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

Date of Decision: 08th October, 2024

+ **W.P.(C) 14023/2024 & CM APPL. 58737/2024**

M/S DROPADI FOODS THROUGH ITS PARTNERPetitioner

Through: Mr. Himanshu Pathak, Mr. Aman Jha,
Mr. Rishi and Mr. Amit Singh,
Advocates.

versus

GOVERNMENT OF NCT OF DELHI THROUGH SECRETARY
CUM COMMISSIONER & ANR.Respondents

Through: Mr. Prashant Manchanda, ASC with
Ms. Nancy Shah, Mr. Rohan Pratap
Singh, Ms. Dimpay Chillar and Ms.
Nimit Bhimjiyani, Advocates for R-1.
Mr. Ripudaman Bhardwaj, CGSC
with Mr. Kushagra Kumar, Advocate
and Mr. Abhinav Bhardwaj, G.P. for
UOI.

+ **W.P.(C) 14146/2024 & CM APPLs. 59248-59249/2024**

SURENDER PAWAR & ORS.Petitioners

Through: Mr. Anuj Kapoor, Ms. Kriti Kapoor,
Mr. K.K. Varma, Mr. Hemank
Chawla and Mr. Bharat Sharma,
Advocates.

versus

GOVERNMENT OF NCT OF DELHI & ANR.Respondents

Through: Ms. Surbhi Soni, Advocate for
GNCTD.



+ **W.P.(C) 13929/2024 & CM APPLs. 58287-58288/2024**

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.....Petitioner

Through: Mr. Himanshu Pathak, Mr. Aman Jha,
Mr. Rishi and Mr. Amit Singh,
Advocates.

versus

GOVERNMENT OF NCT OF DELHI THROUGH SECRETARY
CUM COMMISSIONER, & ANR.Respondents

Through: Mr. Prashant Manchanda, ASC with
Ms. Nancy Shah, Mr. Rohan Pratap
Singh, Ms. Dimpy Chillar and Ms.
Nimit Bhimjiyani, Advocates for R-1.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

JUDGMENT

SANJEEV NARULA, J. (Oral):

1. The Petitioners, who are licensees of kiosks at the Inter State Bus Terminals¹ in Anand Vihar, Delhi, have filed this writ petition challenging the termination notice dated 10th September, 2024². The Impugned notice(s), issued by Respondent No. 2, terminate their licenses on the purported grounds of redevelopment of the ISBT. However, the Petitioners contend that this reason is unsubstantiated, arguing that no large-scale redevelopment is taking place at the site. They claim that only minor repair work is underway, which is being carried out in phases, and does not warrant the termination of their licenses. Additionally, they argue that no formal tender for redevelopment has been issued by Respondent No. 2, further

¹ "ISTBs"



undermining the legitimacy of the termination notice. In light of these facts, the Petitioners argue that the termination is arbitrary, devoid of reason, and in clear violation of their rights.

2. The Petitioners further argue that under the 2016 policy,³ Respondent No. 2 is duty bound to provide alternative space/ shop in case of re-development. Respondent No.2 must therefore be directed to provide alternative space/shops at the ISBTs to the Petitioners as they are under an obligation to do so. Considering that alternative spaces or shops are available and Respondent No. 2 has opted to terminate the license rather than provide these alternatives, the Impugned notice of termination is inherently illegal.

3. Additionally, the Petitioners argue that the kiosk in question is their primary source of livelihood, and its forced termination would result in severe financial hardship for their families. The Petitioners had a legitimate expectation of continuing to operate the shop for the entire duration of the contract and the sudden and premature termination frustrates the legitimate expectation which is protected under law. Reliance is also placed on the order dated 24th September, 2024 passed in case titled as ***Mukesh Singh v. Government of NCT of Delhi & Anr.***⁴

4. These instant petitions are taken up along with another writ petition W.P.(C) 13930/2024 titled as ***Tara Singh Jeena v. Government of NCT of Delhi & Anr.*** In W.P.(C) 13930/2024 and W.P.(C) 13929/2024, this Court on 3rd October, 2024, placing reliance on order dated 24th September, 2024 in W.P.(C) 13372/2024, had granted interim protection to the Petitioners

² “Impugned notice”

³ Office Memorandum bearing no F.No. DTIDC/2012-13/280/479 dated 1st August 2016



which was directed to continue till today.

5. The Respondents have filed their counter-affidavit in W.P.(C) 13930/2024. Given that all the petitions raise similar grounds of challenge, the Respondents request that counter-affidavit be treated as part of the record for all the connected petitions. Accordingly, the Respondents are instructed to ensure that a copy of the counter-affidavit is placed on record in each of the pending petitions. The Respondents have clarified that the termination of the allotments is due to the impending redevelopment work at the ISBT, Anand Vihar. In support of this claim, they have submitted several documents with their affidavit, including a cabinet note. A careful perusal of the said documents reveals that the planning for the redevelopment of the existing Sarai Kale Khan ISBTs and Anand Vihar ISBTs has been in progress for several years. Unfortunately, despite being in the pipeline for the last 14 years, the redevelopment work had not materialized until now. However, as per the cabinet decision dated 10th May, 2023, the responsibility for the redevelopment of both the Anand Vihar and Sarai Kale Khan ISBTs has been formally assigned to the Delhi Metro Rail Corporation.⁵ DMRC has been entrusted with the comprehensive planning, supervision of construction, and Design-Bid Management consultancy for the project. The Respondents further highlight that several high-level review meetings have already taken place to discuss the operational feasibility of the ISBTs in light of the redevelopment plans. Given the scale and scope of the project, it has become imperative that the ISBTs be vacated to facilitate smooth implementation. The Respondents maintain that the termination of

⁴ W.P.(C) 13372/2024

⁵ “DMRC”



the Petitioners' licenses is a necessary step in this process to ensure the successful execution of the long-delayed redevelopment project.

6. The Petitioners argue that, in the absence of a finalized proposal or tender for the redevelopment work, there is no immediate need to remove the kiosks. However, it is crucial to recognize that infrastructure projects of this magnitude are inherently long-term endeavours. The development process involves multiple stages, including detailed studies of operational feasibility for ISBT functions, prior to the commencement of any construction. These studies are critical to ensure that interim operational arrangements are in place, such as identifying available space for temporary operations during the redevelopment phase. In this context, the Government's commitment to moving forward with the redevelopment of the ISBTs appears genuine. This is underscored by the regular high-level meetings that have been convened to ensure the progression of the initiative. While the tendering or commencement of construction may not yet be visible, the preparatory and planning stages are evidently in motion, reflecting the Government's serious intent to implement the project.

7. Furthermore, Counsel for Respondent submits that out of 15 kiosks, 7 have already been vacated and the steps have been taken to vacate the remaining shops within one month. Given the circumstances, in the opinion of the Court, granting the Petitioners protection for the entire term may not be practical and could hinder the redevelopment of the ISBTs.

8. Pertinently, it must be noted that when Respondent No. 2 issued the tender for licensing and allotting shops to the Petitioners, it was clearly stated in the Notice inviting tenders as follows:

"4.11 The tenure of Licensing Rights of Shops/sites/spaces shall be as



follows:-

ISBT	Tenure	Renewal
For the shop/kiosk/space at ISBT, Anand Vihar, Delhi	01 years (Fixed)	No renewal of license is permissible after 01 year under any circumstances.

The change of shop shall also be permissible in terms of prevailing policy of DTIDC Please note that:-

- (i) **As per the directives of Govt. of NCT of Delhi, the redevelopment of ISBT Anand Vihar, Delhi is also in process and work will be carried out by Govt. of NCT of Delhi. However, the operations of ISBT, Anand Vihar will be remained with DTIDC. The license of the Shops/sites/spaces on ISBT, Anand Vihar can be terminated by DTIDC after giving one month notice to Licensee in case the same are required by DTIDC or by Govt. of NCT of Delhi any other agency/company etc. authorized by DTIDC for redevelopment work or any other reason. The licensee is bound to surrender the site/shop immediately after receipt of one month notice. In case the shops are required by the licensor prior to the expiry of the period of license, the licensee shall handover the vacant physical possession of the same at once. However, the proportionate amount of the license money, if any, lying with the licensor/DTIDC for said unexpired period would be refundable to him without any interest. The security money will also be refunded to the licensee after deducting arrears up to the actual date of handing over the site. No correspondence, whatsoever, in this regard shall be entertained. By participating in this tender, the licensee gives unconditional & irrevocable undertaking to the DTIDC to vacate the premises in time as intimated by DTIDC. In such case, the further course of action shall also be taken to the best possible efforts to re-locate the licensee in terms of prevailing policy of DTIDC. The decision of MD, DTIDC in this regard shall be final and binding to the licensee(s).**
- (ii) The licensee/Selected tenderer shall have no option to terminate the Agreement at any time before its expiry. In case, he/she surrenders license of the shops before expiry of full license period, his Security Deposit/advance license fee etc. shall be forfeited by Licensor in addition to other action against the licensees as defined in this NIT. Apart from above the bidder shall be debarred/blacklisted from participating of tender/RFP of DTIDC



for one year. However, the licensee shall also remained under obligation to pay usages charges upto the date of discharge by DTIDC.

- (iii) *For any reason(s) whatsoever, (including invoking of arbitration case/court case by licensee but not limited to), if licensee uses the license premises after expiry/termination of license period, he shall liable to pay license fee and other charges& taxes at the double rate, which shall be prevailing on the date of expiry/termination of license.”*

(Emphasis Supplied)

9. Further, the respective Letter of Acceptance issued to the Petitioners also reiterated and confirms the above stipulations by incorporating the following terms following terms:

“Further in terms of condition no.4.11(i) of the NIT, the license of the Shops/sites/spaces on ISBT, Anand Vihar can be terminated by DTIDC after giving one month notice to Licensee in case the same are required by DTIDC or by PWD, Govt. of NCT of Delhi, any other agency/company etc, authorized by DTIDC for redevelopment work or any other reason. The licensee is bound to surrender the site/shop immediately after receipt of one month notice. No correspondence, whatsoever, in this regard shall be entertained. However, the proportionate amount of the license money, if any, lying with the licensor/DTIDC for said unexpired period would be refunded to him without any interest. The security money will also be refunded to the licensee after deducting arrears of dues up to the actual date of handing over the site.

In case any bidders failed to deposit the requisite demand as per letter of acceptance (LOA) within 07 days from the date of issuance of LOA, an extended period to honor LOA with penal surcharge for late payment shall be applicable as under:

<i>Days from issuance of LOA</i>	<i>Rate of penal surcharge</i>
<i>Up to 07 days</i>	<i>NIL</i>
<i>8th to 14th day</i>	<i>@ 5% flat on LOA amount</i>
<i>15th to 21st day</i>	<i>@ 10% flat on LOA amount</i>

After 21 days, from the date of LOA, LOA shall stands cancelled



and Earnest money deposited, stands forfeited. No further request for extension in payment of LOA amount shall be considered. The bidder voluntarily and unequivocally agrees not to seek any claim, compensation, damage or any other consideration whatsoever on this account. Failure to deposit the same shall attract forfeiture of EMD and the bidder shall be debarred from participating of tender/RFP of DTIDC for this financial year and next four financial years.

You are, therefore requested to submit the above amounts as per the terms of 4.7 of the NIT, failing which your EMD deposited by RTGS/NEFT of Rs.2,00,000/- will be forfeited without prejudice to the other rights and remedy available to DTIDC under the NIT conditions against the tenderer.”

10. In light of the aforementioned specific conditions in the tender as well as the Letter(s) of Acceptance, it is evident that the Petitioners were fully aware of the risk of termination at any time due to redevelopment or other reasons as stipulated in the tender conditions. The termination notice dated 10th September, 2024, falls squarely within the terms of the agreement, particularly Clause 4.11(i), which clearly empowers the Respondents to terminate the license with one month's notice for reasons including redevelopment or any other justifiable cause. The Petitioners have provided an irrevocable undertaking in the tender documents to vacate the premises in such situations, and they cannot now claim any surprise or unfairness in the application of this clause. The fact that redevelopment work may still be in its planning or early phases does not invalidate the notice of termination, as the redevelopment project is indeed a long-term infrastructure initiative, requiring phased preparation and vacating of space to facilitate the upcoming work. Infrastructure projects of this scale are inherently complex, involving detailed planning, tendering, and execution over extended periods. Consequently, the Petitioners' argument that no active redevelopment is taking place and, therefore, the termination notice is arbitrary, holds no



weight. Furthermore, the redevelopment project has been confirmed by a cabinet decision, and regular meetings have been held to discuss its progress. The intention of the government is clear: to redevelop ISBTs in a phased and planned manner. In this context, the notice issued by Respondent No. 2 is well within their contractual rights.

11. The Petitioners also rely on the principle of legitimate expectation, arguing that they had a reasonable expectation of continuing to operate their kiosks throughout the license period. However, legitimate expectation cannot override explicit contractual terms. The Petitioners were well aware of the possibility of termination at any point for redevelopment, as per the tender documents. Thus, their claim of legitimate expectation is untenable. Therefore, in the opinion of the Court, they are required to surrender vacant possession of their shops immediately following the completion of the one-month notice period.

12. The Petitioners rights arise solely from a license agreement, which is inherently determinable at the discretion of the owner. It is well established that a license only grants the right to use the property for a specific purpose, without transferring any legal possession or interest in the property. In the absence of such permission, the occupation would be unlawful. The legal possession remains with the owner, and the licensee's occupation is lawful only by virtue of this permission. Thus, the Petitioners' rights are limited by the terms of the license, which explicitly allows for termination in the event of redevelopment. Lastly, it must also be noted that some of the Petitioners are already nearing the end of their license term which is said to expire one year from the date of handing over of the possession.

13. That apart, the Petitioners have also made a request for the re-location



of their shops placing reliance on the Clause 9 of the tender documents, which read as follows:

“9. CHANGE OF LOCATION OF SHOP

The change of location of shop will not be allowed in normal circumstances. In case due to construction activities or in unforeseen activities or due to act of nature only, it appears to be reasonable in public interest to change the location of shop of existing licensees; the change of shop for the un-expired period of license only will be allowed through holding a draw of lots of the available shops, as earmarked and found feasible by DTIDC in accordance with the corresponding size of old shops of license. In such cases, the licensee has option either to accept or reject the newly offered shop. The further course of action in this regard shall be as follows:-

- (a) In case, the licensee surrenders newly offered shop, it will be construed that he is not willing to avail un-expired period of license and wants to forgo all of his rights related to the licence of old shop. In such case, his security money/advance licence fee, if any, shall be returned to him (without interest) after adjusting the dues of the licensee or third party, if any.*
- (b) In case the licensee accepts newly offered shop, the licensee shall have to execute an agreement on the same term and conditions for the unexpired period of license term of old shop for the newly offered shop. The rate of licensee fee (per sq. ft.) for the newly allotted shop will remain same as of old shop of licensee. The consolidated monthly licence fee & other charges, however, will proportionately be increased or decreased depending upon the size of new shop.*

Important Note:-

The above-procedure for change of shop shall not be a matter of right for the licensee. It will be carried out on the sole discretion of DTIDC and that too in case of availability of new or alternate shops with DTIDC. In case, it appears in the opinion of DTIDC management that no similar or appropriate new shop (s), corresponding to old shop of licensee(s) are available, then the Security money/advance licence fee, if any, of the licensee shall be returned by DTIDC (without interest) after termination of licence and adjusting his dues or dues of third party, if any. The decision of Managing Director, DTIDC in this regard shall be final and binding to all.”

14. The Petitioners’ argument that Respondent No. 2 has a duty to



provide alternative spaces under the 2016 policy is also unfounded. The policy merely allows for the possibility of relocation, but does not guarantee or mandate alternative space for every licensee, especially in the event of termination due to redevelopment. The tender terms clearly emphasize that the license is for a fixed period of one year and that termination may occur with one month's notice, with no guarantee of renewal or relocation. Accordingly, the Court finds no basis to issue a mandamus to the Respondents as regards the re-location.

15. Considering the aforementioned circumstances, the Court is not inclined to extend the interim order. The interim order in *Mukesh Singh* was passed in peculiar facts of the said case which cannot be extended to the Petitioners. In light of the above, the Court does not find any arbitrariness or unreasonableness in the impugned termination order dated 10th September, 2024 to intercede.

16. However, taking into account the Petitioners' concerns regarding their investments and the need to dispose of their consumable products, it is considered appropriate to grant a one-month grace period for all Petitioners to continue operating their kiosks. They shall immediately on the expiry of the one month from today, vacate the kiosk, failing which, the Respondents shall be free to take appropriate action to secure the possession of the kiosk.

17. With the above directions, the present petitions, along with pending applications, are disposed of.

SANJEEV NARULA, J

OCTOBER 8, 2024/as