

CWP-17598-2025 (O&M)

2025:PHHC:111425-DB



**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

**CWP-17598-2025 (O&M)
Date of Decision: 22.08.2025**

M/S. SHUBHAM PROPMART PVT. LTD.

..... Petitioner(s)

Versus

STATE OF HARYANA AND OTHERS

..... Respondent(s)

**CORAM:- HON'BLE MRS. JUSTICE LISA GILL
HON'BLE MRS. JUSTICE SUDEEPTI SHARMA**

Present: Mr. Vishal Mohan, Senior Advocate with
Mr. Rabinder Singh, Advocate and
Mr. Abhinav Bazwaria, Advocate
for petitioner.

Ms. Svaneel Jaswal, Additional AG, Haryana.

Mr. Naman Jain, Advocate
for respondents no.2 and 3.

LISA GILL, J.

1. Prayer in this writ petition is for quashing Clause 'D' of impugned communication/order No.HTC/2024/CPP/977 dated 26.12.2024 (Annexure P-6) as well as order dated 16.05.2025 (Annexure P-16) issued by, The Managing Director, Haryana Tourism Corporation Limited-respondent no.2.

2. Brief facts necessary for adjudication of the matter are that respondent no.2 was the successful bidder for the contract to operate Swaran Jayanti Multi-purpose Hall, Jagadhri at Yamuna Nagar for a period of 3+3+3 years subsequent to participation in e-tender dated 20.10.2023 (Annexure P-

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3). Letter for intent dated 04.01.2024 (Annexure P-4) was issued in favour of petitioner, who accepted the same. Agreement dated 21.03.2024 (Annexure P-8) was executed between parties.

3. Grievance raised by petitioner is that without providing an opportunity of hearing, respondents have deviated from initial terms and conditions of tender and agreement dated 21.03.2024 by prohibiting petitioner from running a bar and cafe as a part of F&B services in the leased premises. In terms of Clause 'D' of communication dated 26.12.2024 scope of the RFP/tender has been restricted, which amounts to a unilateral change in terms and conditions of contract, which is statedly illegal and arbitrary. It was submitted that in terms of Clause 22 of e-tender, F&B services are allowed and as per its dictionary meaning, term 'beverage' by its very nature includes alcoholic as well as non-alcoholic beverages. Respondent by restraining the service of alcoholic drinks under the F&B clause is stated to have caused loss and damages to petitioner to the tune of Rs.4,55,01,014/-. Merely because alcoholic drinks are not being permitted at similar premises namely Conventional Centre, HTC Tilyar Tourist Resort, cannot be a ground to deny this to petitioner, because in present case terms and conditions of RFP itself contained F&B Clause. It is submitted that Swaran Jayanti Multi-purpose Hall at Yamuna Nagar is a stand alone property leased out to petitioner where respondent – Haryana Tourism Corporation (HTC) is itself not running a bar. Petitioner, it was submitted, in terms of Clause 22 is entitled to maintain a bar in the premises as a part of F&B services.

4. CWP-7410-2025 filed by petitioner was disposed of on 19.03.2025 (Annexure P-14) to avail the remedy available to it in terms of Clause 55 of E-auction notice dated 20.10.2023. It was submitted that respondent-authorities did not decide the matter in terms of order dated 19.03.2025, due to which COCP-2475-2025 was filed. Speaking order dated

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16.05.2025 (Annexure P-16) was then passed by authorities whereby petitioner's claim to operate a bar in the leased premises was rejected. Aggrieved therefrom present writ petition has been filed.

5. It was vehemently argued that in view of specific terms and conditions, particularly Clause 22, petitioner incurred huge expenditure on renovation of premises, payment of staff salary, rent, electricity, water bills etc. and also incurred huge loss of business. It was urged that present is a case of clear cut violation of principle of natural justice and fair dealing. It was further vehemently argued that respondent-authorities themselves are operating bar services at similar properties at Faridabad and Gurugram, therefore, refusal to allow the facility to petitioner despite the provision of F&B services in the E-tender notice, is not justified. On earlier occasions effort of respondents to lease out the premises in question had been unsuccessful and on becoming wiser F&B Clause had been included in the E-tender notice dated 20.10.2023. However, an absolutely illogical and illegal stand has subsequently been taken by respondents and petitioner's claim erroneously and illegally rejected vide order dated 16.05.2025 (Annexure P-16). It was thus prayed that this writ petition be allowed as prayed for.

6. Learned counsel for the State and respondents no.2 and 3, on advance notice, have opposed the writ petition. Keeping in view the factual matrix of the stand of respondent being available in order dated 16.05.2020, we do not find it necessary to first call for the response/written statement from respondents. It was submitted that order dated 16.05.2025 has been correctly passed and there is no question of any alteration of terms and condition of E-tender. Petitioner's requests to operate a bar or accommodation or a separate café are not within the scope of terms and conditions of RFP or license agreement. It was further submitted that as per terms and conditions of E-tender it is the responsibility of licensee itself to carry out any repair or

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renovation of existing structures. It is specifically provided that “*the open space/area would be given on “as is where is basis”. All the expenses incurred on repair/renovation of existing structure will be borne by the Licensee and the total fittings and fixtures, if any installed by Licensee will become the property of the Licensor after the expiry of the License period.*”

7. Petitioner it was further submitted has misinterpreted Clause 22 of terms and conditions to presume that it was authorized to serve alcoholic drinks. Such permission was never envisaged and was never granted to petitioner as per terms and conditions of license and that permitting such activities without express contractual basis would in fact amount to a material alteration of terms and conditions of tender. It was further pointed out that petitioner’s earlier writ petition i.e. CWP-7410-2025 was disposed of to avail its remedy in terms of Clause 55 of E-auction notice dated 20.10.2023, therefore, present writ petition, in any case, is not maintainable. It was thus prayed that this writ petition be dismissed being devoid of any merit.

8. We heard learned counsel for parties at length and have carefully perused the file and scrutinized the matter. Allotment of work to petitioner firm subsequent to participation in E-tender dated 20.10.2023 and execution of agreement dated 21.03.2024, is a matter of record. Controversy stems from interpretation of Clause 22 of terms and conditions of tender, which reads as under:-

“22. The licensee shall not use the premises/space under his possession/deemed possession for any purpose other than for the authorized purpose and F&B area within the premises.”

9. In the license agreement dated 01.03.2024 (Annexure P-5), it is stated that there shall be compliance with all the terms and conditions as mentioned in e-tender dated 20.10.2023. It is further stated in Clause 7 of agreement as under:-

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7) The building of Multipurpose Hall is given to the license “as is where is basis” and the same is returned to the license after the expiry of the license period.”

8. Note to Clause 5 of E-tender dated 20.10.2023 reads as under:-

“The open space/area would be given on “as is where is basis”. All the expenses incurred on repair/renovation of existing structure will be borne by the Licensee and the total fittings and fixtures, if any installed by Licensee will become the property of the Licensor after the expiry of the License period.”

9. Vide communication dated 21.03.2024 petitioner had sought certain clarifications and had sought priority for allotment of multipurpose hall after the initial 09 year period and also sought permission to retrieve its materials, accessories and other assets associated with their operations and permission for brewery bar facilities, multicuisine restaurant accommodation and other hospitality services alongwith renaming the facility. Petitioner also sought 10% interest on total investment made by it, in the event of premature termination. Communications dated 08.05.2024 and 04.10.2024 are also attached with the writ petition.

10. In response to communications dated 21.03.2024 and 25.04.2024 by petitioner in respect to various permissions as sought, respondents had issued communication dated 26.12.2024, Annexure P-6. Relevant portion thereof reads as under:-

“Please refer to your letter dated:21/03/2024 and 25/04/2024 regarding to seek permission on various points for the smooth functioning of Swaranjyanti Multipurpose Hall.

In view of above, your request has been considered by the authority at various level and as per the direction by the BOD in its 200th meeting, the following is decided:-

A. You are allowed to remain the facility from Swaranjyanti Multi-purpose Hall to YAMUNA GRAND run by RAMADA

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with the condition that you will put the logo of HTC " OWNED BY HARYANA TOURISM CORPORATION".

B. You are allowed to enhance the interior of lobby, main hall, rooms, corridor, kitty party hall & conference room as per the latest designs, subject to RFP clause no.5, the total fitting and fixtures if any installed by the licensee will become the property of licensor after the expiry of license period.

C. You are allowed to install the lift with MS structure near right side of the staircase to make the resort disabled friendly & for old aged guests/Ladies, after complying all requisite permissions/NOCs.

D. Further you are directed to strictly adhere to original term and condition of RFP and no permission is granted for Bar service, Accommodation or a Separate café.

E. The request to consider granting priority for the allotment of Multipurpose Hall after the expiry of initial (3+3+3=9 Years) period cannot be considered and is rejected.”

11. Perusal of communication dated 26.12.2024 clearly indicates that it is only a clarification of the issues as raised by petitioner and cannot be termed to be an order as such whereby terms and conditions of tender have in any manner been varied.

12. We have carefully perused Clause 22 of E-tender but are unable to agree with the interpretation put forth by petitioner that term beverage by itself in the present case would include alcoholic drinks. It is a matter of record and not denied by petitioner that at similar property of respondent, the private entity has not been permitted to serve alcoholic drinks. Though, it was sought to be argued that terms and conditions of contract with the said licensee did not provide for F&B services, Clause 22 by itself cannot be interpreted to include permission to serve alcoholic drinks or run a separate cafe, accommodation etc. In the given facts and circumstances, it has been correctly stated in impugned order dated 16.05.2025 as under:-

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“The Licensee was granted rights to operate the Swaran Jyanti Multipurpose Hall, Jagadhari, under E-auction Notice No. 26/2023, for an annual license fee of ₹50,80,000/-, pursuant to the execution of a License Agreement dated 01.03.2024. As per Clause 22 of the Request for Proposal (RFP), the Licensee is permitted to provide food and beverage (F&B) services strictly within the functional scope of operating a multipurpose or banquet hall intended for social and corporate gatherings. However, there exists no provision-either express or implied in the RFP or the executed License Agreement that permits the Licensee to operate a bar serving alcoholic beverages, to develop accommodation units, or to construct a standalone café outside the defined licensed area. Moreover, Clause 5 of the Eligibility Conditions and Clause 39 of the General Terms of the License Agreement explicitly place the burden of renovation and fit-out costs on the Licensee, further clarifying that any permanent fixtures or improvements carried out during the license tenure shall 'vest in the Corporation without compensation upon expiry or earlier termination of the license. The Licensee's subsequent representations seeking permissions for activities beyond the contractual scope were duly reviewed and found to be outside the ambit of the license granted. Permitting such activities without an express contractual basis would not only amount to a material alteration of the fundamental terms of the tender but would also necessitate a fresh tendering process, revision of financial terms, and acquisition of statutory approvals from competent authorities such as the Excise Department. Accordingly, such requests are impermissible within the administrative and legal framework governing the license.

The clarification issued by the Corporation on 26.12.2024 merely restated the express terms of the License Agreement and cannot, by any interpretation, be construed as a promise, representation, or assurance that alters the scope or nature of the license granted. The invocation of the doctrine of promissory estoppel by the Licensee is legally untenable in this context, particularly in view of the "Entire Agreement" clause, which unequivocally affirms that no understanding, oral or written, outside the four corners of the executed agreement shall govern the relationship between the parties. The contractual framework governs all rights and obligations, and no deviation therefrom can be claimed in equity or otherwise. The claims raised by the Licensee regarding alleged operational losses and renovation expenditures are, upon examination, found to be purely commercial decisions undertaken at the Licensee's own risk, in full knowledge of the terms set out in Clauses 5 and 39 of the License Agreement. There exists no clause in the agreement that provides for indemnification, reimbursement, or compensation for such expenditures. Furthermore, the Licensee's alternative request

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for cancellation of the license and refund of amounts deposited is contrary to Clause 40, which provides a limited right to termination by the Licensee, subject to ninety (90) days' notice and without any entitlement to refund of license fee or recovery of capital outlays. Accordingly, the reliefs sought by the Licensee lack both contractual foundation and legal merit.”

13. Doubtlessly interference can be caused by this Court in exercise of jurisdiction under Article 226 of the Constitution of India in a matter pertaining to contracts executed with the Government agencies in case it is found that authority has acted in an illegal or arbitrary manner indicating an abuse of power by the public authority. However, in the present case, learned counsel for petitioner was unable to point out any such ground. Interpretation of Clause 22 by the authorities in a manner which is unfavourable to it, by itself cannot be a ground for causing interference. In respect to the prayer addressed by petitioner for award of damages and compensation, the same can necessarily not survive in the wake of aforesaid observations.

14. Learned counsel for petitioner was unable to point out any ground whatsoever which calls for interference by this Court in exercise of jurisdiction under Article 226 of the Constitution of India. This writ petition is accordingly dismissed.

(LISA GILL)
JUDGE

(SUDEEPTI SHARMA)
JUDGE

22.08.2025

Sunil

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No