

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT SRINAGAR**

WP(C) 1653/2025

**SRINAGAR INTERNATIONAL AIRPORT TAXI STAND
DRIVER'S UNION TH. ITS PRESIDENT
MOHD ASHRAF LONE AGE 37 YEARS
S/O SHOWKAT AHMAD LONE
R/O GULSHANABAD HYDERPORA SRINAGAR**

...Appellant(s)/Petitioner(s)

Through: Mr. Danish Majid Dar, Advocate
Ms. Mehjabeen, Advocate vice
Mr. Anil Bhan, Sr. Advocate

Vs.

- 01. AIRPORTS AUTHORITY OF INDIA TH. ITS
CHAIRMAN , RAJIV GANDHI BHAWAN,
SAFDARJUNG AIRPORT, NEW DELHI –
110001**
- 02. DIRECTOR, AIRPORT AUTHORITY OF
INDIA, SRINAGAR INTERNATIONAL
AIRPORT, SRINAGAR**
- 03. SR. MANAGER (COMMERCIAL),
SRINAGAR INTERNATIONAL AIRPORT,
SRINAGAR**

...Respondent(s)

Through: Mr. M.M. Dar, Advocate with
Mr. U.M Bandy, Advocate

CORAM:

HON'BLE MR. JUSTICE WASIM SADIQ NARGAL, JUDGE.

JUDGMENT(ORAL)

15.07.2025

1. The petitioner through the medium of the instant petition has sought the following reliefs:

1. Issue an appropriate writ, order or direction in the nature of Mandamus, commanding the Respondents to immediately take all necessary steps to prevent the entry and operation of unauthorized, unlicensed taxi and cab operators within the premises of the Srinagar International Airport, including the forecourt and passenger pick-up zones, and to ensure that only duly

authorized, verified, and licensed operators are permitted to solicit or transport passengers from within the airport precincts.

2. Issue a writ, order or direction in the nature of Certiorari or any other appropriate writ, quashing the continuing omission, inaction, and failure of the Respondents to enforce the terms and conditions of the Petitioner's license and to regulate unauthorized commercial activity within the airport premises, including but not limited to the tacit permission granted to unverified and unregistered taxi operators to enter and operate from within the airport.

3. Direct the Respondents to frame and implement a security-vetted, access-controlled operating protocol within a time-bound period, for regulating the entry of vehicles into the Srinagar International Airport, including but not limited to the use of RFID tags, C1SF-cleared driver verification, badge-based entry, and electronic monitoring, so as to prevent unauthorized ingress and ensure fair and lawful operation of licensed taxi services.

4. Declare that the continued and unchecked entry of unlicensed and unverified taxi operators into the Srinagar International Airport violates the Petitioner's legitimate rights arising under the license agreement, undermines the principles of fairness and equality under Article 14 of the Constitution of India, and poses a serious risk to public safety and security, particularly in view of the sensitive location and status of the airport.

5. Grant such further and other reliefs, as this Hon'ble Court may deem fit and proper in the interest of justice and equity.

2. The grievance projected in the instant petition is that there is a continuing omission and inaction on part of the respondents in preventing the unauthorized and unlawful entry of local taxi and cab operators, who according to the learned counsel for

the petitioner are neither licensed nor registered concessionaires of the Airport Authority of India, into the premises of Srinagar International Airport. It has also been projected that these unauthorized operators who have not gone through any verification or regulatory screening and have been permitted to freely access the airport's arrival and pickup zones, solicit passengers and operate commercially in blatant disregard of the structured licensing regime under which the petitioner has been granted rights pursuant to a competitive tender.

3. It is a specific case of the petitioner that, as on date, he is paying Rs. 11.00 Lacs per month by way of license fee. The further case of the petitioner is that pursuant to the issuance of e-tender bearing Tender ID No. 22_AAI_128955_1 dated 10.08.2022, by the respondents for the operation of General Car Rental Services at the Srinagar International Airport (Comprising both Motor Cab and Maxi Cab services), the petitioner participated in a competitive and transparent tendering process and after scrutiny of both technical and financial bid, the petitioner was declared as a successful bidder, and was awarded license initially for a period of 3 years by way of award letter dated 06.02.2023.
4. The formal license agreement was executed between the petitioner and the respondents on 03.01.2023. The physical possession of the allotted 3 square meters of the space in the arrival hall of the Srinagar International Airport was handed over to the petitioner on 01.08.2024 and from the date of the

said possession, the petitioner has been discharging his obligations as per the license agreement including regular and timely payment of the monthly license fee. It has been alleged in the instant petition that, there is an influx of unauthorized operators which has commenced with effect from November 2024 and has been increasing with each passing day and no regulatory action or deterrent mechanism has been deployed by the respondents. With a result, the petitioner has suffered substantial commercial loss.

5. The record further reveals that a detailed representation has been submitted by the petitioner on 03.02.2025 to the Airport Director (respondent No. 2 herein), highlighting the unregulated operations and seeking immediate intervention and which was followed by another reminder on 17.02.2025.
6. The learned counsel for the petitioner has also drawn the attention of this court to the terms and conditions of the license agreement, which was executed on 03.01.2023 and the license for the said facility was valid initially for a period from 01.04.2022 to 31.03.2025, subject to the terms and conditions of the license agreement. In addition, the learned counsel for the petitioner submits that the petitioner has been granted license for purpose of prepaid taxi services so as to provide amenities and facilities to the passengers and visitors at Srinagar International Airport.
7. From a bare perusal of the terms and conditions of the license agreement, it is apparent that the licensee shall have no right to object, as and when the authority decides to grant additional

license for similar facility at the airport premises, where the licensee is rendering such services and much emphasis has been laid that the authority shall provide bare space for the subject service and other expenses of any kind for establishment and rendering of the services which was required to be incurred by the licensee.

8. In addition, the license further stipulates that the authority reserves to itself, the right to change the location of the premises at any time and may at its discretion call upon the licensee to vacate the site and may give him an alternate premises for the purpose of the license, and in that eventuality, the licensee was bound to vacate the premises and accept the said alternate premises.
9. Through the terms and conditions of the license, the licensee has been called upon to use the premises for the bonafide purpose as provided in the agreement, more particularly describing the enclosed schedule for the use of all passengers and bonafide visitors to the airport and officers of the authority and staff of various airlines using the airport and for no other purpose.
10. Mr. Danish Majid Dar, learned counsel for the petitioner has also placed on record a copy of the fresh agreement by virtue of which, the license period for using the premises allotted to the licensee has been extended from 01.04.2025 to 31.03.2028 for a period of three years, subject to the reiteration of the earlier terms and conditions which finds mention in the license agreement.

11. It has come to fore from the prayer clause, that the petitioner has filed the instant petition by seeking a writ in the nature of mandamus, commanding the respondents to take all necessary steps to prevent the entry and operation of unauthorized, unlicensed taxi and cab operators within the premises of Srinagar International Airport, including the forecourt and passenger pickup zones, and to ensure that only duly authorized, verified and licensed operators are permitted to solicit or transport passengers from and within the premises.
12. Even the relief which has been sought in the instant petition cannot be acceded to, as the petitioner is concerned only with the premises, which has been allotted to the petitioner by way of the lease agreement and the petitioner by no stretch of imagination can seek a relief outside the purview of the terms and conditions of the lease agreement.
13. By virtue of the license agreement, the petitioner has been permitted to use the premises allotted to the licensee, which agreement is valid till 31.03.2028 and it is not the case of the petitioner in the instant petition that the premises which has been allotted to the petitioner has been used by any other association or taxi operators.
14. Mr. M.M. Dar, learned counsel appearing on behalf of respondents submits that neither any person has been arrayed as party respondents against whom allegations have been levelled nor there is a specific pleading that the space is being used by any other taxi operator, and thus no cause of action has accrued to the petitioner to file the instant petition.

15. Heard the learned counsel for the parties at length and perused the material on record and this Court deems it proper to decide the instant petition at the very threshold.
16. This Court is in agreement with the arguments advanced by Mr. M.M Dar, learned counsel for the respondents, with regard to the maintainability of the instant petition in absence of accrual of alleged cause of action as on date, which could have given a cause to the petitioner to file the instant writ petition, to invoke the writ jurisdiction of this Court in a contractual matter, arising out of the lease agreement executed between the parties.
17. In this context, the Hon'ble Supreme Court in **General Manager Business Network Planning (Retail), Bharat Petroleum Corporation Limited v. P. Soundarya**, reported as (2025 SCC OnLine SC 710), wherein it was observed:

7. We consider it appropriate to make certain observations in the context of the nature of dispute which is before us. Normally parties would be governed by their contracts and the tender terms, and really no writ would be maintainable under Article 226 of the Constitution of India. In view of Government and public sector enterprises venturing into economic activities, this Court found it appropriate to build in certain checks and balances of fairness in procedure. It is this approach which has given rise to scrutiny of tenders in writ proceedings under Article 226 of the Constitution of India. It, however, appears that the window has been opened too wide as almost every small or big tender is now sought to be challenged in writ proceedings almost as a matter of routine. This in turn, affects the efficacy of commercial activities of the public sectors, which may

be in competition with the private sector. This could hardly have been the objective in mind. An unnecessary, close scrutiny of minute details, contrary to the view of the tendering authority, makes awarding of contracts by Government and Public Sectors a cumbersome exercise, with long-drawn out litigation at the threshold.”

18. This Court is of the considered opinion that the grievance raised by the petitioner stems exclusively from the terms of a private contract, and no statutory or constitutional violation has been demonstrated. Therefore, in the light of the decision in **P. Soundarya (supra)**, the writ petition is not maintainable.
19. There is no specific averment with regard to the allegations against any person or taxi operator, which, according to the petitioner is causing hinderance to execute the terms and conditions of the license agreement or preventing the entry or operation or else any unauthorized or unlicensed taxi and cab operator within the premises of the Srinagar International Airport or jeopardizing the interest of the petitioner. Even the petitioner has not arrayed any taxi operator or person as a party respondent in the instant petition leveling such allegation and in absence of the person being arrayed as the party respondent in the instant petition, the allegations levelled in the instant petition cannot be gone into and the writ petition on this ground alone deserves dismissal.
20. The petitioner was under a legal obligation to implead the person against whom allegation of interference have been made. In the absence of such a party being impleaded, the writ petition suffers from non-joinder of necessary parties. The

petitioner ought to have impleaded the concerned individual or entity to enable this Court to adjudicate the dispute effectively and in accordance with the principle of natural justice. The Hon'ble Supreme Court in **Moreshar Yadaorao Mahajan v. Vyankatesh Sitaram Bhedi**, reported as (2022 SCC OnLine SC 1307), held:

It could thus be seen that a "necessary party" is a person who ought to have been joined as a party and in whose absence no effective decree could be passed at all by the court. It has been held that if a "necessary party" is not impleaded, the suit itself is liable to be dismissed.

21. This decision clearly indicates that without impleading the alleged unauthorized taxi operators as party respondent, no relief can be moulded or enforced. Thus, the petition fails on this foundational procedural infirmity.
22. This Court is further of the view that the non-joinder of those parties against whom allegations have been made is fatal to the maintainability of the petition. In the absence of necessary parties, no effective or binding relief can be granted by this Court.
23. Even, the petitioner has failed to make out a case against the respondents, whether there is any infraction on their part with regard to the terms and conditions of the license agreement, which could have given a cause to the petitioner to file the instant petition against the respondents. The learned counsel for the petitioner could not satisfy breach of any terms and conditions of the license agreement on part of the respondents,

which could have given a justifiable cause to the petitioner to seek appropriate remedy under law.

24. It goes without saying that the relief sought in the instant petition is outside the purview of the license agreement, which has been executed between the petitioner and the respondents, and there is no alleged cause of action which could have given a cause to the petitioner to file the instant petition.
25. In the instant case, the petitioner has failed to establish any cause of action against the respondents which could have given a right to the petitioner to agitate the cause.
26. When the learned counsel appearing on behalf of the petitioner was confronted with the maintainability of the instant petition and the accrual of cause of action, he could not satisfy the court.
27. It seems that the instant petition has been filed on mere apprehension and there is nothing on record to substantiate the averments pleaded by the petitioner in the writ petition which could have given a cause to the petitioner to file the writ petition. The petitioner cannot seek any relief outside the purview of the contractual obligations arising out of the lease agreement. Mr. M.M. Dar, learned counsel appearing on behalf of respondents submits that, there is no infraction of any of the terms and conditions of the license agreement as on date, which could have given a cause to the petitioner to seek remedy under law.
28. From bare perusal of the lease agreement coupled with the general terms and conditions, which also forms part of the

lease agreement, it is apparent that all the disputes and differences arising out of or in any way touching or concerning the agreement shall at the first instance be referred to Dispute Resolution Committee (DRC) setup at the airports in terms of Clause 29 of the General Terms and Conditions of the contract, for which a written application ought to have been obtained from the party, clearly spelling out the points in question. Clause 29 further stipulates that in case, the dispute is not resolved within 45 days of reference, then the case shall be referred to the sole arbitration of a person to be appointed by the Chairman/Member/RED of the authority and the award of the arbitrator so appointed shall be final and binding on the parties. The Arbitration and Conciliation Act as amended up to date has been made applicable to the instant case and it has been made clear in the arbitration clause, that once the arbitration clause has been invoked, the DRC process will cease to operate. For facility of reference Clause 29 is reproduced as under:

All disputes and differences arising out of or in any way touching or concerning this Agreement (except those the decision whereof is otherwise herein before expressly provided for or to which the AAI Act, 1994 and the rules framed thereunder which are now enforce or which may hereafter come into force are applicable), shall, in the first instance, be referred to a Dispute Resolution Committee (DRC) setup at the airports, for which a written application should be obtained from the party and the points clearly spelt out. In case the dispute is not resolved within 45 days of reference, then the case shall be referred to the sole arbitration of a person to be appointed by the Chairman/Member/RED of the Authority. The award of the arbitrator so appointed shall be final and binding on the parties. The Arbitration & Conciliation Act 1996 as amended up to date shall be applicable.

Once the arbitration clause has been invoked, the DRC process will cease to be operative. It will be no bar that the Arbitrator appointed as aforesaid has been an employee of the Authority and the appointment of the Arbitrator will not be challenged or be open to question in any Court of Law, on this account.

Before making a reference to Dispute Resolution Committee, the licensee will have to first deposit 50% of the disputed amount (in the form of BG (Additional Bank Guarantee with validity of minimum two years from the date of making reference to DRC, and further extendable) DD/PO/RTGS/NEFT) with AAI as condition precedent before making reference to the Arbitration for adjudication of dispute. The Bank Guarantee will be in addition to the license directed Security Deposit already available with the Authority. This additional Bank Guarantee shall be valid for a period of two years extendable automatically year to year till the finalization of Conciliation/Arbitration process respectively.

During the arbitral and Dispute resolution proceedings, the licensee(s) shall continue to pay the full amount of license fee/dues regularly as per the award/agreement and perform all covenants of the agreements.

29. It is trite in law that if parties have contractually stipulated the forum and manner for resolution of disputes, that mechanism must be respected. The Hon'ble Supreme Court in **State of Uttar Pradesh v. Sudhir Kumar Singh**, (AIR 2020 SC 5215), has held:

"It is well known that if the parties to a dispute had agreed to settle their dispute by arbitration and if there is an agreement in that regard, the courts will not permit recourse to any other remedy without invoking the remedy by way of arbitration, unless of course both the parties to the dispute agree on another mode of dispute resolution."

30. Thus, the petitioner instead of invoking the appropriate remedy in terms of Clause 29 of the general terms and conditions of the contract has filed the instant petition, which is not

maintainable as the alleged dispute, if any, touching the lease agreement was required to be referred at the first instance to the Dispute Resolution Committee and later on, if the same is not resolved in 45 days of reference, then the matter was required to be referred to the sole arbitrator of a person to be appointed by the Chairman/Member/RED of the authority.

31. On this ground also, this court is of the view that in the presence of a binding arbitration clause, the petitioner was obligated to exhaust the alternate remedy to approach the sole arbitrator. In the absence of any pleading or proof of exceptional circumstances such as fraud or breach of fundamental rights, this Court finds no basis to entertain the present writ petition purely in a contractual matter.
32. Thus, in the light of the discussion above, the instant petition, which is utterly misconceived and devoid of any merit, deserves dismissal and the same is **dismissed** in *limini*.

(WASIM SADIQ NARGAL)
JUDGE

SRINAGAR:

15.07.2025

"Adil Ismail"

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| ❖ Whether the Judgment is Reportable? | Yes/No. |
| ❖ Whether the Judgment is Speaking? | Yes/No |