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

+ **W.P.(C) 17862/2025**

NITYA VAISHNAVI SINGH

.....Petitioner

Through: Mr. Karan Nambiar and Mr. Kneev
Raizada, Advocates.

versus

DELHI DEVELOPMENT AUTHORITY

.....Respondent

Through: Mr. R.K. Dhawan, Standing Counsel
for DDA with Ms. Nisha Dhawan, Mr. Pawan
Karan Deo, Mr. K.R. Madhar and Mr. V.K. Teng,
Advocates.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

% **24.11.2025**

1. This writ petition is filed by the Petitioner under Article 226 of the
Constitution of India seeking the following reliefs:-

“(a) Issue a Writ, Order or Direction in the nature of Certiorari declaring the 100% forfeiture clause in the FCFS-IV Brochure as being ultra vires Regulation 8(3) of the DDA (Management & Disposal of Housing Estates) Regulations, 1968, and consequently null & void.

(b) Issue a Writ, Order or Direction in the nature of Mandamus directing the Respondent to refund the Petitioner's booking amount of ₹4,00,000/- along with legal costs, damages & interest at a rate deemed fit by this Hon'ble Court from the date of forfeiture.

(c) Without prejudice to the foregoing, direct the Respondent to refund at least 80% of the booking amount, in strict compliance with the mandate of Regulation 8(3) of the DDA (Management & Disposal of Housing Estates) Regulations, 1968

(d) Issue a Writ, Order or direction extending the benefit of the finding in Prayer (a) to all similarly situated allottees, if any, under the FCFS-IV Scheme who suffered 100% forfeiture of their booking amount.



(e) Pass any other such further or incidental Order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case, in the interest of justice."

2. Issue notice.
3. Mr. R.K. Dhawan, learned Standing Counsel accepts notice on behalf of the Respondent.
4. It is the case of the Petitioner that DDA launched the 'First Come First Serve' ('FCFS') Housing Scheme Phase-IV on 29.06.2023. Petitioner successfully booked Flat No. 314, Block C, Sector 19B, Dwarka on 11.07.2023 and paid booking amount of Rs. 4 lakh. On 12.07.2023, DDA issued Allotment-cum-Demand Letter to the Petitioner demanding a total cost of Rs. 1,27,78,407/-. In September, 2023, Petitioner applied for home loan with SBI and also secured conditional approval on 20.09.2023 for disbursement of an amount of Rs. 99,80,000.00/-. However, SBI cancelled the home loan on 28.10.2023 due to 'CIBIL deviation'. Attempt of the Petitioner to seek extension of time to pay the cost of the flat was unsuccessful. Flat was ultimately reauctioned and allotted to the successful bidder.
5. Learned counsel for the Petitioner submits that Petitioner is entitled to refund of the entire booking amount of Rs. 4 lakh as the action of DDA in forfeiting 100% of the booking amount is contrary to Delhi Development Authority (Management & Disposal of Housing Estates) Regulations, 1968 ('1968 Regulations'), more particularly, Regulation 8(3), which provides that if the applicant fails to pay the amount within the specified period, the allotment shall be cancelled and a sum of money equal to 20% of the deposit shall be forfeited and the balance refunded. The issue of power of DDA to forfeit more than the amount specified in the Regulation is no longer res



integra inasmuch as the Division Bench of this Court in **DDA v. Sh. Atul Gupta and Others, 1996 SCC OnLine Del 855** has held that the power of DDA to forfeit the amount in case of breach has to be examined in the context of Regulation 8 under which the auction was held. Regulation 8(3) places an upper limit on the powers of the authority to forfeit a sum of money equal to 20% of the disposal price only. It follows that the limit on the power of forfeiture of the amount specified in Regulation 8(3) will remain unaffected by any agreement or document signed by the bidder and therefore, DDA had no power to forfeit any amount exceeding 20% of the disposal price of the flat in question.

6. It is further argued that DDA never issued any formal communication of cancellation of the flat and there is no deeming provision in law with respect to cancellation of a booked flat. No opportunity was granted to the Petitioner before forfeiting the booking amount and despite request even the time was not extended for making the payment *albeit* Petitioner made representations that the loan sanctioned by SBI was cancelled and alternate arrangements were made.

7. Mr. R.K. Dhawan, learned Standing Counsel appearing for DDA submits that the contentions of the Petitioner are wholly misconceived. DDA has forfeited the booking amount and Regulation 8(3) has no application in the present case as it deals with the manner of deposit of disposal price. '*Disposal price*' or '*Hire purchase price*' in relation to a property means such price as may be fixed by the authority for such property, as defined in Regulation 2(13) and is different from '*Booking amount*'. Regulation 8 relates to disposal price and therefore, Regulation 8(3) on which emphasis is laid by the Petitioner relates to forfeiture of 20% of the disposal price and



not the booking amount. Moreover, it was clearly mentioned in the Circular dated 29.06.2023, whereby FCFS Scheme was launched for Phase-IV that booking amount for 2BHK will be Rs. 4 lakhs and the amount paid will be adjusted against the cost of the flat but will be non-refundable and shall stand forfeited in case of surrender/cancellation and the reason to make the same non-refundable was on account of the nature of the Scheme, where an applicant could apply online for booking the flat and had a window of 15 minutes to deposit the booking amount in online mode. Therefore, payment of the booking amount meant that the flat stood allotted to the applicant, excluding others.

8. Heard learned counsels for the parties and examined their submissions.

9. The moot question that arises for consideration before this Court is whether the sum of Rs. 4 lakhs, which stands forfeited by DDA, is '*Booking amount*' or '*Disposal price*'. The answer to this question will determine whether Regulation 8 of 1968 Regulations will be applicable to the present case since it is the case of the Petitioner that Regulation 8(3) debars DDA from forfeiting any amount in excess of 20% of the deposit made under Regulation 8(1).

10. In order to examine this issue, it is important to refer to the Scheme under which the Petitioner had booked the MIG flat. On 29.06.2023, DDA launched FCFS Scheme for Phase-IV. Clause 2.4 of the Scheme provided the procedure of applying under the Scheme. Interested persons were required to visit the official website of DDA and create login credentials using PAN and other details and registered themselves by paying a sum of Rs. 1180/- as non-refundable money. Only those who successfully registered



themselves were eligible to book the flat on offer. The applicants could apply online and had a choice to book a specific flat on FCFS basis. Once a specific flat was selected online, applicant was given a window of 15 minutes time to deposit the booking amount in online mode through a single transaction only and during this window, the specific flat was not available for selection by other persons.

11. In light of this condition, it was advised that applicants should ensure availability of required funds in the bank account and enable necessary transaction limit. As soon as the booking amount was successfully deposited by the applicant within 15 minutes and the same was confirmed by the bank, the selected flat was reserved/booked for the applicant and Demand-cum-Allotment Letter was to follow within 24 hours. In Clause 2.4(f), the booking amounts in respect of different category of flats were provided. For 2BHK flats, booking amount was Rs. 4 lakhs. It needs a mention that under the table reflecting the booking amounts, a 'Note' was inserted, which reads ***"The booking amount paid will be adjusted against the cost of the flat but will be non-refundable and shall stand forfeited in case of surrender/cancellation."***

12. It is, therefore, clear that the Scheme was a special Scheme, which operated on 'First Come First Serve' basis and considering that once an applicant booked a flat in the 15 minutes window and paid the booking amount, the flat was instantly reserved for the applicant and was no longer available for the others. Therefore, the Petitioner had the option to choose the flat and pay the booking amount in the 15 minutes window and once she exercised this choice consciously and willingly, she cannot seek a refund thereof and particularly, considering that DDA cannot be faulted in this case



since DDA fulfilled its obligation of allotting the flat after the booking amount was tendered by the Petitioner, however, it was the Petitioner who was admittedly unable to arrange the loan amount for paying the disposal price. Hence, no fault can be found with forfeiture of the booking amount.

13. Contention of the Petitioner that the sum of Rs. 4 lakhs deposited by her was the disposal price, is without any merit. '*Disposal Price*' or '*Hire Purchase Price*' in relation to a property, as defined in Regulation 2(13), means "*such price as may be fixed by the Authority for such property*". From the definition, it is clear that '*Disposal price*' is the actual selling price of the property and Regulation 8 provides the manner of payment of disposal price and has no co-relation with booking price. This distinction is clear from a plain reading of Regulation 8. Regulation 8(1) provides that when a property is disposed by sale, every applicant shall deposit 20% of the disposal price and the deposit shall be non-interest bearing. Regulation 8(2) mandates that the applicant to whom property has been allotted shall have to pay the balance amount of the disposal price within such period as may be specified in the Allotment Letter, after adjusting the deposit. Regulation 8(3), on which much emphasis is placed by the Petitioner, follows sub-Regulations (1) and (2) and provides that if the applicant fails to pay the amount within the specified period, the allotment will be cancelled and 20% of the deposit shall be forfeited. Petitioner is erroneously reading Regulation 8(3) out of context inasmuch as the percentage of forfeiture mentioned therein is in relation to 20% deposit of the disposal price mentioned in Regulation 8(1) and has no connection with the booking price of Rs. 4 lakhs mentioned in the Circular dated 29.06.2023. In this light, it cannot be urged that the maximum amount that could have been forfeited by DDA was 20%



of the deposit under Regulation 8(1) and thus the judgment of the Division Bench, which deals with Regulation 8 in a case where the flats were auctioned by DDA is distinguishable.

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

JYOTI SINGH, J

NOVEMBER 24, 2025/RW