that a party approaching a Court in equity must itself have acted fairly and in accordance with its obligations. The petitioner's changing stands, i.e. first seeking extension of time for initial deposit, then seeking execution of lease deed, then seeking refund, then giving undertaking, then seeking interest, then withdrawing that claim, and finally again seeking interest, do not inspire confidence in the *bona fides* of the litigation. This conduct must be taken into account while considering the equitable relief sought.

7.6. For all these reasons, we find no merit whatsoever in the instant writ petition. The impugned order dated 06.03.2023 passed by Respondent No.3 is perfectly legal and does not warrant any interference by this Court. Similarly, Item No. 18 of the 208th Board Meeting dated 28.12.2022, insofar as it relates to non-payment of interest, is also valid and sustainable under the facts and circumstances of the case.

G. <u>FINAL ORDERS</u>:-

8. In light of our detailed examination of contentions raised by the parties, the comprehensive analysis of the factual and legal matrix, and the resultant conclusion, we uphold the order dated 06.03.2023 passed by the respondent No.3. Accordingly, the writ petition fails and is **dismissed**. However, in the facts and circumstances of the case, there shall be no order as to costs.

(Anish Kumar Gupta,J.) **(Mahesh Chandra Tripathi, J.)**

October 15, 2025
NLY

Digitally signed by :-
NAND LAL YADAV
High Court of Judicature at Allahabad