



2026:CGHC:10664-DB

NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR****WPC No. 910 of 2026**

- 1** - Shobha Choudhary W/o Narendra Kumar Choudhary Aged About 54 Years
R/o Villa 242, Sapphire Green Amasoni, Raipur, District Raipur C.G.
- 2** - Kabita Choudhary W/o Anand Kumar Choudhary Aged About 52 Years R/o
Villa 241, Sapphire Green Amasoni, Raipur, District Raipur C.G.
- 3** - Seema Choudhary W/o Mahesh Choudhary Aged About 50 Years R/o Villa
240, Sapphire Green Amasoni, Raipur, District Raipur C.G.

... Petitioner(s)**versus**

- 1** - State Of Chhattisgarh Through The Secretary, Housing And Environment
Department, Mantralaya, Mahanadi Bhawan, Nava Raipur, Atal Nagar C.G.
- 2** - Nava Raipur Development Authority (Nrda) Through Its Chief Executive
Officer, Nrda Office, Raipur C.G.
- 3** - Chief Executive Officer, Raipur Development Authority, 2nd Bhakta Mata
Karma, Vyavsayik Parishar, New Rajendra Nagar, Raipur, District Raipur C.G.
- 4** - Revenue Officer (Tehsildar), Raipur, New Raipur Development Authority,
Raipur, District Raipur C.G.

... Respondent(s)

For Petitioner(s)	: Mr. Rajeev Shrivastava, Senior Advocate assisted by Ms. Kajal Chandra, Advocate.
For Respondent(s) No. 1 and 4	: Mr. Praveen Das, Additional Advocate General
For Respondent No. 2	: Mr. Anuroop Panda, Advocate
For Respondent No. 3	: Mr. Pankaj Agrawal, Advocate.



Hon'ble Shri Ramesh Sinha, Chief Justice

Hon'ble Shri Ravindra Kumar Agrawal, Judge

Order on Board

Per Ramesh Sinha, Chief Justice

02/03/2026

1. Heard Mr. Rajeev Shrivastava, learned Senior Advocate assisted by Ms. Kajal Chandra, learned counsel for the petitioners. Also heard Mr. Praveen Das, learned counsel for the respondent No. 1, Mr. Anuroop Panda, learned counsel for the respondents No. 2 and 4 as well as Mr. Pankaj Agrawal, learned counsel for the respondent No. 3.
2. By this petition under Article 226 of the Constitution of India, the petitioners seek for the following relief(s):

"i. That, this Hon'ble Court may kindly direct the respondent authorities to issue an appropriate writ directing the Respondents to refund the total amount of 273,14,000/-deposited by the petitioners;

ii. That, this Hon'ble Court may kindly direct the respondent authorities to pay an interest @ 12% per annum from the date of respective deposits till actual refund;

iii. Award costs of the petition in favour of the petitioners, and

iv. Any other relief, which this Hon'ble Court deems fit and proper, may also kindly be granted to the Petitioners, in the interest of justice."

3. The facts, as projected by the petitioners are that Respondent No.3- Raipur Development Authority (RDA), a statutory authority constituted under the provisions of the Chhattisgarh Nagar Tatha Gram Nivesh Adhiniyam, 1973 (for short, the Act of 1973), floated a commercial development scheme known as "Devendra Nagar Commercial Complex Scheme", situated at Cloth Market, Pandri, Raipur, with the object of



developing commercial infrastructure and allotting commercial plots to the general public on long-term lease basis. The said scheme was widely publicised by the respondent authority in newspapers on 01.03.2018, representing that the land was free from encumbrances, duly planned, and capable of lawful commercial development, thereby inducing members of the public, including the present petitioners, to invest substantial amounts with the legitimate expectation of obtaining commercially viable plots. Relying upon the representations, assurances and promises held out by the respondent authority, the petitioners applied for allotment of commercial plots under the said scheme and were subsequently allotted Plot No. 9, 10 and 11, each admeasuring 750 sq.ft. In the tender document it was provided that the participant had to deposit 25% of the tender amount as earnest money for participating in the bid through a Bank Draft or Pay Order/Banker Cheque and the petitioner pursuant to the allotment, has deposited substantial sums of money amounting to Rs.24,38,000/- each, aggregating to Rs.73,14,000/-, with the respondent Authority, strictly in accordance with the terms of the scheme and within the stipulated time, without any default on their part.

4. Mr. Shrivastava, learned Senior Advocate appearing for the petitioners submit that the petitioners made the said deposits in complete good faith, believing that the respondent Authority had complied with all statutory requirements, including preparation and approval of a valid layout plan as mandated under the Act of 1973 and that the plots allotted to them were capable of lawful registration and construction. Subsequent to the allotment and the deposit of money the petitioner received a notice on 02.05.2018 bearing no. 4396/Ra Sa/R.C./V.Pr./2018 from the respondent authorities stating that the petitioners has not deposited the 18% GST



amount which is due to the respondent No. 2 the same is to be paid till 07.05.2018. When the petitioners received a letter from the respondent - RDA they came to know that the plots allotted by the respondent-RDA falls under the levy of GST, whereas, this condition was not mentioned in the tender document. The petitioners made representations before the respondent-RDA to the effect that since the condition of levy of GST was not mentioned in the tender document nor in the advertisement, therefore, subsequently, it cannot be levied. In turn, the respondent-RDA rejected their representations and directed the petitioners to deposit 50% of the tender amount. The petitioners have challenged the notice before this Court in WPC No. 1272/2018, 1256/2018 and 1296/2018 which stood dismissed by the learned Single Judge on 26.07.2023. After the aforesaid order passed by the learned Single Judge, the petitioners were ready to furnish the remaining amount including the 18% GST for the allotment of Plot. But it came to light that the entire Devendra Nagar Commercial Complex Scheme was suffering from serious and fundamental statutory defects, including but not limited to the fact that a portion of the land forming part of the scheme comprised canal/water body land, which was impermissible for commercial allotment under the applicable planning laws. The respondent authority attempted to cure the defects by proposing changes in the layout plan and seeking approval from the State Government under Section 74 of the Act of 1973, however, the said proposals were examined at the highest level and were categorically rejected by the State Government in case no. Case No. F-3-20/2018/32 by order dated 18.11.2019. The State Government, after due scrutiny, passed orders dated 28.08 2020 in Case No. F 5-21/2020/32 and 22.02.2022 in case no. F 3-20/2018/32, holding that the proposed layout changes were legally untenable, contrary to planning norms, and



could not be approved. The said orders conclusively established that the scheme, in its existing form, lacked statutory approval and could not be implemented. As a result of the rejection of the layout plans, the very foundation of the allotment made in favour of the petitioners stood vitiated, as without an approved layout, the plots could neither be lawfully registered nor could any construction activity be undertaken thereon.

5. Mr. Shrivastava submits that despite being fully aware of the aforesaid statutory impediments and rejection orders passed by the State Government, the respondent authority failed to either rectify the defects or refund the amounts deposited by the petitioners, thereby keeping the petitioners' money blocked indefinitely. In contrary the respondents has further issued notice on 08.09.2023, 18 10.2023 and 20.11.2023 to the petitioner No. 1 to deposit the remaining amount as soon as possible or the respondent authority will forfeit the allotment amount of the petitioner. In the meantime, several similarly situated allottees approached the learned Single Judge by filing writ petitions, including WPC No. 5191 of 2023, wherein the learned Single Judge, vide order dated 10.01.2024, declined to entertain the writ petitions on account of availability of arbitration clause, while keeping the cancellation orders in abeyance and permitting recourse to arbitration, without expressing any opinion on merits. The petitioners alongwith some other similarly situated persons, have also approached the respondent authorities on vide letter dated 22.03.2024 to include the petitioner in the arbitration proceeding as the per the Hon'ble Court order dated 10.01.2024, but till date no action has been taken by the respondent authorities. The petitioners, upon becoming aware of the illegality and non-viability of the scheme, submitted a detailed representation dated 30 12.2025 to the respondent authority, specifically requesting that a fresh and duly approved layout



plan be provided so as to enable the petitioners to take an informed decision regarding further payments and development. When no response was received, the petitioners again submitted a further representation dated 15.01.2026 to the Chief Executive Officer of Respondent No.2, clearly stating that in the absence of a legally approved layout, the petitioners were neither obliged nor legally permitted to deposit further amounts or proceed with construction. The petitioners also brought to the notice of the respondent authority that continuation of the allotment without statutory approval exposed the petitioners to grave financial risk, potential litigation, and possible demolition or cancellation in future, for no fault of theirs. Despite receipt of the aforesaid representations, the respondent authority neither supplied any fresh approved layout nor refunded the amounts deposited by the petitioners, thereby demonstrating complete administrative apathy and arbitrariness. The inaction of the respondent authority has rendered contract wholly frustrated and impossible of performance, as the respondents themselves are legally incapable of performing their reciprocal obligations under the scheme. The petitioners cannot be compelled to wait indefinitely for an uncertain and speculative approval, particularly when the State Government has already rejected the layout proposals multiple times. The continued retention of the petitioners' hard-earned money by the respondent authority, without providing a lawful, approved and executable layout, is ex facie illegal, arbitrary and amounts to unjust enrichment, causing severe financial hardship, mental agony and loss of opportunity to the petitioners. The petitioners deposited substantial sums of money with the respondent authority from their hard-earned savings and financial resources, including proposed bank finance, with the legitimate expectation that the respondent authority would provide a



valid, approved and legally sustainable layout, enabling the petitioners to make further payments, execute lease deeds and undertake commercial construction. Subsequent to the allotment, it transpired that the entire Devendra Nagar Commercial Scheme was seriously flawed at the statutory and planning level, and was subject matter of prolonged litigation, administrative scrutiny and governmental intervention. The petitioners herein were never provided with any fresh approved layout, nor any concrete assurance regarding legality, marketability or construction feasibility of the allotted plots.

6. Mr. Praveen Das, learned Additional Advocate General appearing for the State/respondent No. 1 and 4 submits that the main contesting party in this petition are the respondents No. 2 and 3 and the respondent No. 1 is a formal party.
7. Mr. Anuroop Panda, learned counsel appearing for the respondent No. 2 as well as Mr. Pankaj Agrawal, learned counsel for the respondent No. 3 submits that a perusal of the prayer clause would make it amply clear that no such relief can be granted to the petitioners in writ jurisdiction and the present one being a contractual dispute, the petitioner may take recourse to competent jurisdictional civil court for refund of amount deposited by them.
8. We have heard learned counsel for the parties at length and have perused the pleadings and documents placed on record.
9. It transpires from the order dated 10.01.2024 passed by the learned Single Judge that some similarly situated persons had approached this Court as the respondent-RDA had cancelled their allotment of plot as also forfeited the security deposit. On the submission made by learned counsel for the parties that the agreement executed between the



petitioners therein and the respondents, provided for arbitration wherein the Chairman, RDA, Raipur shall be the Arbitrator, the petitioners were relegated to take recourse to clause 31 of the Terms and Conditions of the Contract. The contention of the petitioners is that despite making application, their case is not being considered and taken up in Arbitration and the petitioners have been left remediless.

10. The principal relief sought in the present writ petition is for a direction to the respondent authorities to refund the amount deposited by the petitioners pursuant to allotment of commercial plots under the “Devendra Nagar Commercial Complex Scheme”, together with interest thereon. The foundation of the claim is that the scheme allegedly suffered from statutory defects and lacked a validly approved layout plan, rendering the allotment incapable of implementation. At the outset, it is required to be noted that the relationship between the petitioners and respondent No. 3–Raipur Development Authority arises out of a contractual arrangement emanating from participation in a tender-cum-allotment process and acceptance of allotment conditions. The petitioners, having applied under the scheme and deposited the requisite amounts in terms of the tender conditions, entered into a contractual domain governed by the terms and conditions of allotment. The relief now sought, namely refund of the deposited amount with interest, is essentially in the nature of enforcement of alleged contractual rights. Adjudication of such a claim would necessarily involve examination of disputed questions of fact, including the terms of allotment, obligations of the parties, alleged statutory impediments in the scheme, communications exchanged between the parties, and the circumstances under which the petitioners seek withdrawal from the allotment. Such



questions cannot be satisfactorily adjudicated in exercise of writ jurisdiction under Article 226 of the Constitution of India.

- 11.** It is well settled that where the dispute arises out of contractual obligations and the relief sought is in the nature of recovery or refund of money, the appropriate remedy ordinarily lies before the competent civil court or other forum having jurisdiction, unless a clear case of violation of statutory or constitutional mandate is made out. In the present case, the petitioners essentially seek refund of money deposited under a contract. Though learned Senior Counsel for the petitioners has contended that the scheme itself was vitiated on account of lack of statutory approval of layout and, therefore, the contract stood frustrated, such contention again involves factual and legal examination of the contractual framework and statutory compliances allegedly undertaken by the respondent authority. These issues are matters for adjudication before the competent civil forum on the basis of evidence and cannot be conclusively determined in writ proceedings. This Court also finds substance in the objection raised on behalf of respondents No. 2 and 3 that the writ petition, in substance, seeks refund of amounts deposited under a contractual allotment and, therefore, is not maintainable in its present form. No exceptional circumstance has been demonstrated warranting interference in writ jurisdiction for grant of monetary relief arising out of a contract.
- 12.** Though one of the submission advanced by the learned counsel for the petitioners is that the petitioners are not being permitted to participate in the arbitration proceedings, however, the relief as claimed in this petition is otherwise different. The petitioners seek a direction to the respondent authorities to refund the amount deposited by them alongwith interest, which cannot be granted in this petition.



- 13.** In view of the foregoing analysis, this Court is of the considered opinion that the relief sought by the petitioners cannot be granted in exercise of jurisdiction under Article 226 of the Constitution of India. However, the petitioners are at liberty to avail appropriate remedies before the competent civil court or any other forum of competent jurisdiction in accordance with law with respect to the claim for refund and other consequential reliefs.
- 14.** Accordingly, the writ petition stands **dismissed**. No order as to costs.

Sd/-
(Ravindra Kumar Agrawal)
JUDGE

Sd/-
(Ramesh Sinha)
CHIEF JUSTICE