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

+ W.P.(C) 10745/2022

ANJALI GOYAL

.....Petitioner

Through: Mr. Vishal Agarwal, Advocate.

versus

DELHI DEVELOPMENT AUTHORITY DDA

ITS VICE CHAIRMAN & ORS.

.....Respondents

Through: Ms. Mrinalini Sen, Standing Counsel
with Ms. Rima Rao, Advocate for DDA.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

21.11.2025

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1. This writ petition is filed on behalf of the Petitioner under Article 226 of the Constitution of India laying a challenge to the decision taken by DDA rejecting the bid of the Petitioner due to low/non-competitive bidding communicated vide e-mail dated 03.06.2022. Direction is sought to DDA to issue Letter of Intent in favour of the Petitioner.

2. To the extent necessary, facts of the case are that on 13.03.2022, DDA issued Public Notice for sale of Nazul Lands comprising of residential plots through e-auction after fixing reserve prices for the plots. On 14.04.2022, Petitioner deposited prescribed Earnest Money Deposit ('EMD') amounting to Rs.1,12,128/-, being prescribed 5% of the reserve price, through online transfer, separately for three plots.

3. It is stated in the petition that e-auction was held on 21.04.2022 and Petitioner was declared as the highest bidder (H-1) with bid amount of



Rs.31,92,560/- for one plot amongst the other bidders and was thus excluded from participating in the bidding process for other plots. On 09.05.2022, Petitioner received an e-mail from DDA forwarding login and password details for further processing of the application, wherein Petitioner was declared H-1. However, without any cause, bid of the Petitioner was rejected on the ground that the bid was 'low and uncompetitive' and the decision was communicated vide e-mail dated 03.06.2022.

4. It is further stated that Petitioner raised a grievance vide e-mail dated 07.06.2022 against the rejection of bid followed by reminders and personal visits to the office of DDA, but to no avail. On 12.06.2022, DDA issued another Public Notice for e-auction of Nazul Lands comprising residential plots including the plot for which Petitioner was declared as H-1 and the e-auction was scheduled for 21.07.2022. Petitioner objected to the e-auction of the plot for which she was declared as H-1 bidder and was orally informed on 30.06.2022 that all bids received below the 'pre-fixed threshold price' were rejected as a matter of policy, however, no such policy was shown or was mentioned in the Public Notices. Hence, Petitioner filed the present petition.

5. Learned counsel for the Petitioner submits that once Petitioner was declared as H-1 bidder, it was not open to DDA to reject the bid and DDA was obliged to allot the plot in question. DDA had invited bids vide notice dated 13.03.2022 at a reserved price of Rs.22,42,560/- calculated at most reliable and scientifically determined available price i.e., land circle rate applicable in the area and Petitioner had in a transparent manner applied for three such plots and paid the prescribed 5% of the reserved price for each plot separately. The reason for denial of allotment to the Petitioner was that



all bids below pre-fixed threshold price are rejected as a matter of policy, however, no such process of pre-fixing the threshold price was mentioned anywhere in the Public Notices for e-auction of the plots. The action of DDA is completely unfair and non-transparent and the actual reason for rejection of the bid of H-1 bidder has not come to light.

6. Ms. Mrinalini Sen, appearing for DDA submits that the bid of the Petitioner was not arbitrarily rejected as alleged. DDA has acted in the best interest of the institution as plots adjoining the subject plot were sold at higher rates and looking into cases where plots were not sold as per expected market price, the bids were cancelled. In the present case, the adjoining plots fetched higher rates and therefore, it was decided to reject the bid of the Petitioner.

7. It is also urged that Petitioner does not have a vested right to claim allotment only because she was declared as H-1 bidder. The e-auction document dated 13.03.2022 in Chapter III provided the 'GENERAL TERMS & CONDITIONS OF THE E-AUCTION' and Clause 5 therein provided that the accepting officer shall subject to confirmation of the VC, DDA, normally accept the highest bid for a plot provided it is above the reserve price and found to be competitive enough to reflect the market value of the plot auctioned for. Clause 6 provided that confirmation of the highest bid shall be at the sole discretion of VC, DDA, who was not bound to confirm the highest bid and reserved the right to reject all or any of the bids, without assigning any reason. To the same effect were Clauses 2.4.1 and 2.4.2 of 'E-AUCTION DETAILS FOR PRESENT AUCTION'.

8. Ms. Sen further argues that the legal proposition that the highest bidder has no vested right to be awarded the Allotment Letter is settled and



in this context, relies on the judgment of the Division Bench of this Court in ***Ozar Homes LLP through its Partner Nitin Kumar Lila v. Delhi Development Authority and Another, 2025 SCC OnLine Del 6210.***

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

10. The only question that arises for consideration is whether the cancellation of the bid of the Petitioner by DDA was arbitrary in light of the sole contention of the Petitioner that she was the highest (H-1) bidder. This issue need not detain this Court as it stands settled by the Division Bench of this Court in ***Ozar Homes (supra)***, wherein it was held that no right is created in favour of the highest bidder and merely because the bidder is declared 'H-1', it will not vest any right in the bidder for approval of the bid and consequent issuance of Letter of Intent. Therefore, the bare fact that Petitioner was declared the highest bidder cannot *per se* be a ground for the Petitioner to claim that Letter of Intent be issued in her favour.

11. Moreover, it is trite that while exercising power of judicial review under Article 226 of the Constitution of India, Court cannot substitute its decision for the decision of the concerned authority and the scope is limited to examine if the decision-making process is faulty or vitiated by arbitrariness. In the present case, Petitioner is unable to substantiate any arbitrariness in the decision-making process warranting interference in the decision of DDA, whereby the bid of the Petitioner was rejected. DDA has explained in the counter affidavit that the bid of the Petitioner was cancelled in larger public interest since Petitioner had submitted a bid of Rs. 31,92,560/-, while the average price for a plot in the adjoining areas was Rs. 54,42,560/- i.e., approximately 142% more than the reserve price of the plot



in the present case i.e., Rs. 22,42,560/-. In ***Ozar Homes (supra)***, the Division Bench held that in public tender/public auction matters, Court must exercise its discretionary powers under Article 226 of the Constitution of India with great caution and only in furtherance of public interest and not just to make a legal point. Court should always keep the larger public interest in mind in order to arrive at a decision as to whether Court's intervention is warranted or not and where the Court finds that overwhelming public interest requires interference, intervention be made.

12. In ***Jaipur Vidyut Vitran Nigam Limited and Others v. MB Power (Madhya Pradesh) Limited and Others, (2024) 8 SCC 513***, on which reliance was placed by the Division Bench, the Supreme Court held that award of contract, whether by a private party or a public body or a State, is essentially a commercial transaction and in arriving at a commercial decision, considerations, which are paramount, are commercial considerations. In this backdrop, the Division Bench while dealing with the contention of the Appellant that being the highest bidder, the subject plot ought to have been allotted to the Appellant, held that the subject plot had a potential of fetching more price than was offered by the Appellant, which was based on price fetched in respect of a plot situated in vicinity of the subject plot. In light of the aforesaid judgments, the impugned decision of DDA in the present case cannot be faulted. Given the higher rates of the adjoining areas, the decision was based on relevant considerations and larger public interest.

13. There is another factor that weighs against the Petitioner in the present case. DDA has rightly brought out that Petitioner was put to notice by incorporating Clauses 5 and 6 in 'GENERAL TERMS & CONDITIONS



OF THE E-AUCTION' that confirmation of the highest bid shall be at the sole discretion of VC, DDA and that normally, the highest bid would be accepted provided it is above the reserve price and found to be competitive enough to reflect the market value of the plot auctioned. Similar position was brought out in Clauses 2.4.1 and 2.4.2 in Chapter I of 'E-AUCTION DETAILS FOR PRESENT AUCTION'. DDA has been able to justify that the discretion was exercised in public interest and no arbitrariness can be attributed to the decision taken to reject the bid of the Petitioner.

14. For all the aforesaid reasons, the writ petition is dismissed being devoid of merit.

JYOTI SINGH, J

NOVEMBER 21, 2025/YA