HC-KAR
CNR: KAHC010762852025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 18TH DAY OF NOVEMBER, 2026

®

BEFORE

THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

WRIT PETITION NO. 35467 OF 2025 (GM-RES)

C/W

WRIT PETITION NO. 10460 OF 2022 (GM-RES)

WRIT PETITION NO. 13395 OF 2022 (GM-RES)

WRIT PETITION NO. 20426 OF 2022 (GM-RES)

WRIT PETITION NO. 7641 OF 2023 (S-KSRTC)

WRIT PETITION NO. 27997 OF 2023 (GM-RES)

IN W.P.NO.35467/2025
BETWEEN

KSMZ PROPERTIES PRIVATE LIMITED
NO.350, 12TH 'A' CROSS
OFF. DOUBLE ROAD, 1ST STAGE,
INDIRANAGARA
BENGALURU-560038.
REPRESENTED BY ITS DIRECTOR
KHADIJA NIYAS
AGED ABOUT 47 YEARS
D/O KADER ELLIKKA

... PETITIONER

(BY SRI. P.N. HARISH., ADVOCATE)

AND

1. DIVISIONAL CONTROLLER
   KARNATAKA STATE ROAD TRANSPORT
   CORPORATION (KSRTC)

Digitally Signed By:
SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
Verified

SHIVAMOGGA DIVISION,
TRAFFIC SECTION,
KSRTC BUS STAND, O.T. ROAD,
SHIVAMOGGA-577 202.

2. KARNATAKA STATE ROAD
TRANSPORT CORPORATION (KSRTC)
CENTRAL OFFICE, NO.27, K.H. ROAD
SHANTHINAGAR
BENGALURU-560 027.
BY ITS MANAGING DIRECTOR

3. KARNATAKA STATE ROAD TRANSPORT
CORPORATION (KSRTC)
CENTRAL OFFICE, NO.27, K.H. ROAD
SHANTHINAGAR
BENGALURU-560 027.
TRAFFIC (COMMERCIAL)
BY ITS CHIEF TRAFFIC MANAGER

…. RESPONDENTS

(BY SMT. H.R. RENUKA., ADVOCATE FOR R1 TO R3)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT IN THE NATURE OF CERTIORARI AND QUASH THE NOTICE DATED 18.08.2025 IN NO.KST/SMG/TR/COM/1249/2025-26 PRODUCED AS ANNEXURE-E TO THE WRIT PETITION AND SO ALSO CONSEQUENTIAL DEMAND NOTICES DATED 01.09.2025 IN NO.KST/SMG/TR/COM/1368/2025-26 PRODUCED AS ANNEXURE-E1 TO THE WRIT PETITION AND DEMAND NOTICE DATED 16.10.2025 IN NO.KST/SMG/TR/COM/1812/ 2025-26 PRODUCED ANNEXURE-E2 TO THE WRIT PETITION WHICH ARE ISSUED BY THE FIRST RESPONDENT AND ETC.

IN W.P.NO.10460/2022
BETWEEN

1 . SRI JAYARAMA N SHETTY
S/O LT NARASIMHA MURTHY
AGED 54 YEARS
R/AT MANDIRA NILAYA
SHIVAMOGA ROAD

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SURAJ GOVINDA RAJ
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A BLOCK 4368
VIDYA NAGAR
OPP TO BALAJI RICE MILL
HARIHARA TOWN
DAVANAGERE DIST 577601

2 . SRI K GANESH
S/O LT SHANAKRA NARAYANA
AGED 55 YEARS
R/AT NO 3419
JOGIMATTI ROAD
CHITRADURGA DIST 577501

3 . SRI K A VENAKATESH PURANIK
S/O LT K VANANTHA KRISHNA PURANIK
AGED 46 YEARS
R/AT NO T-2
V N RESIDENCY
DOCTORS LAYOUT
CHIKKALSANDRA
BENGALURU DIST 560061

4 . SMT LAKSHMI VYASA RAJ
W/O K S VYASARA RAJ
AGED 50 YEARS
R/AT NO 3682/104-4
3RD CROSS ND VANI RICE MIL
TARALABALU LAYOUT
DAVANAGERE TOWN
DAVANAGERE DIST 577005

5 . SRI C N THYAGARAJA
S/O NINGEGOWDA
AGED 45 YEARS
R/AT 4, CHALLENAHALLI
CHIKKODU
BELUR TQ
HASSAN DIST 573115

6 . MAHESH SHETTY
S/O MAHABALA SHETTY
AGED 42 YEARS
R/AT HOTEL UDUPI URAPHARA
JPN ROAD
SHIVAMOGA DIST 577201

7 . SRI K S SHIVAMURTHY
S/O SURESHCHARI

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SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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AGED 38 YEARS
R/AT THRITHAHALLI
SHIVAMOGGA DIT 577432

... PETITIONERS

(BY SRI. SOMASHEKHARAIAH R.P. ADVOCATE)

AND

1. THE STATE OF KARNATAKA
   DEPARTMENT OF TRASNPORT
   M S BUILDDING
   BENGALURU 560001
   REP BY SECRETARY
2. THE MANAGING DIRECTOR
   KARNATAKA STATE ROAD
   TRANSPORT CORPORATIN
   CENTRAL OFFICE
   SHANTHI NAGAR
   BENGALURU 560027

3. THE DIRECTOR
   SECURITY AND VIGILENCE
   DEPARTMENT
   KARNATAKA STATE ROAD
   TRANSPORT CORPORATION
   CENTRAL OFFICE
   SHANTHI NAGAR
   BENGALURU 560027
4. THE CHIEF TRAFFIC MANAGER (COM)
   KARNATAKA STATE ROAD
   TRANSPORT CORPORATION
   CENTRAL OFFICE
   SHANTHI NAGAR
   BENGALURU 560027
5. THE DIVISONAL CONTROLLER
   KARNATAKA STATE ROAD
   TRANSPORT CORPORATION
   CENTRAL OFFICE
   SHANTHI NAGAR
   BENGALURU 560027

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SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
Verified

…. RESPONDENTS

(BY SRI. MOHAMMED JAFAR SHAH., AGA FOR R1;
SRI. P.D. SURANA., ADVOCATE FOR R2 TO R5)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE LETTER DTD.6.4.2022 ISSUED BY THE R-2 VIDE ANNEXURE-D AND THE NOTICE ISSUE DBY R-5 UNDER ANNEXURE-C, C1, C6 TO C6 AND ETC.

IN W.P.NO.13395/2022
BETWEEN

1. SRI K GANESH
   S/O LATE SHANKARA NARAYANA,
   AGED ABOUT 55 YEARS,
   R/AT NO.3419,
   JOGIMATTI ROAD,
   CHITRADURGA DISTRICT 577501.
2. SMT SUMITHRA K
   W/O GANESH K,
   AGED ABOUT 49 YEARS,
   R/AT NO.3419,
   JOGIMATTI ROAD,
   CHITRADURGA DISTRICT 577501.
3. SRI ABHISHEK K G
   S/O GURUMURTHY K K,
   AGED ABOUT 30 YEARS,
   R/AT NO.THANKAKA BYLU VILLAGE,
   THANGINA KOPPA POST,
   THIRTHAHALLI TALUK,
   SHIVAMOGGA DISTRICT 577414.
4. SRI MANJUNATH T
   S/O THIPPE SWAMY,
   AGED ABOUT 42 YEARS,
   R/AT SURENAHALLI,
   MUDDAPURA,
   CHITRADURGA TQ AND DISTRICT
   577501.
5. SRI SAMPATH KUMAR C
   S/O CHIKKAPPA,
   AGED ABOUT 45 YEARS,

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R/AT THAGARANAHATTI,
CHITRADURGA TQ AND DISTRICT
577501.

6. SRI SHOBHARAJ P
S/O PRAKASH,
AGED ABOUT 24 YEARS,
R/AT NO.3, BOMMANAHALLI VILLAGE,
NEAR GOVT. SCHOOL,
CHITRADURGA TQ AND DISTRICT
577501.

7. SRI HARISH C
S/O CHANDRAPPA,
AGED ABOUT 38 YEARS,
R/AT NO.82, NAYAKANAHATTI,
THAGARANAHATTI,
SIDDAPURA,
CHITRADURGA TQ AND DISTRICT
577501.

8. SRI SHIVAPPA M
S/O MANJAPPA GODABANA HALLI,
AGED ABOUT 40 YEARS,
R/AT CHITRADURGA TOWN,
CHITRADURGA TQ AND DISTRICT.

9. SRI SRINIVASA
S/O KARIYAPPA,
AGED ABOUT 35 YEARS,
R/AT NO.82, NAYAKANAHATTI,
THAGARANAHATTI,
SIDDAPURA,
CHITRADURGA TQ AND DISTRICT
577501.

10. SRI CHANDRASHEKHARAIAH SHETTY
S/O NARASIMHA SHETTY,
AGED ABOUT 56 YEARS,
GOPALAPURA ROAD,
CHITRADURGA TQ AND DISTRICT
577501.

... PETITIONERS

(BY SRI. SOMASHEKHARAIAH R.P., ADVOCATE)

Digitally Signed By:
SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
Verified

AND

1. THE STATE OF KARNATAKA
   DEPARTMENT OF TRANSPORT,
   M.S.BUILDING,
   BENGALURU-560001
   REPRESENTED BY ITS SECRETARY.
2. THE MANAGING DIRECTOR
   KARNATAKA STATE ROAD TRANSPORT
   CORPORATION,
   CENTRAL OFFICE,
   SHANTHI NAGAR,
   BENGALURU-560027.
3. THE DIRECTOR
   SECURITY AND VIGILANCE DEPARTMENT,
   KARNATAKA STATE ROAD TRANSPORT
   CORPORATION,
   CENTRAL OFFICE,
   SHANTHI NAGAR,
   BENGALURU-560027.
4. THE CHIEF TRAFFIC MANAGER (COM.)
   KARNATAKA STATE ROAD TRANSPORT
   CORPORATION,
   CENTRAL OFFICE,
   SHANTHI NAGAR,
   BENGALURU 560027.
5. THE DIVISIONAL CONTROLLER
   KARNATAKA STATE ROAD TRANSPORT
   CORPORATION,
   CHITRADURGA DIVISION,
   CHITRADURGA
   CHITRADURGA DISTRICT 577501.

…. RESPONDENTS

(BY SRI. MOHAMMED JAFAR SHAH., AGA FOR R1;
SRI. P.D. SURANA ADVOCATE FOR R2 TO R5)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE LETTER DTD 06.04.2022 IN NO. KARASA.KEKA.SAM.VAA-1.22.2022-23 ISSUED BY THE R-2 VIDE ANNX-D AND THE NOTICE DTD 10.05.2022 ISSUED BY R-5 UNDER ANNEXURE-C, C1 TO C13 AND ETC.

Digitally Signed By:
SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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IN W.P.NO.20426/2022
BETWEEN

1. G DAMODAR
   SON OF GOPAL G
   AGED ABOUT 38 YEARS
   NO.29 13TH CROSS
   KRISHNANANDANAGAR
   NAGARABHAVI 2ND STAGE
   MALAGALA
   VISWANEEDAM
   BANGALORE-560091.

   ALSO AT SHOP NO.1 TERMINAL -2A
   KSRTC BUS TERMINAL
   SUBASH NAGAR
   BANGALORE-9.

2. V VISHWANATHA NAVADA
   SON OF SURYANARAYANA NAVADA
   AGED ABOUT 55 YEARS
   NO.2890/A 2ND FLOOR
   14TH MAIN ROAD
   E BLOCK
   RAJAJINAGAR 2ND STAGE
   BANGALORE-560010

   ALSO AT SHOP NO.125
   KSRTC BUS TERMINAL-1
   SUBASH NAGAR
   BANGALORE-560009.

3. PRASAD U H
   SON OF HOOVIAH
   AGED ABOUT 42 YEARS
   NO. U.T.U.-13 BELLICHUKKIMANE
   1ST MAIN ROAD
   GANESH BLOCK
   SHESHADRIPURAM
   BANGALORE-560020.

   ALSO AT HOTEL SHOP NO.10
   TERMINAL-2A

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KSRTC BUS TERMINAL
SUBASH NAGAR
BANGALORE-560009.

4. SRI CHANNAPPA
   SON OF CHANDRAPPA
   AGED ABOUT 40 YEARS
   BANKANAHALLI
   BEVAKAL
   MANDYA-571405.

   ALSO AT SHOP NO.23
   KSRTC BUS TERMINAL-1
   SUBASH NAGAR
   BANGALORE-560009.

5. N SATHYANARAYANA
   SON OF R NAGARAJU
   AGED ABOUT 40 YEARS
   NO.51A, 116/3 1ST MAIN ROAD
   WEST OF CHORD ROAD
   MAHAGANAPATHINAGAR
   6TH PHASE
   BANGALORE NORTH
   RAJAJINAGAR
   BANGALORE-560010.

   ALSO AT SHOP NO.28
   KSRTC BUS TERMINAL-1
   SUBASH NAGAR
   BANGALORE-560009.

6. NATARAJA G V
   SON OF VENKATAPPA
   AGED ABOUT 58 YEARS
   NO.21-B 1ST FLOOR
   7TH MAIN ROAD
   4TH BLOCK
   RAJAJINAGAR
   BANGALORE-560010.

   ALSO AT SHOP NO.78 AND 112
   KSRTC BUS TERMINAL-1
   SUBASH NAGAR
   BANGALORE-560009.

7. MOHAN D S

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SON OF SHIVEGOWDA
AGED ABOUT 42 YEARS
KARTHIK NILAYA
3RD CROSS
VASANTHAPURA MAIN ROAD
KONANAKUNTE CROSS
DODDAKALLASANDRA
BANGALORE-560062.

ALSO AT SHOP NO.111
TERMINAL-2
KSRTC BUS TERMINAL
SUBASH NAGAR
BANGALORE-560009.

8. SHANKAR C
SON OF CHALUVAIAH
AGED ABOUT 36 YEARS
BANAKANAHALLI, BEVAKAL
MANDYA-571401

ALSO AT SHOP NO.27
KSRTC BUS TERMINAL-1
SUBASH NAGAR
BANGALORE-9.

9. G RAJA
S/O GANAPATHI
AGED ABOUT 46 YEARS
NO.105 9TH CROSS RAMAKRISHNA
LAYOUT
PATEGARA PALYA MAIN ROAD
NAGARABHAVI 2ND STAGE
BANGALORE-560091.

10. V NARASIMHA MURTHY
SON OF SURYANARYANA
AGED ABOUT 50 YEARS
NO.2890/A 2ND FLOOR
14TH MAIN ROAD
E BLOCK, 2ND STAGE
RAJAJINAGAR
BANGALORE-560010.

... PETITIONERS

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SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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(BY SRI. SARAVANA S., ADVOCATE)

AND

1. KARNATAKA STATE ROAD TRANSPORT CORPORATION
   KEMPEGOWDA BUS STATION
   DIVISION-BENGALURU
   BY ITS MANAGING DIRECTOR
   SUBASH NAGAR
   BANGALORE-560009.
2. CHIEF TRAFFIC MANAGER (COMMERCIAL)
   OF TRANSPORT DEPARTMENT, KSRTC
   SUBASH NAGAR
   BANGALORE-560009.

3. DIVISIONAL CONTROLLER
   KEMPEGOWDA BUS STAND
   SUBASH NAGAR
   BANGALORE-560009.
4. KSRTC/BMTC/N.E/N.W/
   HOTEL AND SHOP OWNERS ASSOCIATION
   REGISTERED UNDER THE CO-OP SOCIETIES ACT,
   NO.59 OPPOSITE TO MAYURA HOTEL
   KEMPEGOWDA BUS STATION
   SUBASH NAGAR
   BANGALORE-560009.

…. RESPONDENTS

(BY SRI. P.D. SURANA ADVOCATE FOR R1 TO R3;
SRI. RAMU S., ADVOCATE FOR R4)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH ANNEXURE-F VIDE NO.KARAASAA/KEKA/SAM/VAA-1/22/2022-23 DTD.6.4.2022 ISSUED BY TH R-3 AND CONSEQUENTLY DIRECT THE R-1 TO 3 TO BE BOUND BY POLICY DECISION AS PER ANNEXURE-D VIDE NO.KARAASAA/KEKA/SAM/VAA-1/770/2021-22 DTD.1.8.2021 IN SO FOR AS PETITIONERS CONCERN AND ETC.

IN W.P.NO.7641/2023
BETWEEN

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SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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SRI. N.S. VADIRAJA
AGED ABOUT 66 YEARS,
S/O LATE N SUBBARAO,
PARTNER OF M/S SRI GURU VADIRAJA ASSOCIATES,
R/AT NO.54,
ASHIRVAD, 7TH MAIN,
KAMAKSHI HOSPITAL ROAD,
SARASWATHIPURAM,
MYSURU-570009.

... PETITIONER

(BY SRI. Y.K. NARAYAN SHARMA., ADVOCATE)

AND

1. KARNATAKA STATE ROAD TRANSPORT CORPORATION
   REPRESENTED BY ITS MANAGING DIRECTOR,
   KENGAL HANUMANTHAIAH ROAD,
   SHANTHINAGAR,
   BANGALORE-560027.
2. CHIEF TRAFFIC MANAGER
   (COMMERCIAL TRANSPORT DEPARTMENT KSRTC)
   KENGAL HANUMANTHAIAH ROAD,
   SHANTHINAGAR,
   BANGALORE-560027.
3. DIVISIONAL CONTROLLER
   KSRTC, MYSURU DIVISION,
   DIVISIONAL OFFICE,
   BANNIMANTAP ROAD,
   MYSURU-570001.
4. STATE OF KARNATAKA
   REPRESENTED BY ITS CHIEF SECRETARY,
   VIDHANA SOUDHA,
   DR.B.R.AMBEDKAR ROAD,
   BENGALURU-560001.

.... RESPONDENTS

(BY SRI. P.D. SURANA., ADVOCATE FOR R1 TO R3;
SRI. MOHAMMED JAFAR SHAH., AGA FOR R4)

Digitally Signed By:
SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT OF CERTIORARI OR OTHER APPROPRIATE WRIT OR DIRECTION QUASHING THE DEMAND MADE BY THE RESPONDENT NO.3 BY LETTER DATED 03-05-2022 AS PER ANNEXURE-"F" AND THE RESOLUTION DATED 21.03.2022 AS PER ANNEXURE-'L' AND RESOLUTION DATED 13.11.2024 AS PER ANNEXURE-'M' AND THE LETTER DATED 22.12.2021 AS PER ANNEXURE-'N' AND DIRECT THE RESPONDENT NO. 1TO 3 TO REFUND THE ENTIRE SECURITY DEPOSIT AMOUNT TOGETHER WITH INTERESTED 2% PER MONTH FROM 01.07.2022 UP TO DATE OF PAYMENT AFTER GIVING DEDUCTION TO THE PAYMENT MADE DURING THE COURSE OF THE PENDENCY OF THE ABOVE WRIT PETITION" PASS OTHER SUITABLE ORDERS, AS DEEMED FIT BY THIS HON'BLE COURT UNDER THE FACTS AND CIRCUMSTANCES OF THE CASE BY ALLOWING THIS WRIT PETITION WITH COSTS IN THE INTEREST OF JUSTICE..

IN W.P.NO.27997/2023
BETWEEN

CHANDAN SINGH
S/O PRATHAP SINGH,
AGED ABOUT 33 YEARS,
RESIDING AT NO. 58, 1ST FLOOR,
1ST MAIN, 1ST CROSS,
ASHWATHNAGAR, RMV EXTENSION II STAGE,
BENGALURU 560094.

... PETITIONER

(BY SRI. DILIP KUMAR., ADVOCATE)

AND

1 . KARNATAKA STATE ROAD TRANSPORT CORPORATION
KEMPEGOWDA BUS STATION DIVISION,
BENGALURU,
REP BY ITS MANAGING DIRECTOR
SHUBASH NAGAR,
BENGALURU 560009.

2 . CHIEF TRAFFIC MANAGER (COMMERCIAL)
OF TRANSPORT DEPARTMENT,
KARNATAKA STATE ROAD TRANSPORT CORPORATION,
SHUBASH NAGAR,

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SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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BENGALURU 560009.

3 . DIVISIONAL CONTROLLER
KARNATAKA STATE ROAD TRANSPORT CONRPORATION,
KEMPEGOWDA BUS STATION DIVISION,
BENGALURU 560009.

4 . KSRTC/BMTC/N.E./N.W/
HOTELS AND SHOPS OWNERS ASSOCIATION,
REGISTERED UNDER CO OPERATIVE SOCIETIES ACT,
REP BY ITS SECRETARY,
OFFICE AT NO. 59, OPP TO MAYURA HOTEL,
KEMPEGOWDA BUS STATION,
SHUBASH NAGAR,
BENGALURU 560009.

…. RESPONDENTS

(BY SRI. P.D. SURANA., ADVOCATE FOR R1 TO R3;
SRI. RAMU S., ADVOCATE FOR R4)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE NOTIFICATION AT ANNNX-G VIDE NO. KARAASAA KEKA SAM VAA - 1/22/2022-23 DTD 06.04.2022 ISSUED BY THE R-2 AND CONSEQUENTLY DIRECT THE R-1 TO 3 TO BE BOUND BY THE POLICY DECISION AS PER ANNX-F VIDE NO.KARASAA KEKA SAM VAA 1 770 2021-22 DTD 01.09.2021 AND ETC.

THESE WRIT PETITIONS COMING ON FOR ORDERS AND HAVING BEEN RESERVED FOR ORDERS ON 20.08.2026, THIS DAY, THE COURT PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

CAV ORDER

1. The petitioner in W.P.No.35467/2025 is before this Court seeking for the following reliefs:

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SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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a) Issue a writ in the nature of certiorari and quash the notice dated 18.08.2025 in No.KST/SMG/TR/COM/1249/2025-26 produced as Annexure-E to the writ petition and so also consequential demand notices dated 01.09.2025 in No.KST/SMG/TR/COM/1368/2025-26 produced as Annexure-E1 to the writ petition and demand notice dated 16.10.2025 in No.KST/SMG/TR/COM/1812/ 2025-26 produced Annexure-E2 to the writ petition which are issued by the first respondent;

b) Issue any other appropriate writ or order or direction as this Hon'ble Court deems it appropriate in the admitted facts and circumstances of the case in the interest of justice;

c) Pass such other suitable orders as this Hon'ble court deems it appropriate in the attendant circumstances and facts of the case;

d) Award the cost of this proceeding.

2. The petitioners in W.P.No.10460/2022 are before this Court seeking for the following reliefs

a. Issue writ in the nature of certiorari and quash the letter dtd.6/4/2022 in No.KARASA: KEKA: SAM:VAA-1:22:2022-23 D and the issued by the respondent No.2 vide Annexure notices issued by Respondent No.5 under Annexure- C, C1 to C6 vide:

i) Dtd.9/4/2022, in No.KARASA: DAVI: SAMCHARA: VANIJYA /81/2022-23 in respect of petitioner No.1 is concerned.

ii) Dtd.8/4/2022, in No.KARASA: DAVI:SAMCHARA: VANIJYA /61/2022-23 in respect of petitioner No.2 is concerned.

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SURAJ GOVINDA RAJ
20/11/2026, 13:32, Bengaluru
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iii) Dtd.8/4/2022, in No.KARASA: DAVI: SAMCHARA: VANIJYA /64/2022-23 in respect of petitioner No.3 is concerned.

iv) Dtd.8/4/2022, in No.KARASA: DAVI: SAMCHARA: VANIJYA /63/2022-23 in respect of petitioner No.4 is concerned.

v) Dtd.8/4/2022, in No.KARASA: DAVI: SAMCHARA: VANIJYA /62/2022-23 in respect of petitioner No.5 is concerned.

vi) Dtd.11/5/2022, in No.KARASA: DAVI: SAMCHARA: VANIJYA/379/2022-23 in respect of petitioner No.6 is concerned.

vii) Dtd.9/4/2022, in No.KARASA: DAVI:SAMCHARA: VANIJYA/77/2022-23 in respect of petitioner No.7 is concerned.

b. Issue such other order or direction as may be deemed fit to grant in the circumstances of the case.

3. The petitioners in W.P.No.13395/2022 are before this Court seeking for the following reliefs:

a) QUASH THE LETTER DTD 06.04.2022 IN NO. KARASA.KEKA.SAM.VAA-1.22.2022-23 ISSUED BY THE R-2 VIDE ANNX-D AND THE NOTICE DTD 10.05.2022 ISSUED BY R-5 UNDER ANNEXURE-C, C1 TO C13 VIDE-

i) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/280/2022-23 in respect of petitioner no.1 is concerned.

ii) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/278/2022-23 in respect of petitioner no.2 is concerned.

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SURAJ GOVINDA RAJ
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iii) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/283/2022-23 in respect of petitioner no.3 is concerned.

iv) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/284/2022-23 in respect of petitioner no.4 is concerned.

v) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/282/2022-23 in respect of petitioner no.5 is concerned.

vi) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/276/2022-23 in respect of petitioner no.6 is concerned.

vii) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/ 265/2022-23 in respect of petitioner no.7 is concerned.

viii) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/ 269/2022-23 in respect of petitioner no.8 is concerned.

ix) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/ 266/2022-23 in respect of petitioner no.9 is concerned.

x) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/ 267/2022-23 in respect of petitioner no.10 is concerned.

xi) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/ 279/2022-23 in respect of petitioner no.11 is concerned.

xii) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/ 281/2022-23 in respect of petitioner no.12 is concerned.

xiii) dtd 10.05.2022, IN NO.KARASA.CHIV.SANCHARA. VANIJYA/ 265/2022-23 in respect of petitioner no.13 is concerned.

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b. Issue such other order or direction as may be deemed fit to grant in the circumstances of the case.

4. The petitioners in W.P.No.20426/2022 are before this Court seeking for the following reliefs:

a. Issue a Writ in the nature of Certiorari to quash Annexure-F, Vide No. KARAASAA/ dated.06/04/2022, issued by the KEKA/SAM/VAA-1/22/2022-23, respondent no-3 and consequently direct the respondents no.1 to 3 to be bound by policy decision as per Annexure-D, Vide No.KARAASAA/KEKA /SAM/VAA-1/770/2021-22, dated.01.08.2021 as petitioners concern., in so for

b. Issue a writ of Mandamus directing the respondents no. 1 to 3 to refund the lease deposit amount to the petitioner no.9 & 10 as held by them in terms of lease agreements as per Annexure-A10 & 11 forthwith without giving effect to Annexure-F in the ends of the justice; and

c. Issue such other ancillary or incidental reliefs as the circumstance of the case warrants in the ends of the justice.

5. The petitioner in W.P.No.7641/2023 is before this Court seeking for the following reliefs:

"Issue a writ of certiorari or other appropriate writ or direction quashing the demand made by the respondent No.3 by letter dated 03-05-2022 as per Annexure-"F" and the resolution dated 21.03.2022 as per Annexure-'L' and resolution dated 13.11.2024 as

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per Annexure-'M' and the letter dated 22.12.2021 as per Annexure-'N' and direct the respondent No. 1to 3 to refund the entire Security Deposit amount together with interested 2% per month from 01.07.2022 up to date of payment after giving deduction to the payment made during the course of the pendency of the above writ petition" pass other suitable orders, as deemed fit by this Hon'ble Court under the facts and circumstances of the case by allowing this Writ Petition with costs in the interest of justice."

6. The petitioner in W.P.No.27997/2023 is before this Court seeking for the following reliefs:

(i) Issue a Writ in the nature of Certiorari to quash the notification at Annexure-GVide No. KARAASAA:KEKA:SAM:VAA-1/22:2022-23 dated 06.04.2022, issued by the respondent No.2 and consequently direct the respondents No.1 to 3 to be bound by the policy decision as per Annexure-F, Vide No. KARAASAA: KEKA:SAM:VAA-1:770:2021-22 dated.01.09.2021.

(ii) Issue a Writ of Mandamus directing the respondents No. 1 to 3 to keep the lease/security deposit amount deposited by the petitioner being the sum of Rs. 6,68,668/-as Deposit amount only and directing the respondents No. 1 to 3 not to adjust / deduct from the deposit amount towards arrears of rent for the period of April to June 2021 by giving effect to impugned Annexure-G in the ends of the justice; and

(iii) Issue such other ancillary or incidental reliefs as the circumstance of the case warrants in the ends of the justice and equity.

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7. The facts in all the above matters are more or less the same. The respondents-KSRTC had executed a registered concession agreement for operation and maintenance of commercial-cum-retail space at Shivamogga Bus Terminal in favour of KSMZ Properties Private Limited (`**KSMZ'** for short), the petitioner in W.P.No.35467/2025 on 27.06.2012 under the said concession agreement permission was granted for operation, marketing and maintenance of commercial-cum-retail space in the said bus stand. The concession agreement was extended BY KSRTC until 15.03.2025. The concessionaire namely KSMZ entered into various sub leases in respect of the commercial premises in the said bus stand in favour of the petitioners in the other petitions. The said sub leases were back-to-back arrangements with that in favour of KSMZ. The arrangement was that the terms of the concession agreement would *mutatis mutandis* apply to the sub leases executed by KSMZ in favour of its sub-lessees.

8. In all the above matters, the issue which has arisen is as regards the concession to be offered during the COVID-19 pandemic. Both the concessionaire as also sub lessees claiming that each of them is entitled for concession during the COVID-19 pandemic requiring

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them not to make payment of any lease rentals. In this regard, the relevant Clause being Article 8 of the Concession Agreement, which is reproduced hereunder for easy reference:

ARTICLE-8: FORCE MAJEURE

8.1 Force Majeure (Force Majeure Events):

A Force Majeure event means any event or circumstance or a combination of events and circumstances, or consequences thereof which effect or prevent the Party ("Affected Party") claiming Force Majeure from performing its obligation in whole or in part, under this Agreement and which event or circumstance (a) is beyond the reasonable control and not arising out of the fault of the Affected Party, (b) Affected Party has been unable to overcome such event or circumstance by the exercise of due diligence and reasonable efforts, skill, care and (c) has a Material Adverse Effect. Such events shall mean and include:

8.1.1 Non Political Events

(a) Acts of God or natural disasters beyond the reasonable control of the Affected Party which could not reasonably have been expected to occur, including but not limited to storm, cyclone, typhoon, hurricane, flood, landslide, drought, lightning, earthquakes, volcanic eruption, fire or exceptionally adverse weather conditions affecting the Project.

(b) Radioactive contamination, ionizing radiation.

(c) Epidemic and famine.

(d) An act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action, nuclear blast/explosion, sabotage or civil commotion.

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(e) Industry wide or state wide or India wide strikes or industrial action or disturbances which has a Material Adverse Effect and which are not on account of acts of the Concessionaire, its subcontractors or persons claiming through or under it; or

(f) Any judgment or order of any court of competent jurisdiction or statutory authority in India made against any of the Parties in any proceedings (which are non collusive and duly prosecuted by the Party) for reasons other than failure of the Party or of any Person claiming through or under it to comply with any Applicable Law or terms of Clearances or on account of breach thereof, or of any contract, or enforcement of this Agreement or exercise of any of its rights under this Agreement.

(g) Any event or circumstances of a nature analogous to any of the foregoing.

8.1.2 Political Events

(a) Expropriation or compulsory acquisition by any Competent Authority of the Project or part thereof or rights of the Concessionaire relating thereto, provided the same has not resulted from an act or default of the Concessionaire or any Person claiming through or under it.

(b) Any unlawful unauthorized or without jurisdiction revocation of, or refusal to renew or grant without valid cause any Clearance required by the Concessionaire to perform his obligations as per this Agreement; provided that such delay, modification, denial, refusal or revocation did not result from the Concessionaire's (i) inability or failure to comply with any condition relating to grant, maintenance or renewal of such consents or permits; or (ii) breach or failure in complying with the provisions hereof, including this Agreement, Applicable Laws, the terms of Clearances, any judgement or order or Directive of any Competent Authority or of any concession to which the Concessionaire is bound.

8.2 Exceptions Applicable to the Concessionaire

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of the following circumstances to the Concessionaire shall not have the right to consider any of t be an event of Force Majeure that would suspend the performance or excuse the non-performance of its obligations under this Agreement other than to the extent that such circumstances result from an event of Force Majeure:

(a) Delay in performance by any sub-contractor, agents and employees of the Concessionaire.

(b) Breakdown or ordinary wear and tear of materials, equipment machinery or parts relating to the facilities at the Commercial-cum-Retail Space.

(c) Unavailability, late delivery or changes in cost of plant, machinery, equipment, materials spare parts, fuel or consumables for the Concessionaire; or

(d) Non-performance caused by or connected with the non-performing Party's

(i) negligent or intentional acts, errors or omissions,

(ii) failure to comply with Law or

(iii) breach of or Default under this Agreement.

8.3 Obligations of the Parties

8.3.1 Obligation to Notify

(1) As soon as practicable and in any case within 7 days of the date of occurrence of a Force Majeure Event or the date of knowledge thereof, the Affected Party shall notify the other Party of the Force Majeure Event setting out, inter alia, the following in reasonable detail:

(a) The nature and extent of the Force Majeure Event.

(b) The estimated Force Majeure Period.

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(c) The nature of and the extent to which, performance of any of its obligations under this Agreement is affected by the Force Majeure Event.

(d) The measures which the Affected Party has taken or proposes to take to alleviate / mitigate the impact of the Force Majeure Event and to resume performance of such of its obligations affected thereby.

(e) Any other relevant information concerning the Force Majeure Event, and/or the rights and obligations of the Parties under this Agreement.

(ii) As soon as practicable and in any case within 5 days of notification by the Affected Party in accordance with the preceding sub-article (i), the Parties shall, meet, hold discussions in good faith and where necessary conduct physical inspection/survey of the Project/Project Site in order to:

(a) Assess the impact of the underlying Force Majeure Event.

(b) To determine the likely duration of Force Majeure Period and,

(c) To formulate damage mitigation measures and steps to be undertaken by the Parties for resumption of obligations the performance of which shall have been affected by the underlying Force Majeure Event.

(iii) The Affected Party shall during the Force Majeure Period provide the other Party with regular (not less than weekly) reports concerning the matters set out in the preceding sub-article (ii) as also any information, details or document, which the other Party may reasonably require.

8.3.2 Performance of Obligations

If the Affected Party is rendered wholly or partially unable to perform any of its obligations under this Agreement because of a Force Majeure Event, it shall be excused from performance of such obligations to

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the extent it is unable to perform the same on account of such Force Majeure Event provided that:

(i) The excuse from performance shall be of no greater scope and of no longer duration than is necessitated by the Force Majeure Event.

(ii) The Affected Party shall make all reasonable efforts to mitigate or limit damage, if any, caused or is likely to be caused to the Project/Project Site as a result of the Force Majeure Event and to restore the Project/Project Site/Commercial-cum-Retail Space and related facilities, in accordance with the Good Industry Practice and its relative obligations under this Agreement.

(iii) The Affected Party shall take all remedial measures including duly prosecuting and exhausting all such remedies available to the Affected Party under the Applicable Laws.

(iv) When the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Parties and the Concessioning Authority written notice to that effect and shall promptly resume performance of its obligations hereunder.

(v) The Affected Party shall continue to perform such of its obligations which are not affected by the Force Majeure Event and which are capable of being performed in accordance with this Agreement.

8.4 Revised Timetable

If the Party claiming to be affected by the Force Majeure event has complied with the notice procedure under Article 8.3.2, any time period specified in this Agreement for the performance of an obligation, including the Concession shall be appropriately extended for a period equal to that during which the effect of the Force Majeure event applies to the obligation.

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8.5 Consultation and Duty to Mitigate

The Party claiming relief under Force Majeure shall, at its own cost, take all steps reasonably required to remedy and mitigate the effects of the Force Majeure event and restore its ability to perform its obligations under this Agreement as soon as reasonably The Parties shall consult with each other to determine the reasonable measures to be implemented to minimize the losses of each Party resulting from the Force Majeure Event. The Party affected by Force Majeure shall keep the other Parties informed of its efforts to remedy the effect of the Force Majure event and shall make reasonable efforts to mitigate such event on a continuous basis and shall provide written notice of the resumption of performance obligations under this Agreement by reason of impossibility of performance or any other specifically stated to the contrary, no Party shall be relieved of its hereunder. Except circumstance whatsoever beyond its control.

9. It is the interpretation of the aforesaid Clause and the applicability to the COVID-19 pandemic which is the subject matter of the present writ petitions.

10. The submission of Sri P.N Harish, learned counsel for the petitioner in W.P.No.35467/2025, is that

10.1. During COVID-19 pandemic, there was a complete lockdown which had been imposed by the Central government. There was also a curfew which was in force, which resulted in complete shutdown of all businesses including the shops and the premises in question. It is

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claimed that on account of this fact, the KSRTC had issued a notification on 01.09.2021 through the Divisional Controller Stating as under:

ಎಲ್ಲಾ ಹಿರಿಯ / ವಿಭಾಗೀಯ ನಿಯಂತ್ರಣಾಧಿಕಾರಿಗಳು,
ಕ.ರಾ.ರ.ಸಾ ನಿಗಮ.

ಮಾನ್ಯರೇ,

ವಿಷಯ: ಕೋವಿಡ್-*19*ರ ಎರಡನೇ ಅಲೆಯ ಹಿನ್ನೆಲೆಯಲ್ಲಿ ಏಪ್ರಿಲ್-*2021* ಮತ್ತು ಜೂನ್-*2021*ರ ಮಾಹೆಗಳಲ್ಲಿ ನಿಗಮದ ಪರವಾನಗಿದಾರರಿಗೆ ಪರವಾನಗಿ ಶುಲ್ಕ ಪಾವತಿಯಲ್ಲಿ ನೀಡಲಾಗಿರುವ ವಿನಾಯಿತಿಯ ಬಗ್ಗೆ.

ಉಲ್ಲೇಲು: *1.* ದಿನಾಂಕ *27.08.2021* ರಂದು ನಡೆದ ಸಭೆಯಲ್ಲಿನ ತೀರ್ಮಾನ.
2. No.KARASA/KAEK/SUM/VA-1/391/2021-22 ದಿನಾಂಕ *02.06.2021.*
3. No.KARASA/KAEK/SUM/VA-1/215/2021-22 ದಿನಾಂಕ *02.06.2021.*

ಮೇಲ್ಕಂಡ ವಿಷಯ ಮತ್ತು ಉಲ್ಲೇಖಗಳಿಗೆ ಸಂಬಂಧಿಸಿದಂತೆ, ಏಪ್ರಿಲ್-*2021*ರ ಮಾಹೆಯಲ್ಲಿ ದಿನಾಂಕ *07.04.2021* ರಿಂದ *21.04.2021(14*ದಿನಗಳು) ರವರೆಗೆ ಸಾರಿಗೆ ನಿಗಮದ ನೌಕರರ ಮುಷ್ಕರ ನಡೆದಿದ್ದು, ಬಸ್ ನಿಲ್ದಾಣಗಳಿಂದ ನಿಗಮದ ಸಾರಿಗೆಗಳು ಪೂರ್ಣ ಪ್ರಮಾಣದಲ್ಲಿ ಕಾರ್ಯಾಚರಣೆಯಾಗಿರುವುದಿಲ್ಲ ಹಾಗೂ ಕೋವಿಡ್-*19*ರ *2*ನೇ ಅಲೆಯ ಭೀತಿಯ ಮುಂಜಾಗೃತ ಹಿನ್ನೆಲೆಯಲ್ಲಿ, ಸರ್ಕಾರವು ದಿನಾಂಕ *21-04-2021* ರಿಂದ ರಾತ್ರಿ ಕರ್ಫ್ಯೂ. ವಾರಂತ್ಯದ ಲಾಕ್‌ಡೌನ್ ಇತ್ಯಾದಿ ಕಠಿಣ ನಿಯಮಗಳನ್ನು ಜಾರಿಗೆ ತಂದಿರುತ್ತದೆ. ದಿನಾಂಕ *27-04-2021*ರ ರಾತ್ರಿ *9.00* ಗಂಟೆಯಿಂದ ದಿನಾಂಕ *12-05-2021*ರ ಬೆಳಿಗ್ಗೆ *6.00* ಗಂಟೆಯವರೆಗೆ ಜನತಾ ಕರ್ಫೂ ಘೋಷಿಸಿರುತ್ತದೆ. ಪುನಃ ದಿನಾಂಕ *24-05-2021*ರ ಬೆಳಿಗ್ಗೆ *6.00* ಗಂಟೆಯವರೆಗೆ ಲಾಕ್‌ಡೌನ್ ಘೋಷಿಷಿರುತ್ತದೆ. ಏಪ್ರಿಲ್-*2021*ರ ಮಾಹೆಯಲ್ಲಿ ಜೂನ್-*2021*ರ ಮಾಹೆಯಲ್ಲಿ ದಿನಾಂಕ *20-06-2021* ರವರೆಗೆ ಲಾಕ್‌ಡೌನ್ ಮುಂದುವರೆದಿದ್ದು, ಮೈಸೂರು, ಹಾಸನ ದಕ್ಷಿಣ ಕನ್ನಡ ಮತ್ತು ಕೊಡಗು ಜಿಲ್ಲೆಗಳಲ್ಲಿ ದಿನಾಂಕ *05-07-2021* ಮತ್ತು ಜೂನ್-*21*ರ ಮಾಹೆಗಳ ವಿನಾಯಿತಿ ಮೊತ್ತವನ್ನು ಇನ್ನಷ್ಟು ಪರಿಷ್ಕರಿಸಿ ನೀಡುವಂತೆ ಸಾಕಷ್ಟು ಮನವಿಗಳನ್ನು ಈ ಕಛೇರಿಯಲ್ಲಿ ಸ್ವೀಕರಿಸಿ ಪರಿಶೀಲಿಸಲಾಗಿರುತ್ತದೆ. ಈ ಸಂಬಂಧ ದಿನಾಂಕ *27-08-2021* ರಂದು ಮಾನ್ಯ ವ್ಯವಸ್ಥಾಪಕ

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ನಿರ್ದೇಶಕರವರ ಅಧ್ಯಕ್ಷತೆಯಲ್ಲಿ ನಡೆದ ಸಿಸಿಬಿ ಸಭೆಯಲ್ಲಿ ಸುದೀರ್ಘವಾಗಿ ಚರ್ಚಿಸಲಾಗಿರುತ್ತದೆ.

ನಿಗಮದ ಬಸ್ ನಿಲ್ದಾಣಗಳಲ್ಲಿನ ಎಟಿಎಂ ಕೌಂಟರ್ ಮತ್ತು ಮೊಬೈಲ್ ಟವರ್ ಪರವಾನಗಿದಾರರನ್ನು ಹೊರತುಪಡಿಸಿ, ಏಕೈಕ ಪರವಾನಗಿದಾರರನ್ನು ಒಳಗೊಂಡಂತೆ (ಪುತ್ತೂರು ಪಿ.ಪಿ.ಪಿ. ಬಸ್ ನಿಲ್ದಾಣ ಸೇರಿ) ಎಲಾ ವಾಣಿಜ್ಯ ಮಳಿಗೆಗಳ ಪರವಾನಗಿದಾರರಿಗೆ, ಬಸ್ ನಿಲ್ದಾಣ / ಬಸ್ ಗಳ ಮೇಲಿನ ಜಾಹೀರಾತು ಪದರ್ಶನದ ಏಜೆನ್ಸಿದಾರರಿಗೆ ಹಾಗೂ ಸಾರ್ವಜನಿಕ ಉದ್ಯೋಷಣಾ ವ್ಯವಸ್ಥೆ (*PAS)* ಪರವಾನಗಿದಾರರಿಂದ ಏಪ್ರಿಲ್-*21* ಮತ್ತು ಜೂನ್-*21*ರ ಮಾಹೆಗಳಲ್ಲಿ ಮಾಸಿಕ ಪರವಾದ ಶುಲ್ಕ ಪಾವತಿಯ ಸಂಬಂಧ ಕೆಳಕಂಡಂತೆ ಕ್ರಮ ಕೈಗೊಳ್ಳಲು ತೀರ್ಮಾನಿಸಲಾಗಿರುತ್ತದೆ.

1. ಏಪ್ರಿಲ್-*21* ಮತ್ತು ಜೂನ್-*2021*ರ ಮಾಹೆಗಳಲ್ಲಿ ಎಟಿಎಂ ಕೌಂಟರ್ ಮತ್ತು ಮೊಬೈಲ್ ಟವರ್ ಪರವಾನಗಿದಾರರನ್ನು ಹೊರತುಪಡಿಸಿ, ಮೇಲ್ಕಂಡ ಎಲ್ಲಾ ಪರವಾನಗಿದಾರರಿಂದ ಕರಾರು ಒಪ್ಪಂದದನ್ವಯ ನಿಗದಿತ ಮಾಸಿಕ ಪರವಾನಗಿ ಶುಲ್ಕದಲಿ ಶೇ.*70 (*ಈಗಾಗಲೇ ನೀಡಿರುವ ಶೇ.*50* ಮಾಸಿಕ ಪರವಾನಗಿ ಶುಲಕ್ಕೆ ಮಾತ್ರ ಶೇ.*20*ರಷ್ಟು) ರಷ್ಟು ವಿನಾಯಿತಿ ನೀಡುವುದು. ಮತ್ತು ಶೇ *30*ರಷ್ಟು ಮಾಸಿಕ ಪರವಾನಗಿ ಶುಲ್ಕವನ್ನು ಪಾವತಿಸಿಕೊಳ್ಳುವುದು, ಜಿ.ಎಸ್.ಟಿ. ಪಾವತಿಯಲ್ಲಿ ವಿನಾಯಿತಿ ಇರುವುದಿಲ್ಲ.

2. ಹಾಲಿ ಏಪ್ರಿಲ್-*21* ಮತ್ತು ಜೂನ್-*21*ರ ಮಾಹೆಗಳ ಮಾಸಿಕ ಪರವಾನಗಿ ಶುಲ್ಕವನ್ನು ಬಾಕಿ ಉಳಿಸಿಕೊಂಡಿರುವ ಪರವಾನಗಿದಾರರಿಗೆ ಬಡ್ಡಿರಹಿತವಾಗಿ ಪಾವತಿಸಲು ದಿನಾಂಕ *15-09-2021*ರವರೆಗೆ ಕಾಲಾವಕಾಶ ನೀಡುವುದು ಹಾಗೂ ಈಗಾಗಲೇ ಪರವಾನಗಿ ಶುಲ್ಕವನ್ನು ಪಾವತಿಸಿದಲ್ಲಿ ಹೊಂದಾಣಿಕೆ ಮಾಡಿಕೊಳ್ಳುವುದು.

3. ಜುಲೈ-*2021*ರ ಮಾಹೆಯಿಂದ ಹಾಗೂ ಮುಂದಕ್ಕೆ ಪರವಾನಗಿ ಶುಲ್ಕ ಪಾವತಿಯಲ್ಲಿ ಯಾವುದೇ ವಿನಾಯಿತಿ ಇರುವುದಿಲ್ಲ.

ಮೇಲ್ಕಂಡಂತೆ ಅಗತ್ಯ ಕ್ರಮ ಕೈಗೊಳ್ಳಲು ಹಾಗೂ ಆಗಸ್ಟ್-*2021*ರ ಮಾಹೆಯವರೆಗೂ ಪರವಾನಗಿದಾರರಿಂದ ಯಾವುದೇ ಬಾಕಿ ಮೊತ್ತವಿಲ್ಲದಂತೆ ವಸೂಲಾತಿಗೆ ಕ್ರಮವಹಿಸಲು ತಿಳಿಸಲಾಗಿದೆ. ಈ ಕುರಿತು ಕೈಗೊಂಡ ಕ್ರಮದ ಬಗ್ಗೆ ಈ ಕಛೇರಿಗೆ ಅನುಸರಣಾ ವರದಿ ನೀಡುವುದು.

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10.2. By relying on the said notification which had been addressed to all Divisional Controllers across the State, Sri P.N Harish submits that the KSRTC took into account the COVID-19 pandemic, the disruption in the business, there being no buses running from the bus stand, the shops could not be operated and even if they were operational, there would be no customers.

10.3. Neither the shop owners and/or the employees could come to the said shops due to social distancing norms and it is in that background that the concession as recorded in the letter/notification dated 01.09.2021 was issued.

10.4. This concession offered to the main concessionaire i.e. KSMZ, was passed on by KSMZ to all the other sublessees and the concessionaire has not received the full rentals from the sublessees. Hence, when the concessionaire has not received the full rentals, the question of the concessionaire making payment of full rentals would not arise.

10.5. Despite the said notification on 01.09.2021, subsequently in the year 2022, the KSRTC started demanding KSMZ to make payment of

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concession fees from April-2021 to June-2021 by issuing various notices, which was replied to by KSMZ as also by the sublessees.

10.6. On receipt of the reply, Sri P.N Harish submits that KSRTC would keep quiet for sometime, then once again raised a demand which was replied to by the concessionaire, KSRTC kept quiet for sometime and again issued demand notice, which cycle went on for some time.

10.7. Sri P.N Harish submits that the sublessees having received the benefit of the exemption from KSMZ, they did not come forward to make payment of the demanded amounts citing the COVID-19 pandemic, lockdown, and lack of business.

10.8. On 18.08.2025, a notice came to be issued by the Divisional Controller, Shivamogga Division stating that for the months of April, May and June 2021, the entire amounts had not been paid. Only 30% having been paid, the balance 70% was demanded to be paid for the months of April and June 2021 and 100% for the month of May 2021 was demanded.

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10.9. Thereafter, further notices were issued on 01.09.2025 calling upon KSMZ to make payment of a sum of ₹1,80,75,797/-. Out of which, an amount of ₹43,86,818/- was demanded on account of COVID-19 relaxation being withdrawn being ₹37,17,642/- as a license fee for April-2021 to June-2021 and GST amount of ₹6,69,176/- totally amounting to ₹43,86,818/-.

10.10. Again, a demand notice was issued on 16.10.2025 claiming the license fee pending for the period of April, May and June 2021 as also the very same amount of ₹43,86,818/-. KSMZ replied on 29.10.2025 to all the demands, invoking the force majeure clause stating that the occurrence of the pandemic was for reasons beyond the control of KSMZ.

10.11. The State guidelines directed the closure of malls and other establishments. Due to which the shops in the Shivamogga bus stand were closed. The buses and other transportation vehicles were not plying. Hence, it is taking into account that factor that the relaxation had been granted, where the tenants had suffered huge

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losses due to closure of their businesses, the benefits of the relaxation having been already passed on to the sublessees. KSMZ could not recover it from the sublessees and informed the KSRTC that it would be fair that KSRTC does not retrospectively reverse the exemption provided and accept the amounts already paid contending that there were survival challenges being faced by KSMZ and the sublessees.

10.12. On that basis requested for active support on behalf of KSMZ. The said request also was not accepted and the KSRTC continued to demand. It is in that background that KSMZ has sought for the reliefs indicated above in W.P.No.35467/2025.

11. Sri R.P.Somashekharaiah, learned counsel appearing for the petitioners in W.P. No.10460/2022 and W.P.No.13395/2022 reiterates the submission of Sri.P.N.Harish.

11.1. Sri R.P.Somashekharaiah submits that the KSRTC employees, namely the drivers and conductors, had called for a strike on 07.04.2021 to 21.04.2021 as also due to the second wave of COVID-19, a complete

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lockdown had been imposed by the State Government from 21.04.2021 to 20.06.2021. During which there was no business.

11.2. Sri R.P.Somashekharaiah, also reiterates that in the meeting held on 01.09.2021, the difficulties faced by the sublessees were placed before the CCG. The CCG had accepted the difficulties and agreed to give reduction in license fee of about 70% for the month of April and June 2021 and for 100% reduction, concession for the month of May 2021.

11.3. Sri R.P.Somashekharaiah, submits that the second meeting having been held on 04.09.2021, the payment of GST was also waived since there was no payment of rentals required to be made. On that basis, he submits that the notice dated 06.04.2022 calling upon the sublessees to pay the license fee for the said period without any reduction is not permissible.

11.4. The notices dated 08.04.2022 calling upon the sublessees to make payment of the amount exempted or giving reduction to are not permissible. The demands having been made

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subsequently on 06.04.2022 and the notices issued on 08.04.2022, 09.04.2022 and 11.05.2022 are without considering the force majeure clause.

11.5. The said notices having been issued on the basis of the resolution passed in the 447th meeting of the KSRTC held on 21.03.2022 to withdraw the benefit are not sustainable. He also submits that once the benefit had been provided, the same could not be withdrawn.

12. Sri S. Saravana, learned counsel appearing for the petitioners in W.P.No.20426/2022 reiterated the submission of Sri P.N.Harish and Sri.R.P.Somashekaraiah, learned counsel and further submitted that:

12.1. Sri S. Saravana submits that during the entire COVID period, the sublessees had suffered various losses. The losses suffered by them in the first wave of COVID-19 were so much that the sublessees have not recovered from that. By which time the second wave of COVID-19 pandemic came about when again the sublessees suffered various losses.

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12.2. During the first wave, recognizing the said issues, the KSRTC issued a circular giving a rebate of 90% and collected only 10% by circular dated 03.08.2020 for the months of June, July and August 2020, by circular dated 03.11.2020 for the month of October 2020 and by circular dated 09.11.2020 for November 2020.

12.3. Sri S. Saravana submits that due to the second wave of COVID-19, the sublessees gave various representations of 19.06.2021, 01.07.2021, 26.07.2021 and 23.08.2021 contending that the Railway Department had granted similar exemption and requested the KSRTC to give such exemption. It is in pursuance thereof that notification dated 01.09.2021 came to be issued by the Chief Traffic Manager stating that 70% rebate is required to be provided and license fee only to an extent of 30% is required to be collected.

12.4. Despite the same for the month of April, May and June 2021, the exemption having been granted. The Board of Directors in its 447th meeting held on 21.03.2022 revoked the said

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rebate. In furtherance of which demand notices were issued calling upon the sublessees to make payment of the entire amounts by withdrawing the concession. The sublessees gave a representation to the Managing Director, KSRTC on 18.05.2022 to reconsider the decision of withdrawing the concession. However, the same was not considered.

12.5. Sri S. Saravana submits that the withdrawal of the concession already offered during second wave of COVID-19 was violative of Article 14 of the Constitution. Concession having been provided for the first wave, it was required for the similar concession to be provided in the second wave.

12.6. Sri S. Saravana submits that there is a legitimate expectation on the part of the sublessees that such reduction once granted will be complied with. In this regard he relies upon the decision in ***GNCT of Delhi v. Naresh Kumar***, [2010 SCC OnLine Del 3942], more particularly paragraph 22 thereof which is reproduced hereunder for easy reference:

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> ***22.*** *After a survey of leading decisions on the point, the legal position with respect to legitimate expectation can be summarized as under:*
>
> *I.* ***Mere reasonable or legitimate expectation of a citizen may not by itself be a distinct enforceable right, but failure to consider and give due weightage to it may lender the decision arbitrary.***
>
> *II.* ***Legitimate expectation may arise (a) if there is an express promise given by a public authority; or (b) because of acceptance of a regular practice, a claimant can reasonably expect it to continue; and (c) such expectation may be reasonable.***
>
> *III.* ***For a legitimate expectation to arise, the decision of administrative authority must affect the person by depriving him of some benefit or advantage which he had in the past been permitted, by the decision maker, to enjoy and which he can legitimately expect to be permitted to continue, until some rational grounds for withdrawing it have been communicated to him.***
>
> *IV.* ***If the authority proposes to defeat a person's legitimate expectation, it should afford him an opportunity to make a representation in the matter.***
>
> *V.* ***The doctrine of legitimate expectation permits the Court to find out if the change in policy which is the cause for defeating the legitimate expectation is irrational or perverse or one which no reasonable person could have made.***

12.7. By relying on **Nareshkumar**, his submission is that when there is an express promise made by the Public Authority, there is a legitimate

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expectation on the part of the sublessees that reduction would be complied with.

12.8. Sri S. Saravana's submission is also that the KSRTC is bound by the rule of estoppel in equity acting on the said promise held out by KSRTC. The sublessees have taken various actions and as such, there cannot be a demand made to them to make payment of the balance lease amounts by withdrawing the concession offered.

12.9. Insofar as petitioners No.9 and 10 in W.P.No.20426/2022 are concerned, Sri S. Saravana submits that they have vacated the premises. On vacating the premises, it was required for KSRTC to refund the entire security deposit. Instead of doing so the KSRTC has deducted the claimed amounts and as such, these claimed amounts are also required to be refunded to petitioners No.9 and 10 in W.P.No.20426/2022.

13. Sri Y.K.Narayan Sharma, learned counsel appearing for the petitioner in W.P.No.7641/2023 also reiterates and adopts the submissions made by the other

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counsels appearing in the matter, in addition he submits that:

13.1. Sri Y.K.Narayan Sharma submits that the contract entered into by the petitioner in W.P.No.7641/2023 was for a period of 5 years under which a security deposit of ₹22,38,596/- was made and advance rental amount was paid under the agreement dated 24.12.2020.

13.2. The petitioner in W.P.No.7641/2023 running a canteen, empty shop was made available to the said petitioner, who invested more than ₹20,00,000/- for furniture and fittings in the said premises. However, within a short time COVID-19 pandemic ensued resulting in the petitioner not being able to carry on his business.

13.3. Sri Y.K.Narayan Sharma also reiterates that due to COVID-19 pandemic, it became impossible for the petitioner to perform the duties and obligations under the agreement. In that background, this petitioner also requested for reduction in rent and to waive the payment of rent through license fee for the period of lockdown. Being unable to carry on the said

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business due to various losses, the petitioner requested to surrender the premises which was accepted by the KSRTC on 31.01.2022.

13.4. This Sri Y.K.Narayan Sharma submits is on account of the contract having been frustrated and having become impossible for performance. The petitioner had as on the date of surrendering the possession paid all the due rentals/license fees, electricity charges and other charges and had called upon KSRTC to refund the security deposit which was not done. Without refunding the security deposit, a demand was made by KSRTC by withdrawing the reduction provided and calling upon the petitioner to make payment of a sum of ₹10,19,317/- on the threat of forfeiture of the security deposit. Despite repeated requests being made, the security deposit was not refunded and on that basis, he contends that the KSRTC is liable to make payment of interest at the rate of 2% per month on the said withheld amounts calculated from 01.07.2022 since the possession was handed over to the KSRTC by the petitioner on 30.06.2022.

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13.5. Sri Y.K.Narayan Sharma submits that the third respondent being the concerned Authority, who had issued the circular to all the divisional controllers and all the divisional controllers having acted on the said circular/notification. The petitioner and all the other sublessees believed that the said concession and/or reduction was offered by KSRTC. Hence, his submission is that in the 447th meeting, it could not be said that such concession could not have been offered on 01.09.2021 and as such, the resolution dated 21.03.2022 and 13.11.2024 are opposed to law.

13.6. Sri Y.K.Narayan Sharma's submission is also that once a concession or reduction is offered, the benefit having been availed, the same could not have been unilaterally withdrawn by the Board without providing a hearing to the petitioner which is a violation of the principles of natural justice.

13.7. Sri Y.K.Narayan Sharma's submission is that the COVID-19 pandemic is a force majeure event amounting to *vis major* and non-payment of

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complete rentals is not a default on the part of the sublessees.

13.8. On that basis, Sri Y.K.Narayan Sharma submits that insofar as the petitioner in W.P.No.7641/2023 is concerned, the said petitioner is entitled for refund of the entire security deposit along with interest at 2% p.a. calculated from 01.07.2022 till the date of payment.

13.9. Sri Y.K.Narayan Sharma relies upon the decision of the Hon'ble Supreme Court in ***Dattatraya v. Rangnath Gopalrao Kawathekar*** [AIR 1971 SC 2548], more particularly paragraph 10 thereof, which is reproduced hereunder for easy reference:

> ***10.*** *From this document it is clear that the second defendant admitted that the suit properties were of the exclusive ownership of the first defendant, his brother and that he had no right in the same. The plaintiffs evidently were put to the necessity of taking this document from the second defendant in view of the destruction of the records referred to earlier. It is clear that the second defendant after executing that document is now trying to resile from the admissions made by him with a view to take advantage of the situation in which the plaintiffs are placed. Mr Sanghi contended that unless we*

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> *come to the conclusion that in view of Ext. 2, the appellant is estopped from putting forward his title to the suit properties, Ext. 2 is irrelevant. We are unable to accept this contention. Ext. 2 is relied on by the plaintiffs to prove the admission of the second defendant that the suit properties belonged to his brother and that his brother had sold the same to the plaintiffs.* ***Admission is an important piece of evidence.*** *But it is open to the person who made the admission to prove that those admissions are not true. It was not the case of the appellant that the admissions contained in Ext. 2 are wrong admissions and he made those admissions under some erroneous impression or that they were obtained from him by misrepresentation. His case was that he never executed Ext. 2. We have already rejected that case. Hence the admissions contained in Ext. 2 assume importance.* ***Admission is one thing, estoppel is another. Admission is a piece of evidence but estoppel creates title.*** *Ex. 2 was relied on as an admission and not as an estoppel. We agree with the High Court that Ex. 2 affords satisfactory evidence to prove the first defendant's title to the suit properties. It further proves the alienation effected by the first defendant in favour of the plaintiffs.*

13.10. By relying on ***Dattatraya***, Sri Y.K.Narayan Sharma's submission is that the respondents are estopped from causing a demand once concession was provided.

13.11. Sri Y.K.Narayan Sharma relies upon the decision of the Hon'ble Supreme Court in ***Pratima***

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Chowdhury v. Kalpana Mukherjee [AIR 2014 SC 1304], more particularly paragraphs 34 to 40 thereof, which are reproduced hereunder for easy reference:

> ***34.*** *The Cooperative Tribunal in its order dated 16-5-2002 had invoked the principle of estoppel, postulated in Section 115 of the Evidence Act. The High Court affirmed the conclusions drawn by the Cooperative Tribunal. In addition to the above principle, the High Court invoked the principles of equity and fairness. Insofar as the latter principles are concerned, we shall delve upon them after examining the contentions of the rival parties, as equity and fairness would depend upon the entirety and totality of the facts. The above aspect can therefore only be determined after dealing with the intricacies of the factual circumstances involved. We shall, however, endeavour to deal with the principle of estoppel, so as to figure whether the rule contained in Section 115 of the Evidence Act could have been invoked, in the facts and circumstances of the present case.*
>
> ***35.*** *Section 115 of the Evidence Act is being extracted hereinbelow:*
>
> *"**115.Estoppel**.—When one person has, by his declaration, act or omission, intentionally caused or permitted another person to believe a thing to be true and to act upon such belief, neither he nor his representative shall be allowed, in any suit or proceeding between himself and such person or his representative, to deny the truth of that thing.*

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Illustration

A intentionally and falsely leads B to believe that certain land belongs to A, and thereby induces B to buy and pay for it. The land afterwards becomes the property of A, and A seeks to set aside the sale on the ground that, at the time of the sale, he had no title. He must not be allowed to prove his want of title."

It needs to be understood that the rule of estoppel is a doctrine based on fairness. It postulates the exclusion of the truth of the matter. All for the sake of fairness. A perusal of the above provision reveals four salient preconditions before invoking the rule of estoppel.

(i) Firstly, one party should make a factual representation to the other party.

(ii) Secondly, the other party should accept and rely upon the aforesaid factual representation.

(iii) Thirdly, having relied on the aforesaid factual representation, the second party should alter his position.

(iv) Fourthly, the instant altering of position, should be such, that it would be iniquitous to require him to revert back to the original position.

Therefore, ***the doctrine of estoppel would apply only when, based on a representation by the first party, the second party alters his position, in such manner, that it would be unfair to restore the initial position.***

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36. *In our considered view, none of the ingredients of principle of estoppel contained in Section 115 of the Evidence Act, can be stated to have been satisfied in the facts and circumstances of this case. Herein, the first party has made no representation. The second party has therefore not accepted any representation made to her. Furthermore, the second party has not acted in any manner, nor has the second party altered its position. Therefore, the question whether the restoration of the original position would be iniquitous or unfair does not arise at all. Even if consideration had passed from Kalpana Mukherjee to Pratima Chowdhury, on the basis of the representation made by Pratima Chowdhury, we could have accepted that Kalpana Mukherjee had altered her position. In the facts as they have been presented by the rival parties, especially in the background of the order passed by the arbitrator, that no consideration had passed in lieu of the transfer of the flat, and especially in the background of the factual finding recorded by the Cooperative Tribunal and the High Court, that passing of consideration in the present controversy was inconsequential, we have no hesitation whatsoever in concluding, that the principle of estoppel relied upon by the Cooperative Tribunal and the High Court, could not have been invoked, to the detriment of Pratima Chowdhury, in the facts and circumstances of the present case.*

37. *Insofar as the instant aspect of the matter is concerned, the legal position declared by this Court fully supports the conclusion drawn by us hereinabove. In this behalf, reference may be made, firstly, to the judgment rendered by this Court in Kasinka Trading v. Union of India*

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[(1995) 1 SCC 274] , wherein this Court noticed as under: (SCC p. 283, para 11)

"11. The doctrine of promissory estoppel or equitable estoppel is well established in the administrative law of the country. To put it simply, the doctrine represents a principle evolved by equity to avoid injustice. The basis of the doctrine is that where any party has by his word or conduct made to the other party an unequivocal promise or representation by word or conduct, which is intended to create legal relations or effect a legal relationship to arise in the future, knowing as well as intending that the representation, assurance or the promise would be acted upon by the other party to whom it has been made and has in fact been so acted upon by the other party, the promise, assurance or representation should be binding on the party making it and that party should not be permitted to go back upon it, if it would be inequitable to allow him to do so, having regard to the dealings, which have taken place or are intended to take place between the parties."

(emphasis supplied)

38. *The above sentiment recorded in respect of the principle of estoppel was noticed again by this Court in Monnet Ispat & Energy Ltd. v. Union of India, wherein this Court expressed its views in respect of the principle of estoppel as under:*

"289. As we have seen earlier, for invoking the principle of promissory estoppel there has to be a promise, and on that basis the party concerned must have acted to its prejudice."

(emphasis supplied)

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> ***39.*** *The ingredients of the doctrine of estoppel in the manner expressed above were also projected in H.R. Basavaraj v. Canara Bank, (2010) 12 SCC 458 (SCC p. 469, para 30)*
>
> *"30. In general words, estoppel is a principle applicable when one person induces another or intentionally causes the other person to believe something to be true and to act upon such belief as to change his/her position. In such a case, the former shall be estopped from going back on the word given. The principle of estoppel is, however, only applicable in cases where the other party has changed his position relying upon the representation thereby made."*
>
> *(emphasis supplied)*
>
> ***40.*** *As already noticed hereinabove, none of the ingredients of estoppel can be culled out from the facts and circumstances of the present case. In view of the above, we hereby set aside the determination by the Cooperative Tribunal, as also the High Court, in having relied on the principle of estoppel, and thereby, excluding the pleas/defences raised by Pratima Chowdhury to support her claim.*

13.12. By relying on ***Pratima Chowdhury***, Sri Y.K.Narayan Sharma's submission is that the rule of estoppel is a doctrine based on fairness and equity. A representation having been made by the KSRTC on 01.09.2021. The same having been accepted by the lessee and sublessees.

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The lessee and sublessees having altered their position, it is iniquitous to require such lessee and sublessees to revert to the original position. On that basis, he submits that concession having been offered for the month of April, May and June 2021. The lessee and sublessee having paid the amount due after taking into account the concession. The said concession could not be revoked and a demand made to make payment of the concession amounts.

14. Sri Dilip Kumar, learned counsel for the petitioner in W.P.No.27997/2023 adopts the submissions made by the other counsels.

15. Sri P.D.Surana, learned counsel for the respondents-KSRTC in all the matters submits that

15.1. The writ petitions are not maintainable since the concession agreement is governed by the Arbitration Clause in Clause 12.3, which is reproduced hereunder for easy reference:

"12.3 Dispute Resolution Procedure

12.3.1 Arbitration

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> *(i) in the event any dispute or differences or claim's the case may be arising between the parties, the same shall be referred to the Managing Director of the BMTC for resolution and the Managing Director of BMTC shall be the sole arbitrator. The arbitrator shall resolve the dispute between the parties under the arbitration and Conciliation Act-1996. The decision of the arbitrator shall be final and binding on both the parties."*

15.2. By relying on the said Arbitration Clause, Sri P.D.Surana submits that any dispute/s that the petitioners may have in respect of refund of the amounts, security deposit, adjustment of the lease rentals from security deposit or the like would have to be agitated in arbitral proceedings and not before this Court in writ proceedings.

15.3. In so far as force majeure Sri P.D.Surana submits firstly, that the force majeure clause under Article 8 was not invoked by the petitioners. Secondly, the said force majeure clause is not applicable to the present matter.

15.4. As regards invocation, Sri P.D.Surana submits that the procedure prescribed under Article 8 extracted hereinabove has to be followed. A notice was required to be issued on the

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occurrence of a force majeure event within a period of 7 days from the occurrence of the said event describing the force majeure event. On such notice being issued, it was required for the parties to hold a meeting within 5 days from the date of receipt of the notice and assess the impact of the force majeure event and agree upon the duration, measures to mitigate the said force majeure event. Unless the procedure under Clause 8 are followed, the question of invoking the force majeure clause under Clause 8 would not arise.

15.5. Sri P.D.Surana relies on Article 9.4 of the Concession Agreement, which is reproduced hereunder for easy reference.

> ***9.4 Termination Following Force Majeure***
>
> *9.4.1 In the event Force Majeure continuously impedes or prevents a Party's performance for longer than 30 days from the date of commencement of such Force Majeure event, notwithstanding the suspension of the obligations of the Parties, they shall decide by mutual consent through consultation either the terms upon which to continue the performance of this Agreement or to terminate this Agreement. If the Parties are unable to agree on such terms or to terminate the Agreement by mutual consent within 120 days from the date of the*

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commencement of such Force Majeure event, either Party may issue a Notice of Intention to Terminate.

9.4.2 If, following Force Majeure due to non-political events as defined in Article 8.1.1, Party elects to terminate this Agreement, the Concessioning Authority shall return to the Concessionaire the Performance Security after adjusting any outstanding dues from the Concessionaire, but the Concessioning Authority shall not be liable to pay any compensation to the Concessionaire.

9.4.3 If, following Force Majeure due to political events as defined in Article 8.1.2, Party elects to terminate this Agreement, the Concessioning Authority shall:

(i) Not compensate the Concessionaire with regard to the costs incurred for the Project.

(ii) Return to the Concessionaire the Performance Security, after adjusting any outstanding dues.

15.6. By relying on Article 9.4, Sri P.D.Surana's submission is that if a force majeure event continues beyond 30 days and the force majeure event does not come to an end within 120 days. Either party can issue a notice of intention to terminate the agreement, upon which the agreement would stand terminated. No such notice having been issued by either the lessee or the sub-lessee, his submission is that the force majeure clause cannot be made

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applicable to the present facts and circumstances.

15.7. Sri P.D.Surana submits that the so-called notification/circular dated 01.09.2021 is an internal correspondence between the departmental officials of the KSRTC. They have not been issued to the lessee or sublessee for them to claim any benefit. The communication by the CCG was an intra-departmental communication. The said communication was placed before the board of the KSRTC on 21.03.2022. When the board rejected the recommendation of the CCG and resolved to collect the full lease rentals.

15.8. Sri P.D.Surana submits that at the most, the communication of 01.09.2021 is a recommendation by the CCG and not a decision by the KSRTC. His submission is that the CCG cannot decide for the KSRTC, it is only the board of directors who can decide for and on behalf of the KSRTC. Thus, his submission is that the entire reliance placed on the said interdepartmental communication though termed as a circular or a notification is

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completely misplaced. It is only a communication not a circular or a notification is his submission.

15.9. Sri P.D.Surana therefore submits that once the Board of KSRTC had rejected the recommendation on part of the CCG and directed the collection of the full license fee, the lessee and sublessee were duty bound to make payment of the entire amount.

15.10. Sri P.D.Surana relies on the decision of the Hon'ble Delhi High Court in ***Ramanand and Ors vs Girish Soni and Anr.*** [2020 DHC 1963], more particularly paragraphs 20, 24, 27 and 32 thereof, which are reproduced hereunder for easy reference:

> ***20.*** *The doctrine of force majeure is recognised in Section 108(B)(e) of the TPA. Section 108(B)(l) also enumerates the `Rights and Liabilities' of the lessee. The relevant clauses of the TPA are as under:*
>
> ***"108. Rights and liabilities of lessor and lessee.****--In the absence of a contract or local usage to the contrary, the lessor and the lessee of immoveable property, as against one another, respectively, possess the rights and are subject to the liabilities mentioned in the rules next*

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following, or such of them as are applicable to the property leased:--

(A) Rights and liabilities of the lessor- ...

(B) Rights and liabilities of the lessee- ...

(e) ***if by fire, tempest or flood, or violence of an army or of a mob, or other irresistible force, any material part of the property be wholly destroyed or rendered substantially and permanently unfit for the purposes for which it was let, the lease shall, at the option of the lessee, be void:***

Provided that, if the injury be occasioned by the wrongful act or default of the lessee, he shall not be entitled to avail himself of the benefit of this provision: ...

(f) to (k).....

(l) ***the lessee is bound to pay or tender, at the proper time and place, the premium or rent to the lessor or his agent in this behalf****;"*

A perusal of the above shows that the provision itself would apply only in the absence of a contractual stipulation. Further, on the occurrence of any of the situations contemplated under (e) above, which would render the property `substantially and permanently unfit' to be used for the purpose for which it was leased, at the option of the lessee, the lease would be void.

24. *More recently, this view has been reaffirmed by this Court in Sangeeta Batra v. M/s VND Foods & Ors., (2015) 3 DLT (Cri) 422 wherein it has been held that the fact that the leased premises,*

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intended to be run as a restaurant, was sealed on two occasions is of no relevance as the tenants did not choose to avoid the lease. Interpreting Section 108 of the TPA, the ld. Single Judge of this Court observed:

"26. Section 108 of the Transfer of Property Act deals with the aspect of rights and liabilities of lessor and lessee. The rights and liabilities of the lessee are enumerated from clause (d) onwards upto clause (q). Clause (e) of Section 108 reads:

"(e) if by fire, tempest or flood, or violence of an army or of a mob, or other irresistible force, any material part of the property be wholly destroyed or rendered substantially and permanently unfit for the purposes for which it was let, the lease shall, at the option of the lessee, be void:

Provided that, if the injury be occasioned by the wrongful act or default of the lessee, he shall not be entitled to avail himself of the benefit of this provision;" (Emphasis supplied)

27. ***Thus, if the leased premises is rendered substantially and permanently unfit for the purpose for which it was let, the lessee has the option to avoid the lease. Unless the lessee so avoids the lease, he cannot avoid his obligation contained in clause (l)*** *of Section 108, which states that "the lessee is bound to pay or tender, at the proper time and place, the premium or rent to the lessor or his agent in this behalf;".*

27*. In Raichurmatham Prabhakar and Ors. v. Rawatmal Dugar, (2004) 4 SCC 766 the Supreme Court held that suspension of rent may be claimed by the tenant if the lessee has been*

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> *dispossessed. Thus, mere non- use may not always entitle the tenant for suspension of rent.*
>
> ***32. The Tenants' application for suspension of rent is thus liable to be rejected inasmuch as while invoking the doctrine of suspension of rent on the basis of a force majeure event, it is clear from the submissions made that the Tenants do not intend to surrender the tenanted premises.*** *While holding that suspension of rent is not permissible in these facts,* ***some postponement or relaxation in the schedule of payment can be granted owing to the lockdown.***

15.11. By relying on ***Ramanand***, Sri P.D.Surana's submission is that mere fact that the leased premises could not be used, or that their use was temporarily interrupted on account of a force majeure event, would not automatically absolve the lessee from the obligation to pay rent. He submits that, in the absence of a contractual provision permitting suspension or waiver of rent, the lessee would continue to be bound by the obligation under Section 108(B)(l) of the Transfer of Property Act, 1882. The lessee can seek to avoid the lease under Section 108(B)(e) only where the property is wholly destroyed or rendered substantially and

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permanently unfit for the purpose for which it was leased, and such option is exercised by the lessee. Mere non-use or temporary inability to enjoy the premises would not, by itself, entitle the lessee to suspend payment of rent. At best, depending on the facts and circumstances, the Court may consider granting some postponement or relaxation in the schedule of payment, without granting suspension of rent.

15.12. Sri P.D.Surana relies on the decision of the Hon'ble Calcutta High Court in ***P.H. Avari v. State of West Bengal*** [AIR 1958 Calcutta 203], more particularly paragraph 11 thereof, which is reproduced hereunder for easy reference:

> ***11.*** *Reliability of official advice cannot in my judgment alter the construction of the Statutes and the Rules made thereunder.* ***There can be no estoppel against the Government on a point of law and construction of statute.*** *Neither the Government nor this court will be bound by interpretation of the Act and the Rules made by the Collector of Excise. The law of this country is what the Statute and rules thereunder say and how the courts of the land interpret them and not what a particular Government or administrative officer says.* ***If the Government officer's interpretation is wrong, the party***

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acting on it takes the risk. *This view that I am taking is supported by the decision of the American Supreme Court in Federal Crop Insurance Corporation v. Merrill (1) (332 U.S. 380) in which the court held that a farmer could not recover on insurance issued in violation of a published regulation even though the application for insurance had been approved by the local agency of the Corporation. Similarly in Howell v. Falmouth Boat Construction Ltd. (2) (1951) A.C. 837, the House of Lords says that the fact that a Government officer in his dealings with the subject may have assumed an authority, which he did not possess, to grant a licence, does not debar the Crown from enforcing a statutory prohibition or entitle the subject to maintain that there has been no breach of it. See the observations of Lord Simonds at p. 845 of the Report and Lord Normand at p. 849 of the same Report. The Privy Council decision in Attorney General for Ceylon v. A.D. Silva (3) is the latest pronouncement on this subject and takes the same view. In India the law insists that where contracts or engagements are required to be in particular forms with particular officers of authority to sign them, that must be strictly complied with in order to bind the government. For obvious reasons the government and the administration cannot like an ordinary person be estopped by the acts of its numerous agents and officers each parforming his work in a limited sphere and with his specially limited authority imposed by his very nature of work. Reference may in this connection be made to s. 175 (3) of the old Government of India Act. 1935 and the present Article 299 of the Constitution and such cases as Chaturbhuj v. Moreswar (4) [(1954) S.C.A. 373] and Anath v. Dominion of India (5)*

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(A.I.R. 1955 Cal. 626). If the laws of the land are to be found and taken from official correspondence and official advise contained in demi-official communication and circulars, then the Constitution and the Statutes passed by the constitutionally authorised institutions of Parliament and State Legislatures will find their substance and authority gravely imperilled, supplanted and undermined, a situation which I consider wholly inconsistent with the theory and practice of Parliamentary democracy in India with the courts as the exclusive constitutional organs for interpreting the laws of the realm. I shall conclude this branch of the argument by quoting the following observations of Lord Simonds in Howell's case (2) (supra) at p. 845 of the Report to which I have already made a reference where his lordship not only put the legal implications of the reliability of official advice generally with great clarity but also in particular examined the case of such reliability even in criminal matters—

"The illegality of an act is the same whether or not the actor has been misled by an assumption of authority on the part of a Government officer, however high or low in the hierarchy. I do not doubt that in criminal proceedings it would be a material factor that the actor had been thus misled if knowledge was a necessary element of the offence and in any case it would have a bearing on the sentence imposed. But that is not the question. The question is whether the character of an act done in face of a statutory prohibition is affected by the fact that it has been induced by a misleading assumption of authority. In my opinion the answer is clearly no. Such an answer may make more difficult the task of the citizen who is anxious to walk in the narrow way,

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but that does not justify a different answer being given."

15.13. By relying on ***P.H. Avari,*** Sri P.D.Surana's submission is that there can be no estoppel against the Government on a question of law or statutory interpretation. The rights and obligations of the parties must be determined with reference to the statute and the rules made thereunder, and not on the basis of any interpretation or assurance given by an administrative officer. An officer's incorrect interpretation of a statutory provision cannot confer a benefit or authority which the statute does not contemplate, nor can it prevent the Government from enforcing the statutory provisions. Even where a person has acted on the basis of such official advice, the illegality of an act prohibited by statute does not stand altered merely because the person was misled by the officer's representation. Such reliance may, however, be a relevant consideration where knowledge is an essential ingredient of the offence or while determining the appropriate sentence.

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15.14. Sri P.D.Surana relies on the decision of the Hon'ble Andhra Pradesh High Court in ***Rachapudi Subrahmanyam v. Collector*** [AIR 1974 Andhra Pradesh 55], more particularly paragraph 54 thereof, which is reproduced hereunder for easy reference:

> ***54.*** *This is the position of law regarding equitable estoppel as we comprehend it to be. Bearing in mind the principles of law enunciated above, we must examine the facts of the present case. On a careful examination of the proceedings of the Collector and having regard to other facts and circumstances of the case, it cannot be legitimately contended that by the proceedings of the Collector dated 12-4-1972 the petitioners or any one of them were expressly or by necessary implication assured that they would be supplied with levy sugar which the Government of India allots to the State Government. Even a casual reading of the proceedings would indicate that the petitioners were provisionally appointed as fair price shop dealers. It is under this provisional order that the petitioners were asked to furnish deposit, to execute the agreement and complete other necessary formalities. They were also warned that if it is found that correct information has not been provided, the allotment is liable to be cancelled. The provisional allotment was subject to the approval of the Government Admittedly no such approval was granted. On the other hand, the Government after having found that more number of shops are not required, the petitioners could not be authorised finally and quota released to them. The agreements said to*

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have been executed by them were also not approved by the Government. Furthermore, it has to be borne in mind that the scheme of distribution of levy sugar in reality is framed by the Central Government. The Central Government while allotting the quota to the States indicated that for fair distribution of sugar the medium of fair price shops should be adopted. What number of shops are necessary to distribute the sugar in a certain locality is for the Government to determine. The registration of ration cards on the foot of which sugar is distributed is in the hands of the Government. Allotment of such cards to individual fair price shops is also left with the Government. What quota based upon these cards should be given to a shop is also left with the Government. In these circumstances, how can it be contended that there was a firm, clear, unambiguous and unequivocal representation made by the Collector to the petitioners that in any case under the provisional allotment of shops they would get certain quota of sugar. Allotment of fair price shops would entitle them to deal not only in sugar which is a controlled commodity because of the allotment; there is no restriction whatsoever on these shops in dealing in other food-grain permitted to be distributed through these shops. Even non-levy sugar may be available to them to deal in. We are therefore satisfied that ***there was no representation whatsoever made by the Collector or any other officer that they would be given levy sugar relying on which they could have acted to their detriment thus binding the Government by estoppel.*** *It is seen that the Collector was not competent, to finally allot the shops and levy sugar quota without the prior approval of the Government.* ***The Government***

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had the necessary authority to keep in abeyance or even cancel the provisional allotment which was sought to be made by the Collector. Application of doctrine of estoppel therefore in the view which we have taken about the law is not possible.

15.15. By relying on ***Rachapudi Subrahmanyam***, Sri P.D.Surana's submission is that the doctrine of equitable estoppel can be invoked against the Government only where there is a clear, firm, unambiguous and unequivocal representation made by an authority competent to make such representation, and the person seeking to invoke the doctrine has acted upon it to his detriment. A provisional or conditional order, particularly one made subject to approval by a higher authority, cannot be treated as a final assurance giving rise to a claim of estoppel. He submits that where the officer making the representation lacks the authority to grant the benefit or make the commitment in question, no estoppel can operate against the Government on the basis of such representation. The Government cannot, therefore, be prevented from exercising its statutory powers merely because a person has acted upon an expectation arising from an

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unauthorised or conditional representation made by an administrative officer.

15.16. Sri P.D.Surana relies on the decision of the Hon'ble Supreme Court in ***P.C. Sethi v. Union of India,*** [AIR 1975 SC 2164], more particularly paragraph 22 thereof, which is reproduced hereunder for easy reference:

> ***22.*** *The petitioners also sought to take advantage of what they described as admission in Government's affidavits filed in connection with certain earlier proceedings of similar nature and other admissions in Parliament on behalf of the Government. We, are, however, unable to hold that* ***such admissions, if any, which are mere expression of opinion limited to the context and also being rather vague hopes, not specific assurances, are binding on the Government to create an estoppel.***

15.17. By relying on ***P. C. Sethi***, Sri P.D.Surana's submission is that mere statements or admissions made in affidavits filed by the Government in earlier proceedings, or expressions made on behalf of the Government in Parliament, cannot, by themselves, operate as a representation giving rise to an estoppel against the Government. He submits that such statements, particularly where they are

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expressions of opinion, confined to the context of the proceedings in which they were made, or merely indicate vague expectations rather than specific assurances, cannot bind the Government. For the doctrine of estoppel to operate, there must be a clear and specific representation capable of being relied upon; a general expression of opinion or an uncertain expectation cannot create an enforceable assurance against the Government.

15.18. Sri P.D.Surana relies on the ***Central Coalfields Ltd. v. SLL-SML (Joint Venture Consortium)*** [(2016) 8 SCC 622], more particularly paragraphs 52 and 53 thereof, which are reproduced hereunder for easy reference:

> ***52.*** *There is a wholesome principle that the courts have been following for a very long time and which was articulated in Nazir Ahmad v. King Emperor , namely : (SCC OnLine PC)*
>
> *"… **where a power is given to do a certain thing in a certain way the thing must be done in that way or not at all. Other methods of performance are necessarily forbidden.**"*
>
> *There is no valid reason to give up this salutary principle or not to apply it mutatis mutandis to*

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bid documents. This principle deserves to be applied in contractual disputes, particularly in commercial contracts or bids leading up to commercial contracts, where there is stiff competition. It must follow from the application of the principle laid down in Nazir Ahmad that if the employer prescribes a particular format of the bank guarantee to be furnished, then a bidder ought to submit the bank guarantee in that particular format only and not in any other format. However, as mentioned above, there is no inflexibility in this regard and an employer could deviate from the terms of the bid document but only within the parameters mentioned above.

53.*Nazir Ahmad has been followed in dozens of decisions rendered by this Court and by other constitutional courts in the country. The Central Vigilance Commission has accepted this principle in a modified form as a guiding principle in its circular dated 31-12-2007 wherein it is mentioned that all organisations ought to evolve a procedure for acceptance of bank guarantees that is compatible with the guidelines of banks and Reserve Bank of India. One such requirement is that the bank guarantee should be in a proper prescribed format and should be verified verbatim on receipt with the original. Adherence to this principle of verbatim verification would not only avoid undue problems for the employer but would also virtually eliminate subjectivity on the part of the employer.*

15.19. By relying on ***Central Coalfields Ltd.***, Sri P.D.Surana's submission is that where a statute, rule or contractual document prescribes a particular manner in which an act is required to

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be performed, such requirement must be strictly complied with and the act cannot be performed in any other manner. He submits that the principle laid down in Nazir Ahmad v. King Emperor—that where a power is conferred to do a particular act in a prescribed manner, it must be done in that manner or not at all—applies with particular force to contractual and commercial arrangements. Any deviation from the prescribed terms or procedure can be permitted only within the parameters contemplated by the governing document and cannot be founded upon an informal understanding or an unauthorised relaxation. He therefore contends that the parties must be governed by the prescribed terms and procedure, and no departure therefrom can be recognised merely on the basis of an inconsistent practice or representation.

15.20. Lastly, Sri P.D.Surana submits that there is no force majeure event. The COVID-19 pandemic did not stop the functioning of the business of the petitioners. The petitioners continued to function by using the premises belonging to KSRTC, they did not surrender possession.

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Having continued to be in possession and having continued to use the premises of KSRTC, the lease rental/license fee as agreed upon are required to be paid by the petitioners. The above writ petitions filed seeking for the relief as sought for are not maintainable. There is no public law remedy which the petitioners have invoked so as to invoke the powers of this Court under Articles 226 and 227 of the Constitution.

15.21. On all the above, he submits that all the writ petitions are required to be dismissed.

16. Heard Sri P.N.Harish, learned counsel for the petitioner and Smt.H.R.Renuka, learned counsel for the respondents in W.P.No.35467/2025, Sri R.P.Somashekharaiah, learned counsel for the petitioners in W.P.No.10460/2022 and W.P.No.13395/2022, Sri S. Saravana, learned counsel for the petitioners in W.P.No.20426/2022, Sri Y.K. Narayan Sharma, learned counsel for the petitioner in W.P.No.7641/2023, Sri Dilip Kumar, learned counsel for the petitioners in W.P.No.27997/2023 and Sri P.D.Surana, learned counsel for the respondents-KSRTC in all the matters. Perused papers.

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17. The points that would arise for consideration are:

i. Whether the writ petitions are maintainable in view of the arbitration clause contained in the Concession Agreement?

ii. Whether the communication dated 01.09.2021 constituted a final and binding grant of concession by KSRTC for the months of April, May and June 2021, whether the authority issuing it was competent to do so, and whether the concession extended to the sub-lessees covered GST?

iii. Whether the COVID-19 pandemic and the consequential restrictions attracted the Force Majeure clause under Article 8 of the Concession Agreement; and whether the petitioners complied with the prescribed procedure for invoking the clause, including the requirements of notice, consultation and mitigation, and the provisions relating to termination under Article 9.4?

iv. Whether the petitioners' continued possession of the premises, despite the restrictions on business operations, disentitled them from claiming suspension or waiver of licence fee under the Concession Agreement and Sections 108(B)(e) and 108(B)(I) of the Transfer of Property Act, 1882?

v. Whether the resolutions dated 21.03.2022 and 13.11.2024 withdrawing the concession and directing recovery of the balance licence fee, and the consequential demand notices, are sustainable in law, having regard to the

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authority of KSRTC to withdraw the concession, the principles of natural justice, and the doctrines of promissory estoppel and legitimate expectation?

vi. Whether the petitioners in the respective writ petitions are entitled to refund of their security deposits, protection against adjustment of the disputed dues, and interest thereon?

vii. What order?

18. This Court answers the above points as follows:

19. **<u>Answer to Point No.(i):</u> Whether the writ petitions are maintainable in view of the arbitration clause contained in the Concession Agreement?**

19.1. The case of the petitioners, as emerging from the pleadings and their submissions on the merits, is that the dispute is not confined to the computation of licence fee or enforcement of individual contractual obligations. They challenge the resolutions of the KSRTC Board dated 21.03.2022 and 13.11.2024, by which the concession stated to have been extended to licensees across the State was withdrawn and

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recovery of the balance licence fee was directed. They contend that the legality of such a common administrative decision, particularly its withdrawal without affording an opportunity of hearing to the affected licensees, is open to judicial review under Article 226 of the Constitution.

19.2. Sri P.D. Surana, learned counsel appearing for KSRTC, would submit that Clause 12.3 of the Concession Agreement provides for resolution of disputes between the parties by arbitration before the Managing Director of BMTC, who is designated as the sole arbitrator. The decision of the arbitrator is declared final and binding on the parties. He would contend that claims relating to refund of licence fee, security deposits, adjustment of rentals and other consequential monetary reliefs arise directly out of the contractual relationship and must, therefore, be agitated before the agreed arbitral forum and not in writ proceedings.

19.3. Clause 12.3.1 of the Concession Agreement reads as follows:

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> ***"12.3 Dispute Resolution Procedure***
>
> ***12.3.1 Arbitration***
>
> *(i) in the event any dispute or differences or claim's the case may be arising between the parties, the same shall be referred to the Managing Director of the BMTC for resolution and the Managing Director of BMTC shall be the sole arbitrator. The arbitrator shall resolve the dispute between the parties under the arbitration and Conciliation Act-1996. The decision of the arbitrator shall be final and binding on both the parties."*

19.4. On a plain reading, the clause provides that any dispute, difference or claim arising between the parties to the Concession Agreement shall be referred to the Managing Director of BMTC for resolution by arbitration under the Arbitration and Conciliation Act, 1996. The decision of the arbitrator is made final and binding on both parties.

19.5. The existence of an arbitration clause does not oust the constitutional jurisdiction of this Court under Article 226. However, the exercise of that jurisdiction is discretionary. Where parties have agreed upon a specific mechanism for resolving their disputes, the writ Court will ordinarily require them to pursue that remedy.

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19.6. The jurisdiction under Article 226 is not excluded merely because the dispute arises out of a contract, however the Court must exercise that jurisdiction with circumspection.

19.7. The existence of an arbitration clause is viewed as a near bar to entertaining a writ petition. Ordinarily, the Court will not exercise its discretion where the dispute is purely contractual, the agreement provides a specific mechanism for its resolution, or the determination of the controversy requires adjudication of serious and complex disputed questions of fact. A contractual dispute must have a genuine public-law element before the jurisdiction under Article 226 can be invoked. A mere allegation of breach of contract or arbitrariness, without more, is not sufficient.

19.8. At the same time, the State and its instrumentalities remain bound by the requirements of fairness and non-arbitrariness even in their contractual dealings. Where the action challenged is palpably arbitrary, unauthorised or contrary to the principles of natural justice, judicial review is not excluded

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merely because the dispute has arisen in the course of a contractual relationship.

19.9. Applying these principles, the nature of the challenge in the present writ petitions assumes significance. The petitioners do not merely dispute the computation of licence fee or the amount recoverable under their respective agreements. They challenge the resolutions dated 21.03.2022 and 13.11.2024, contending that KSRTC had extended a concession in respect of the licence fee for April, May and June 2021 through the communication dated 01.09.2021 and that the subsequent withdrawal of the concession, without affording an opportunity of hearing to the affected licensees, is arbitrary and contrary to Article 14 of the Constitution.

19.10. KSRTC disputes this foundational assertion. Its case is that the communication dated 01.09.2021 was only an internal communication recording the recommendation of the CCG and that the Board of Directors, being the competent authority, rejected the recommendation at its 447th meeting held on

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21.03.2022 and resolved to recover the full licence fee. Thus, the nature and effect of the communication dated 01.09.2021, the authority under which it was issued and the legal effect of the subsequent Board resolutions are central to the controversy.

19.11. The challenge to the authority of KSRTC to withdraw the concession, the manner in which the Board exercised its power and the alleged failure to afford an opportunity of hearing are matters which, if established from the contemporaneous records, attract the scrutiny of this Court under Article 226. These questions cannot be rejected at the threshold merely on the ground that the underlying relationship between the parties is contractual. At the same time, the mere fact that the impugned resolutions affect several licensees does not, by itself, take the dispute outside the contractual framework. What is material is whether the challenge raises a genuine issue of arbitrary exercise of public power and whether that issue can be determined on the basis of the documents and admitted circumstances,

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without requiring an elaborate evidentiary inquiry.

19.12. This Court must also distinguish the challenge to the common administrative decisions from the individual contractual claims. The claims relating to computation of licence fee, GST, adjustment of rentals, refund of security deposits, interest and other monetary entitlements arise from the respective contractual arrangements. Such claims would ordinarily fall within the agreed dispute-resolution mechanism, wherever the arbitration clause is applicable. Insofar as the principal concessionaire, KSMZ Properties Private Limited, is concerned, it is a party to the Concession Agreement and is bound by Clause 12.3.1 in respect of disputes falling within its scope. The sub-lessees are also bound by it on account of their contracts being mutatis mutandis.

19.13. The objection raised by KSRTC is, therefore, not sufficient to non-suit the petitioners at the threshold. The existence of Clause 12.3.1 does not constitute an absolute bar to examining the

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legality of the Board resolutions dated 21.03.2022 and 13.11.2024 on grounds involving a genuine public-law element. However, this does not confer an unrestricted right upon the petitioners to have every individual contractual claim adjudicated in these writ petitions. Those claims shall remain subject to the agreed dispute-resolution mechanism, wherever applicable. The extent to which the petitioners are entitled to relief in respect of the impugned resolutions and the consequential demands will be determined on the merits of the respective cases.

19.14. For the foregoing reasons, this Court answers point no. (i) by holding that the arbitration clause contained in Clause 12.3.1 of the Concession Agreement does not, by itself, bar these writ petitions insofar as they challenge the legality of the common administrative decisions of KSRTC on grounds falling within the scope of judicial review under Article 226 of the Constitution. The individual contractual claims of the petitioners remain subject to the dispute-resolution mechanism contained in the applicable agreements.

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20. **Answer to Point No.(ii): Whether the communication dated 01.09.2021 constituted a final and binding grant of concession by KSRTC for the months of April, May and June 2021, whether the authority issuing it was competent to do so, and whether the concession extended to the sub-lessees covered GST?**

20.1. Sri P.N. Harish, learned counsel for the petitioner in W.P. No.35467/2025, submits that the lockdown and curfew imposed during the COVID-19 pandemic brought business activities to a standstill, including the businesses carried on in the shops in question. He submits that KSRTC, having taken into account the disruption to business, the absence of buses at the bus stands and the resulting absence of customers, issued the communication dated 01.09.2021 through the Divisional Controller. The communication was addressed to the Divisional Controllers across the State and provided for a concession in the licence fee. According to him, the concession granted to KSMZ, the principal concessionaire, was passed on to the sub-lessees. KSMZ was itself unable to recover the full rentals from the sub-lessees and, therefore, could not be required to pay the full licence fee to KSRTC.

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20.2. Sri R.P. Somashekharaiah, learned counsel for the petitioners in W.P. Nos.10460/2022 and 13395/2022, adopts the above submissions. He further submits that the difficulties faced by the sub-lessees were placed before the CCG and that, considering their circumstances, a concession was granted for the period from April to June 2021 by reducing the licence fee by 70% for April and June and granting a 100% exemption for May 2021. He also submits that, at a subsequent meeting held on 04.09.2021, GST was waived on the ground that no rentals were payable for the relevant period. On this basis, he contends that the notice dated 06.04.2022 and the subsequent demand notices, which call upon the sub-lessees to pay the full licence fee for the said period, are unsustainable.

20.3. Sri S. Saravana, learned counsel for the petitioners in W.P. No.20426/2022, submits that the sub-lessees had made representations dated 19.06.2021, 01.07.2021, 26.07.2021 and 23.08.2021, referring to the concessions granted by the Railway Department. According to him, the communication dated 01.09.2021

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was issued in response to these representations and provided for a 70% concession in the licence fee for the period from April to June 2021, with only 30% of the licence fee being collected.

20.4. Sri Y.K. Narayan Sharma, learned counsel for the petitioner in W.P. No.7641/2023, adopts the above submissions. He further submits that the communication was issued by the concerned authority to all Divisional Controllers and was acted upon by the field officers. The petitioner and the other sub-lessees were, therefore, entitled to proceed on the basis that the concession had been validly granted by KSRTC.

20.5. Sri P.D. Surana, learned counsel for KSRTC, disputes the petitioners' interpretation of the communication dated 01.09.2021. He submits that it was an internal communication between the officers of KSRTC and was never issued to the concessionaire or the sub-lessees as an order granting them any concession. According to him, the communication merely conveyed a recommendation of the CCG, which was subsequently placed before the Board of

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Directors on 21.03.2022. The Board rejected the recommendation and resolved to collect the full licence fee.

20.6. He further submits that the CCG had no authority to grant such a concession on behalf of KSRTC and that the decision could be taken only by the Board of Directors. The communication dated 01.09.2021, therefore, did not create any enforceable right in favour of the petitioners. Once the Board resolved to recover the full licence fee, the concessionaire and the sub-lessees were liable to pay the outstanding amounts in full.

20.7. The rival submissions raise four issues: the nature and effect of the communication dated 01.09.2021; the authority of the officers who issued and acted upon it; the extent to which the concession applied to the sub-lessees; and whether the concession extended to GST.

20.8. The communication dated 01.09.2021 is extracted above. On a plain reading, it is addressed to all Senior and Divisional Controllers of KSRTC and refers to a decision taken at the CCG meeting held on 27.08.2021

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under the chairmanship of the Managing Director. It records that a concession in the monthly licence fee would be granted to all licensees, except ATM counter and mobile tower licensees, for the period from April to June 2021. It also provides that licensees having arrears for the said period could pay the amount by 15.09.2021 without interest. The communication expressly states that there would be no exemption from payment of GST and that no concession in licence fee would be available from July 2021 onwards.

20.9. The communication must be read as granting relief for the entire period from April to June 2021. The petitioners' case is that the concession was implemented by allowing a 70% reduction for April and June and a complete exemption for May. KSRTC's subsequent demand notices also treat April, May and June 2021 as one continuous period for the purpose of recovering the alleged arrears. The nature and extent of the concession, therefore, have to be considered with reference not only to the communication but also to the manner in which KSRTC acted upon it.

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20.10. This Court is unable to accept the submission of Sri P.D. Surana that the communication dated 01.09.2021 was a mere internal recommendation incapable of creating any right. The communication was addressed to the field officers of KSRTC for the specific purpose of being acted upon in their dealings with licensees. It was not merely an uncommunicated proposal or an internal note. The petitioners contend that the concession was implemented by the field officers and that the licensees, including KSMZ, were permitted to pay the reduced licence fee for the period from April to June 2021. KSRTC began demanding the balance amounts only in 2022, several months after the communication was issued.

20.11. The manner in which the communication was acted upon is relevant in determining its legal effect. An administrative decision communicated to the officers concerned and implemented by them cannot be treated, after the event, as though it had never taken effect merely because KSRTC subsequently describes it as a recommendation. KSRTC cannot disregard the representation made through its

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own administrative machinery without establishing the basis on which the communication was issued and the authority under which it was implemented.

20.12. As regards the competence of the authority issuing the communication, Sri P.D. Surana submits that only the Board of Directors could decide on behalf of KSRTC and that the CCG had no such power. However, no regulation, rule of business, resolution or delegation of powers has been placed before this Court to establish the respective powers of the Board, the CCG, the Managing Director or the Chief Traffic Manager in matters relating to concessions in licence fee.

20.13. The relevant rules governing the internal allocation of powers and the records relating to the constitution and functions of the CCG are matters within the knowledge and custody of KSRTC. Having disputed the authority of the officers who issued and implemented the communication, KSRTC was required to place the relevant material before this Court. In the absence of such material, its contention that

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the CCG and the officers concerned had no authority cannot be accepted merely on the basis of an assertion.

20.14. The communication was addressed to the field officers across the State and was intended to govern the treatment of the specified category of licensees during the relevant period. KSRTC, having permitted its officers to act on that communication, cannot disown it without establishing that the decision was beyond the authority of the officers concerned and action having been taken against such officers for having acted beyond their authority. On the material placed before this Court, the communication carried the authority of KSRTC for the purpose for which it was issued, and the petitioners were entitled to act upon it in good faith. The consequences of the subsequent decision of the Board dated 21.03.2022 are considered separately under Point No.(v).

20.15. Sri S. Saravana, learned counsel for the petitioners, relies upon the decision in ***GNCT of Delhi v. Naresh Kumar*** [2010 SCC OnLine Del 3942], particularly paragraph 22, in support of

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the proposition that an express representation made by a public authority may give rise to a legitimate expectation.

20.16. The principle relied upon is relevant to the present case. KSRTC, through a communication addressed to its own field officers, represented that a concession in licence fee would be extended to the specified category of licensees for the period from April to June 2021. The petitioners contend that the officers acted upon that communication and that the licensees arranged their payments on that basis. Once such a representation was made and acted upon, KSRTC could not subsequently disregard it merely by describing it as an internal recommendation. The principle of legitimate expectation, therefore, supports the petitioners' contention that the representation made by KSRTC cannot be withdrawn or disregarded arbitrarily. The legality of the subsequent decision of the Board and the manner in which it was given effect to are considered under Point No.(v).

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20.17. This Court accordingly finds that the communication dated 01.09.2021 constituted an administrative decision of KSRTC granting a concession in licence fee for the entire period from April to June 2021. The concession covered the licensees specified in the communication, other than ATM counter and mobile tower licensees. The concession was implemented through the field officers of KSRTC and cannot be treated as a mere recommendation having no legal effect.

20.18. The concession for the period from April to June 2021 was at the rate of 70% for April and June and a complete exemption for May 2021. KSRTC, having communicated and acted upon the concession through its administrative machinery, was bound by the representation made to the licensees, subject to the question whether it could subsequently be withdrawn or modified by the Board in accordance with law.

20.19. The next question is whether the concession extended to the sub-lessees. The admitted facts show that KSMZ granted sub-leases in respect of the premises forming part of the concession

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granted to it by KSRTC. The sub-leases were back-to-back arrangements, and the terms of the principal concession agreement were made applicable, mutatis mutandis, to the sub-leases.

20.20. In such circumstances, the concession granted in respect of the licence fee payable for the premises cannot be considered in isolation from the corresponding sub-lease arrangements. The sub-lessees occupied the premises under arrangements linked to the principal concession. To the extent that their liability was linked to the licence fee payable by KSMZ to KSRTC, the benefit of the concession granted by KSRTC must also be reflected in the amounts recoverable from them. Otherwise, the benefit of the concession would remain with the principal concessionaire, even though the sub-lessees occupied the premises and bore the corresponding financial liability.

20.21. Accordingly, the concession granted for the period from April to June 2021 extends to the sub-lessees on the same basis, subject to the terms of their respective sub-lease agreements

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and the extent to which their liability was linked to the licence fee payable by KSMZ.

20.22. The question whether the concession extended to GST admits of a different answer. The communication dated 01.09.2021 expressly states that there would be no exemption from payment of GST. The submission of Sri R.P. Somashekharaiah, learned counsel for the petitioners, that GST was also waived at a meeting held on 04.09.2021 is based on a separate alleged decision.

20.23. In the absence of any supporting record, this Court cannot accept the claim of waiver of GST, particularly when the communication dated 01.09.2021 expressly excludes GST from the concession. The concession granted for the period from April to June 2021 must, therefore, be confined to the licence fee and cannot be extended to GST on the basis of the material presently available.

20.24. This Court answers Point No.(ii) by holding that the communication dated 01.09.2021 constituted an administrative decision of KSRTC granting a concession in licence fee for the

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entire period from April to June 2021, comprising a 70% concession for April and June and a 100% exemption for May 2021. The concession applied to the categories of licensees specified in the communication, other than ATM counter and mobile tower licensees. KSRTC cannot avoid the effect of the communication merely by describing it as an internal recommendation, particularly when it was addressed to the field officers for implementation and was acted upon by them. The corresponding benefit of the concession extends to the sub-lessees to the extent provided by their respective back-to-back arrangements with KSMZ.

20.25. The concession did not extend to GST, as the communication dated 01.09.2021 expressly excludes GST from the relief. The claim of a further waiver of GST at the alleged meeting held on 04.09.2021 is not established by the material placed before this Court.

21. **<u>Answer to Point No.(iii):</u> Whether the COVID-19 pandemic and the consequential restrictions attracted the Force Majeure clause under Article 8 of the Concession Agreement; and**

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whether the petitioners complied with the prescribed procedure for invoking the clause, including the requirements of notice, consultation and mitigation, and the provisions relating to termination under Article 9.4?

21.1. Sri P.N. Harish, learned counsel for the petitioner in W.P. No.35467/2025, submits that the complete lockdown and curfew imposed on account of the COVID-19 pandemic brought business activities to a standstill, including the businesses carried on in the shops in question. He submits that KSRTC itself recognised the impact of the pandemic on its licensees and granted a concession through the communication dated 01.09.2021.

21.2. Sri R.P. Somashekharaiah, learned counsel for the petitioners in W.P. Nos.10460/2022 and 13395/2022, further submits that KSRTC employees, including drivers and conductors, went on strike from 07.04.2021 to 21.04.2021. Thereafter, owing to the second wave of COVID-19, the State Government imposed a complete lockdown from 21.04.2021 to 20.06.2021, during which the petitioners could not carry on their businesses. He submits that these circumstances constituted a Force

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Majeure event under Article 8 of the Concession Agreement and that the petitioners cannot be treated as having defaulted in payment of the full licence fee for the period during which their businesses were affected.

21.3. Sri Y.K. Narayan Sharma, learned counsel for the petitioner in W.P. No.7641/2023, submits that the pandemic made it impossible for the petitioner to perform his obligations under the agreement and that the agreement must, therefore, be treated as having been frustrated. He contends that the pandemic and the consequential restrictions constituted *vis major* and that the non-payment of the full rentals cannot be treated as a contractual default.

21.4. Sri P.D. Surana, learned counsel for KSRTC, submits that the petitioners never invoked the Force Majeure clause under Article 8 of the Concession Agreement. He points out that Article 8 prescribes a specific procedure. The affected party is required to issue a notice within seven days of the occurrence of the Force Majeure event, setting out the nature of the event and its impact. On receipt of such

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notice, the parties are required to meet within five days to assess the consequences of the event, determine its likely duration and consider measures for mitigating its impact. According to him, none of the petitioners followed this procedure and, therefore, they cannot claim relief under Article 8.

21.5. He further relies on Article 9.4 and submits that where a Force Majeure event continues for more than thirty days and remains unresolved for 120 days, either party may issue a notice of intention to terminate the agreement. No such notice was issued by either side. The petitioners, therefore, cannot rely on the pandemic to avoid their contractual liability while continuing to occupy the licensed premises.

21.6. Sri P.D. Surana also relies on ***Central Coalfields Ltd. v. SLL-SML (Joint Venture Consortium)*** [(2016) 8 SCC 622], particularly paragraphs 52 and 53, for the principle that where a power is required to be exercised in a particular manner, it must be exercised in that manner or not at all. He submits that this

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principle applies equally to contractual and commercial arrangements and that the petitioners cannot claim the benefit of Article 8 without following the procedure prescribed therein.

21.7. The dispute under this Point concerns the application of Articles 8 and 9.4 of the Concession Agreement. These are contractual provisions and are required to be interpreted in the light of their terms and the circumstances placed before this Court.

21.8. Article 8 of the Concession Agreement is extracted above. Article 8.1 defines a Force Majeure event as an event beyond the reasonable control of the affected party, which the party is unable to overcome despite the exercise of due diligence and which has a Material Adverse Effect on the performance of its obligations.

21.9. Among the Non-Political Events specified in Article 8.1.1, clause (c) expressly includes an "epidemic and famine". Clause (e) covers a State-wide strike, while clause (g) includes an event or circumstance analogous to those

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specifically listed. The strike by KSRTC employees between 07.04.2021 and 21.04.2021 and the lockdown and curfew imposed by the Government following the outbreak of the pandemic are, therefore, required to be examined under these provisions. Clause (d), which deals with war, invasion and similar events, has no application to the present facts.

21.10. Article 8 also prescribes the procedure to be followed by a party seeking to rely upon a Force Majeure event. Under Article 8.3, the affected party is required to give written notice within seven days of the occurrence of the event or of acquiring knowledge of it. The notice must set out the nature of the event, its likely duration, the manner in which performance is affected and the steps proposed or taken to mitigate its consequences. The parties are thereafter required to meet within the period prescribed under the agreement to assess the impact of the event and consider appropriate measures. The affected party is also required to take reasonable steps to mitigate the consequences and resume performance when the

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circumstances permit. Thus, Article 8 not only identifies the events that may constitute Force Majeure but also prescribes the procedure and conditions for obtaining relief on that basis.

21.11. The COVID-19 pandemic was not only an epidemic within the meaning of Article 8.1.1(c), but was a pandemic, higher than an epidemic.

21.12. The State-wide strike by KSRTC employees between 07.04.2021 and 21.04.2021 is also covered by clause (e), subject to the conditions specified in Article 8.1.

21.13. The lockdown and curfew imposed by the Government, which followed the outbreak of the pandemic, fall within the scope of clause (g), being circumstances analogous to the events expressly listed in Article 8.1.1.

21.14. The restrictions imposed during the relevant period were beyond the reasonable control of the petitioners. The closure of business establishments, the suspension or substantial reduction of bus services and the resulting absence of customers materially affected the businesses carried on at the bus terminals.

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These circumstances could not have been avoided or overcome by the petitioners through the exercise of due diligence. They also had a direct adverse effect on the commercial activities for which the licensed premises had been taken.

21.15. This Court, therefore, holds that the COVID-19 pandemic and the consequential restrictions, together with the State-wide strike relied upon by the petitioners, answer the description of Force Majeure events under Article 8.1.1(c), (e) and (g), subject to the conditions contained in Article 8.1.

21.16. The existence of a Force Majeure event, however, does not by itself dispense with the procedure prescribed under Article 8.3. The agreement requires the affected party to issue written notice within seven days and to comply with the subsequent requirements of consultation, assessment and mitigation. Article 8.3.2 provides for the excuse of performance only to the extent that the affected party is unable to perform its obligations on account of

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the Force Majeure event, in accordance with the contractual procedure.

21.17. Sri P.D. Surana is, therefore, right in contending that the petitioners have not produced any notice issued to KSRTC under Article 8.3.1 formally invoking the Force Majeure clause. There is also no material to show that the petitioners sought or participated in the consultation contemplated under Article 8.3, or furnished the information and updates required under that provision.

21.18. The principle stated in ***Central Coalfields Ltd***, particularly paragraphs 52 and 53, that where a contractual provision prescribes a particular manner of doing an act, it must be done in that manner, is relevant. Article 8.3 prescribes the manner in which a party must notify and rely upon a Force Majeure event. A party seeking independent contractual relief under that provision cannot ordinarily bypass the stipulated procedure and claim its benefit merely by referring to the occurrence of a pandemic.

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21.19. However, the above conclusion must be understood in the context of the concession independently granted by KSRTC. The petitioners are not relying solely upon an independent invocation of Article 8 for the relief granted through the communication dated 01.09.2021. As considered under Point No.(ii), KSRTC itself communicated a concession in licence fee for the period from April to June 2021 and its field officers were expected to act upon that decision.

21.20. The concession was, therefore, a relief granted by KSRTC through its own administrative decision. Its legal effect does not depend upon whether each licensee had separately issued a notice invoking Article 8. KSRTC cannot rely upon the absence of an individual Force Majeure notice to deny a concession that it had itself communicated and implemented. At the same time, the petitioners cannot rely upon the general occurrence of the pandemic, without complying with Article 8.3, to claim any additional contractual relief beyond the concession granted by KSRTC.

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21.21. The principle in ***Central Coalfields Ltd***., does not alter this position. The petitioners cannot disregard the procedure prescribed under Article 8 when seeking relief under that Clause. Equally, KSRTC cannot disregard the legal effect of the separate concession communicated by it merely because the petitioners did not invoke Article 8 in the prescribed manner.

21.22. Accordingly, the pandemic and the consequential restrictions constituted Force Majeure events within the meaning of Article 8.1.1. However, the petitioners have not shown that they independently invoked Article 8.3 by issuing the prescribed notices and complying with the requirements of consultation and mitigation. They are, therefore, not entitled to claim any further relief under Article 8 beyond the concession independently granted by KSRTC through the communication dated 01.09.2021.

21.23. The next question concerns Article 9.4, which is extracted above. Article 9.4 provides for termination of the Concession Agreement where a Force Majeure event continues for

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more than thirty days and remains unresolved for 120 days. In such circumstances, either party may issue a notice of intention to terminate in accordance with the terms of that provision.

21.24. It is not disputed that neither KSRTC nor any of the petitioners issued a notice of intention to terminate under Article 9.4. On the contrary, the petitioners continued to occupy the licensed premises, or did so until the respective dates of surrender pleaded by them. Article 9.4 provides a mechanism for bringing the agreement to an end on account of a prolonged Force Majeure event. It does not, by itself, provide for suspension or reduction of licence fee during the subsistence of the agreement. The present dispute concerns the liability to pay licence fee while the contractual arrangements continued. In the absence of any notice of intention to terminate under Article 9.4, that provision does not assist the petitioners in avoiding their contractual obligations.

21.25. The above findings also answer the submission of Sri Y.K. Narayan Sharma, learned counsel for

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the petitioner in W.P. No.7641/2023, that the pandemic made performance of the agreement impossible and that the agreement must be treated as having been frustrated.

21.26. The parties had expressly provided for events beyond their control through Article 8 and had also prescribed a mechanism for termination where such an event continued for the period specified in Article 9.4. The rights and obligations of the parties in relation to the Force Majeure event must, therefore, be considered with reference to these contractual provisions. The petitioner has not shown that the agreement was terminated in accordance with Article 9.4 or that it otherwise came to an end on account of frustration.

21.27. On the petitioner's own case, he sought to surrender the licensed premises because of the difficulties faced in carrying on the business, and KSRTC accepted the surrender. Such surrender, if accepted by KSRTC, constitutes an exit from the contractual arrangement by consent of the parties. It is distinct from the

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agreement being automatically discharged on the ground of frustration.

21.28. The plea that the agreement stood frustrated is, therefore, not accepted. This does not mean that the hardship suffered by the petitioner is disregarded. The circumstances leading to the surrender and their effect on the petitioner's claims are considered separately while granting appropriate relief.

21.29. This Court answers Point No.(iii) by holding that the COVID-19 pandemic, the consequential lockdown and curfew, and the State-wide strike relied upon by the petitioners constituted Force Majeure events within the meaning of Article 8.1.1(c), (e) and (g) of the Concession Agreement, subject to the conditions contained in Article 8.1. However, the petitioners have not established that they independently invoked Article 8 by issuing the prescribed notices and complying with the requirements of consultation and mitigation under Article 8.3. They cannot, therefore, claim any additional relief under Article 8 beyond the concession

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independently granted by KSRTC through the communication dated 01.09.2021.

21.30. Article 9.4, which provides for termination on account of a prolonged Force Majeure event, was not invoked by either party, and the agreements were not terminated under that provision. The claim that the agreements stood frustrated is also not accepted, as the parties had expressly provided for Force Majeure events and the consequences of their prolonged occurrence under Articles 8 and 9.4.

22. **<u>Answer to Point No.(iv):</u> Whether the petitioners' continued possession of the premises, despite the restrictions on business operations, disentitled them from claiming suspension or waiver of licence fee under the Concession Agreement and Sections 108(B)(e) and 108(B)(I) of the Transfer of Property Act, 1882?**

22.1. Sri P.D. Surana, learned counsel for KSRTC, relies on the decision of the Hon'ble Delhi High Court in ***Ramanand and Ors. v. Girish Soni and Anr.*** [2020 DHC 1963], particularly paragraphs 20, 24, 27 and 32. He submits that mere non-use of leased premises, or a

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temporary inability to enjoy them on account of a Force Majeure event, does not automatically relieve the lessee of the obligation to pay rent. According to him, under Section 108(B)(e) of the Transfer of Property Act, 1882, the lessee may avoid the lease only where the property is wholly destroyed or rendered substantially and permanently unfit for the purpose for which it was let. Unless that option is exercised, the lessee remains bound by Section 108(B)(I) to pay rent. He further submits that the petitioners, except the petitioner in W.P. No.7641/2023, continued to hold the premises and, therefore, remain liable to pay the licence fee in accordance with their agreements.

22.2. In ***Ramanand***, the Hon'ble Delhi High Court extracted the relevant parts of Section 108 of the Transfer of Property Act, 1882, at paragraph 20. The provisions read as follows:

> *"(e) if by fire, tempest or flood, or violence of an army or of a mob, or other irresistible force, any material part of the property be wholly destroyed or rendered substantially and permanently unfit for the purposes for which it was let, the lease shall, at the option of the lessee, be void: Provided that, if the injury be occasioned by the wrongful act or default of the lessee, he shall not be entitled to avail himself of the benefit of this provision ...*

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> *(l) the lessee is bound to pay or tender, at the proper time and place, the premium or rent to the lessor or his agent in this behalf."*

22.3. A plain reading of clause (e) shows that the lessee may avoid the lease where the property is wholly destroyed or rendered substantially and permanently unfit for the purpose for which it was let. The lease does not become void automatically; the lessee must exercise the option available under that provision. Clause (I), in turn, requires the lessee to pay rent in accordance with the terms of the lease. Thus, temporary difficulty in using the premises or carrying on business does not, by itself, suspend the obligation to pay rent.

22.4. At paragraph 24, ***Ramanand*** refers to an earlier decision concerning restaurant premises which had been sealed by the authorities. The Court reiterated that:

> *"if the leased premises is rendered substantially and permanently unfit for the purpose for which it was let, the lessee has the option to avoid the lease. Unless the lessee so avoids the lease, he cannot avoid his obligation contained in clause (l) ... which states that the lessee is bound to pay or tender, at*

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> *the proper time and place, the premium or rent to the lessor or his agent in this behalf."*

22.5. The principle is that even where the lessee is prevented from using the premises, the obligation to pay rent does not cease merely on that account. The lessee must establish the condition contemplated under clause (e) and exercise the option to avoid the lease. Mere inability to carry on business during a period of lockdown does not establish that the premises themselves were wholly destroyed or had become substantially and permanently unfit for the purpose for which they were let.

22.6. At paragraph 27, ***Ramanand***, referring to an earlier decision concerning a tenant who had been dispossessed of the premises, observes that suspension of rent may be claimed where dispossession has actually occurred, but that:

> *"mere non-use may not always entitle the tenant for suspension of rent."*

22.7. This distinction is material. Non-use of the premises and loss of possession are not the same. The petitioners, except the petitioner in W.P. No.7641/2023, continued to hold the licensed premises. Their grievance is that the

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lockdown, curfew and absence of customers prevented or substantially reduced their business activities. They do not claim that KSRTC took possession of the premises or otherwise dispossessed them during the relevant period. The principle stated in paragraph 27 of ***Ramanand*** is, therefore, relevant to their claim for suspension of the licence fee.

22.8. At paragraph 32, ***Ramanand*** applies the above principles to the claim for suspension of rent during the COVID-19 lockdown and holds:

> *"the Tenants' application for suspension of rent is thus liable to be rejected inasmuch as while invoking the doctrine of suspension of rent on the basis of a force majeure event, it is clear from the submissions made that the Tenants do not intend to surrender the tenanted premises. While holding that suspension of rent is not permissible in these facts, some postponement or relaxation in the schedule of payment can be granted owing to the lockdown."*

22.9. The decision thus distinguishes between a claim for suspension of rent and a request for relaxation or postponement of payment. It recognises that temporary restrictions on the use of premises may justify some

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accommodation in the payment schedule, but do not, by themselves, extinguish the contractual liability to pay rent.

22.10. This Court respectfully agrees with the principles laid down in ***Ramanand***. A temporary inability to carry on business because of a lockdown, curfew or absence of customers is not equivalent to the property being wholly destroyed or rendered substantially and permanently unfit for the purpose for which it was let. The petitioners have not shown that the licensed premises themselves suffered such destruction or permanent unfitness. Nor have they shown that they were dispossessed during the period in question. They continued to hold the premises, although their ability to carry on business was affected by the restrictions.

22.11. To the extent that the relationship between the parties is in substance that of lessor and lessee, Sections 108(B)(e) and 108(B)(I) are relevant. In any event, the contractual obligation to pay the licence fee continues in accordance with the terms of the respective agreements, unless the

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agreement itself or a valid concession provides otherwise. The petitioners who continued in possession cannot claim suspension or waiver of the licence fee merely because they were temporarily unable to carry on business or earn the expected income from the premises.

22.12. This conclusion is, however, subject to the concession granted by KSRTC for the period from April to June 2021, as considered under Point No.(ii), and to the question whether KSRTC could subsequently withdraw that concession, which is considered under Point No.(v).

22.13. The above finding must be confined to the claim for suspension or waiver of licence fee on the ground of temporary non-use or inability to carry on business. It does not determine whether KSRTC could withdraw a concession already communicated and acted upon by its licensees, or whether such withdrawal was permissible without notice and an opportunity of hearing. The latter issue concerns the legal effect of KSRTC's own representation and the principles of promissory estoppel, legitimate

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expectation and natural justice. It is distinct from the petitioners' claim for suspension of licence fee under Section 108 of the Transfer of Property Act, 1882, and is considered separately under Point No.(v).

22.14. The position of the petitioner in W.P. No.7641/2023 requires separate consideration. Unlike the other petitioners, he sought to surrender the premises on account of the difficulties faced in carrying on the business, and KSRTC accepted the surrender. He thereafter handed over possession. His case, therefore, stands on a different footing for the period following the accepted surrender. The principle that a licensee who continues in possession remains liable to pay the licence fee does not apply to the period after possession was surrendered and accepted by KSRTC.

22.15. The petitioner's claim for refund of the security deposit, and the adjustments, if any, that KSRTC is entitled to make up to the date of surrender, are matters to be considered under Point No.(vi). The acceptance of surrender does not, by itself, establish that the agreement

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stood frustrated or that all liabilities arising before the date of surrender stood extinguished.

22.16. This Court answers Point No.(iv) by holding that the petitioners who continued in possession of the licensed premises cannot claim suspension or waiver of the licence fee merely on the ground that the lockdown, curfew and other restrictions temporarily prevented or restricted the conduct of their businesses. To the extent that their arrangements are governed by Sections 108(B)(e) and 108(B)(I) of the Transfer of Property Act, 1882, the conditions for avoiding the lease under clause (e) have not been established. Their contractual liability to pay the licence fee, therefore, continues, subject to the concession granted by KSRTC for the period from April to June 2021, as considered under Point No.(ii), and the findings under Point No.(v) concerning its subsequent withdrawal.

22.17. This finding does not apply to the period after the petitioner in W.P. No.7641/2023 surrendered possession and KSRTC accepted it.

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His claim for refund of the security deposit and the adjustment of dues up to the date of surrender are considered separately under Point No.(vi).

23. **<u>Answer to Point No.(v):</u> Whether the resolutions dated 21.03.2022 and 13.11.2024 withdrawing the concession and directing recovery of the balance licence fee, and the consequential demand notices, are sustainable in law, having regard to the authority of KSRTC to withdraw the concession, the principles of natural justice, and the doctrines of promissory estoppel and legitimate expectation?**

23.1. Sri S. Saravana, learned counsel for the petitioners, submits that the withdrawal of the concession granted during the second wave of COVID-19 is arbitrary and violative of Article 14 of the Constitution. He points out that KSRTC had granted substantial concessions during the first wave in 2020 and submits that similar relief was warranted during the second wave. He further submits that the petitioners had a legitimate expectation that the concession communicated by KSRTC would be honoured. In this regard, he relies upon ***GNCT of Delhi v. Naresh Kumar*** [2010 SCC OnLine Del 3942],

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particularly paragraph 22, which summarises the principles governing legitimate expectation. He contends that a public authority must give due consideration to an expectation arising from an express promise or an established practice and cannot defeat it arbitrarily. Where the authority proposes to withdraw a benefit already extended, it must give the affected persons an opportunity to make a representation and must have rational grounds for its decision.

23.2. He further submits that KSRTC is bound by the principle of estoppel, since the concession was communicated by its own officers and was acted upon by the licensees and sub-lessees. Having paid the reduced amounts on the basis of that representation, the petitioners cannot now be called upon to pay the balance for the same period.

23.3. Sri S. Saravana also points out that, after the Board's resolution dated 21.03.2022 and the consequential demand notices, the sub-lessees submitted a representation dated 18.05.2022 to the Managing Director of KSRTC requesting

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reconsideration of the withdrawal. The representation was not considered. He further submits that petitioners No.9 and 10 in W.P. No.20426/2022 had vacated the premises and that their security deposits could not be adjusted towards the disputed amounts.

23.4. Sri Y.K. Narayan Sharma, learned counsel for the petitioner in W.P. No.7641/2023, submits that once the concession had been granted and its benefit acted upon, KSRTC could not withdraw it unilaterally without giving the affected licensees an opportunity of hearing. He relies upon ***Dattatraya v. Rangnath Gopalrao Kawathekar*** [AIR 1971 SC 2548], particularly paragraph 10, to submit that an admission made and acted upon cannot be withdrawn without sufficient explanation.

23.5. He also relies upon ***Pratima Chowdhury v. Kalpana Mukherjee*** [AIR 2014 SC 1304], particularly paragraphs 34 to 40, for the principles governing estoppel under Section 115 of the Evidence Act, 1872. He submits that the essential requirements are a representation by one party, its acceptance and reliance by the

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other, an alteration of position on account of that reliance, and the inequity of requiring the latter to return to its earlier position. Applying these principles, he submits that KSRTC made a representation through its communication dated 01.09.2021; the licensees acted upon it by paying the reduced licence fee; and it would be unfair to demand the balance amounts after the relevant period had passed.

23.6. Sri P.D. Surana, learned counsel for KSRTC, submits that the communication dated 01.09.2021 was only a recommendation of the CCG and had not been approved by the Board of Directors. The Board, in its resolution dated 21.03.2022, rejected the recommendation and directed recovery of the full licence fee. According to him, the licensees were consequently liable to pay the entire amount.

23.7. In support of the contention that no estoppel can arise against an unauthorised representation by a public authority, he relies upon the following decisions:

23.8. ***P.H. Avari v. State of West Bengal*** [AIR 1958 Calcutta 203], particularly paragraph 11,

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for the proposition that there can be no estoppel against the Government on a question of law or on the interpretation of a statute, and that an officer's erroneous interpretation cannot bind the Government.

23.9. ***Rachapudi Subrahmanyam v. Collector*** [AIR 1974 Andhra Pradesh 55], particularly paragraph 54, for the proposition that equitable estoppel against the Government requires a clear, firm and unequivocal representation made by an authority competent to make it. A provisional representation, or one made by an authority lacking the necessary power, cannot create an estoppel.

23.10. ***P.C. Sethi v. Union of India*** [AIR 1975 SC 2164], particularly paragraph 22, for the proposition that vague statements or expressions of opinion do not create an enforceable estoppel against the Government.

23.11. ***Central Coalfields Ltd. v. SLL-SML (Joint Venture Consortium)*** [(2016) 8 SCC 622], paragraphs 52 and 53, for the proposition that parties to a contract must comply with the prescribed terms and procedure and cannot rely

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upon an informal understanding or an unauthorised relaxation to avoid those terms.

23.12. The principal question is whether KSRTC could, by its resolutions dated 21.03.2022 and 13.11.2024, retrospectively withdraw the concession granted for April, May and June 2021 and recover the balance licence fee from the petitioners.

23.13. Under Point No.(ii), this Court has held that KSRTC communicated a concession through the communication dated 01.09.2021, extending a 70% reduction in licence fee for April and June 2021 and a 100% exemption for May 2021. The concession was acted upon by the field officers, and reduced payments were accepted from the licensees, including KSMZ. The corresponding benefit extended to the sub-lessees under the back-to-back arrangements. This Court has also found that KSRTC did not establish that the CCG or the Chief Traffic Manager lacked authority to issue and communicate the decision. The present Point must be decided on the basis of those findings.

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Legitimate expectation.

23.14. In ***GNCT of Delhi v. Naresh Kumar*** [2010 SCC OnLine Del 3942], paragraph 22, the Hon'ble Delhi High Court summarised the principles governing legitimate expectation. The relevant propositions are that such an expectation may arise from an express promise made by a public authority or from an established practice; that it may arise where a person has been permitted to enjoy a benefit and can reasonably expect its continuance unless rational grounds for withdrawal are communicated; that the authority proposing to defeat the expectation should afford the affected person an opportunity to make a representation; and that the Court may examine whether the decision defeating the expectation is irrational or arbitrary.

23.15. Applying those principles, the communication dated 01.09.2021 was not a vague assurance or an expression of future intent. It communicated a specific concession in licence fee for the relevant period. The concession was acted upon, and the licensees were permitted

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to pay the reduced amounts. The petitioners could, therefore, legitimately expect that the concession would be honoured for the period to which it related.

23.16. The Board was not necessarily precluded from changing KSRTC's policy for the future. The issue here, however, is different. The resolution dated 21.03.2022 sought to withdraw a concession already communicated and acted upon for a period that had ended several months earlier, and thereby sought to revive liability for amounts which the licensees had been permitted to pay at a reduced rate or not to pay at all. Such retrospective withdrawal required fair consideration of the affected licensees' interests and an opportunity for them to make their representations.

23.17. There is no material before this Court to show that the affected licensees were given such an opportunity before the resolution dated 21.03.2022 was passed. The sub-lessees thereafter submitted a representation dated 18.05.2022 to the Managing Director seeking reconsideration of the decision. That

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representation was not considered. A representation made after the decision had been taken, and left unanswered, does not cure the failure to provide an opportunity before the adverse decision was made.

23.18. The subsequent resolution dated 13.11.2024, insofar as it continues or gives effect to the withdrawal and recovery of the concession, does not cure the earlier defect. No material has been placed before this Court to show that the petitioners' representation was considered or that they were afforded an opportunity of hearing before the decision was reaffirmed or acted upon.

Estoppel.

23.19. Before considering the submissions on estoppel, it is necessary to examine the decision in ***Dattatraya v. Rangnath Gopalrao Kawathekar*** [AIR 1971 SC 2548], relied upon by Sri Y.K. Narayan Sharma. Paragraph 10 of that decision makes a distinction between an admission and estoppel. The Hon'ble Supreme Court observed that:

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"admission is one thing, estoppel is another"

and further stated that:

"admission is a piece of evidence but estoppel creates title."

23.20. ***Dattatraya*** does not lay down that every admission, by itself, creates an estoppel. It recognises that a clear admission is relevant evidence and that a party cannot ordinarily resile from it without a satisfactory explanation, such as mistake or misrepresentation. Applied by analogy, the principle supports the petitioners' contention that KSRTC cannot simply deny the concession communicated through its own administrative machinery after permitting the licensees to act upon it. The question whether a legal estoppel arises must, however, be examined separately.

23.21. Sri Y.K. Narayan Sharma also relies upon ***Pratima Chowdhury v. Kalpana Mukherjee*** [AIR 2014 SC 1304], particularly paragraphs 34 to 40, which deal with the doctrine of estoppel under Section 115 of the Evidence Act, 1872. The relevant provision reads:

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> ***115. Estoppel.—*** *When one person has, by his declaration, act or omission, intentionally caused or permitted another person to believe a thing to be true and to act upon such belief, neither he nor his representative shall be allowed, in any suit or proceeding between himself and such person or his representative, to deny the truth of that thing.*

23.22. In ***Pratima Chowdhury***, the Hon'ble Supreme Court explained that the principle requires a representation by one party, acceptance and reliance by the other, an alteration of position consequent upon such reliance, and circumstances in which it would be inequitable to require the latter to return to the original position.

23.23. These requirements are satisfied on the facts in the present case.

23.23.1. First, KSRTC communicated the concession through the communication dated 01.09.2021.

23.23.2. Secondly, the licensees acted upon that representation and paid the reduced licence fee for the relevant period. The subsequent demand notices themselves seek recovery of the alleged balance amounts, thereby acknowledging that

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the reduced payments had been accepted.

23.23.3. Thirdly, KSMZ and the sub-lessees arranged their respective financial obligations on the basis of the concession, which was passed on through their back-to-back arrangements.

23.23.4. Finally, after permitting the licensees to act on the concession and accepting the reduced payments for a period that had already ended, it would be inequitable to require them to pay the balance amounts retrospectively.

23.24. The representation was specific and related to an identified period and a quantified reduction. It was not merely an expectation that KSRTC might grant relief at some future date. The petitioners' reliance is also supported by the fact that the reduced payments were accepted by KSRTC's officers and the demand for the balance was raised only subsequently. The elements of representation, reliance and

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alteration of position are, therefore, established on the material considered under Point No.(ii).

23.25. Authorities relied upon by KSRTC. The decisions cited by Sri P.D. Surana do not require a different conclusion.

23.26. In **P.H. Avari**, the principle that there can be no estoppel against the Government on a question of law or the construction of a statute was applied to a representation concerning the interpretation of a statutory provision. The present case does not concern an officer's interpretation of a statute. It concerns a concession in licence fee communicated by KSRTC in the course of its commercial and administrative dealings with its licensees. No statutory provision has been identified which prohibited KSRTC from granting such a concession.

23.27. In ***Rachapudi Subrahmanyam***, the Court emphasised that the representation must be clear and must emanate from an authority competent to make it. The principle is not in dispute. However, as already considered under Point No.(ii), KSRTC has not produced the

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relevant rules or delegation of powers to establish that the CCG or the Chief Traffic Manager lacked authority to communicate the concession. The communication was clear as to the relief granted and was acted upon by the Corporation's field officers. The respondents cannot establish want of authority merely by asserting that the Board subsequently rejected the recommendation. KSRTC has also not placed on record action taken against CCG or the Chief Traffic Manager for having issued a communication as regards which they lacked authority.

23.28. In ***P.C. Sethi***, the Hon'ble Supreme Court held that vague statements or expressions of opinion, confined to a particular context, do not create an estoppel against the Government. The communication in the present case stands on a different footing. It specified the concession, the period for which it was available and the categories of licensees covered. It was also implemented by KSRTC's officers. It cannot be treated as a vague or tentative assurance.

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23.29. The principle in ***Central Coalfields Ltd.,*** paragraphs 52 and 53, requires parties to comply with the procedure and conditions prescribed by their contractual documents. That principle was considered under Point No.(iii) in relation to the procedure for invoking Article 8 of the Concession Agreement. It does not, however, answer the distinct question arising here: whether KSRTC could retrospectively withdraw a concession separately communicated by it and acted upon by the licensees. The decision does not permit a party to disregard the legal consequences of its own representation and conduct. The principle in ***Central Coalfields*** is, therefore, not inconsistent with the conclusion reached in the present case.

Article 14 of the Constitution.

23.30. Sri S. Saravana submits that the withdrawal of the concession is also contrary to Article 14 of the Constitution, which provides that:

> *"the State shall not deny to any person equality before the law or the equal protection of the laws within the territory of India."*

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23.31. The submission is that KSRTC having granted concessions during the first wave of COVID-19 in 2020 was required to extend similar concessions during the second wave in 2021. This Court is unable to accept that contention as an independent ground. The concessions granted during the two waves were separate administrative decisions taken at different times. The petitioners have not established that the two situations were materially identical or identified a class of similarly situated persons who were treated differently in comparable circumstances. The grant of a concession during the first wave did not, by itself, create a constitutional right to an identical concession during the second wave.

23.32. The infirmity in the present case lies elsewhere. KSRTC had communicated and implemented a concession for the second wave and subsequently sought to withdraw it retrospectively, without first giving the affected licensees an opportunity to make a representation. That action is more appropriately examined under the principles of legitimate expectation and estoppel discussed

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above. The submission under Article 14 is, therefore, not accepted as a separate ground for relief.

23.33. Effect of the resolutions and demand notices. The findings under Point No.(ii) establish that the concession for April, May and June 2021 was communicated by KSRTC and acted upon by its officers. The findings under the present Point establish that the affected licensees relied upon that concession and paid the reduced amounts. The Board's resolution dated 21.03.2022 sought to withdraw the concession retrospectively and recover the balance licence fee without first giving the affected licensees an opportunity to make a representation. The subsequent resolution dated 13.11.2024, insofar as it continues or gives effect to that decision, is subject to the same infirmity.

23.34. In the circumstances, the resolutions dated 21.03.2022 and 13.11.2024 cannot be sustained insofar as they seek to recover from the petitioners the licence fee component of the concession granted for April, May and June 2021. The consequential demand notices are

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also unsustainable to that extent and are liable to be quashed.

23.35. This finding is confined to the licence fee component of the concession. As held under Point No.(ii), the concession did not extend to GST. The GST component, therefore, remains payable and recoverable in accordance with law. KSRTC is also not precluded from recovering licence fee or other dues for periods outside April to June 2021, including the period from July 2021 onwards.

23.36. This Court answers Point No.(v) by holding that the resolutions dated 21.03.2022 and 13.11.2024, and the consequential demand notices, are unsustainable insofar as they seek to recover from the petitioners the licence fee component of the concession granted for April, May and June 2021. They are accordingly quashed to that limited extent.

23.37. The demands relating to GST and dues for periods other than April to June 2021 are not disturbed and may be recovered in accordance with law.

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24. **Answer to Point No.(vi): Whether the petitioners in the respective writ petitions are entitled to refund of their security deposits, protection against adjustment of the disputed dues, and interest thereon?**

24.1. Sri Y.K. Narayan Sharma, learned counsel for the petitioner in W.P. No.7641/2023, submits that the petitioner had paid a security deposit of ₹22,38,596 and advance rental under the agreement dated 24.12.2020. He had also invested more than ₹20,00,000 in furniture and fittings. Owing to the difficulties caused by the pandemic, he sought permission to surrender the premises, which KSRTC accepted. He submits that the petitioner had paid all rentals, licence fee, electricity charges and other dues payable as on the date of surrender. Despite this, KSRTC has withheld the security deposit and has demanded a further sum of ₹10,19,317, threatening to forfeit the deposit. He accordingly seeks refund of the security deposit with interest at 2% per month from 01.07.2022, the date following the handing over of possession.

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24.2. Sri S. Saravana, learned counsel for the petitioners in W.P. No.20426/2022, submits that petitioners No.9 and 10 have vacated the premises and are entitled to refund of their security deposits. He contends that KSRTC cannot adjust those deposits towards the disputed licence fee amounts sought to be recovered by withdrawing the concession.

24.3. Sri Dilip Kumar, learned counsel for the petitioner in W.P. No.27997/2023, adopts the submissions made on behalf of the other petitioners. He submits that the petitioner's security deposit of ₹6,68,668 should be protected against adjustment towards the alleged arrears of licence fee for April to June 2021 arising from the impugned withdrawal of the concession.

24.4. Sri P.D. Surana, learned counsel for KSRTC, submits that the concession is not enforceable and that the petitioners remain liable to pay the full licence fee. On that basis, he opposes the claims for refund of the security deposits and protection against adjustment.

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24.5. The petitioner in W.P. No.7641/2023 paid a security deposit of ₹22,38,596 and thereafter surrendered the premises, which surrender was accepted by KSRTC. It follows from the finding under Point No.(v) that the demand for ₹10,19,317 cannot be enforced to the extent that it represents recovery of the licence fee component of the concession granted for April, May and June 2021. That disputed amount cannot, therefore, be treated as a lawful due or used as a ground to withhold or forfeit the security deposit.

24.6. It is also not disputed by Sri P.D. Surana that the petitioner had paid the other amounts due towards rentals, licence fee, electricity and other charges as on the date of surrender. KSRTC is accordingly liable to refund the security deposit, after adjusting only such other amounts, if any, as are established to be lawfully due from the petitioner and are consistent with the findings in this order. The quashed licence fee demand for April to June 2021 shall not be included in such adjustment.

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24.7. Petitioners No.9 and 10 in W.P. No.20426/2022 have also vacated the premises. Their security deposits are, therefore, liable to be refunded, subject to adjustment of any other dues lawfully recoverable from them. KSRTC cannot adjust the amounts claimed towards the withdrawn concession for April to June 2021, since the demand for that component has been quashed under Point No.(v). The refund shall accordingly be made after deducting only such other dues, if any, as are lawfully recoverable.

24.8. The position of the petitioner in W.P. No.27997/2023 is different. He does not seek refund of the security deposit of ₹6,68,668, but protection against its adjustment towards the alleged arrears of licence fee for April to June 2021. In view of the finding under Point No.(v), KSRTC is not entitled to adjust the security deposit towards the licence fee component of the concession which has been quashed. The protection sought is, therefore, granted to that extent. It does not prevent KSRTC from adjusting the deposit towards any other dues that are lawfully payable by the petitioner.

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24.9. **Interest on the amounts refundable.** The petitioner in W.P. No.7641/2023 has claimed interest at 2% per month in the prayer. Having regard to the period for which the deposit has been withheld after surrender of the premises, interest at 6% per annum on the amount found refundable is considered reasonable. The petitioner is accordingly entitled to simple interest at that rate from 01.07.2022 until the date of actual payment.

24.10. As regards petitioners No.9 and 10 in W.P. No.20426/2022, no specific rate of interest has been claimed either in their submissions or in the prayer. Considering that they have vacated the premises and that their deposits have been withheld, this Court considers simple interest at 6% per annum on the amounts found refundable to be reasonable compensation for the delay. Such interest shall run from the date on which the respective deposits became refundable under the applicable arrangements until the date of actual payment.

24.11. In both cases, interest shall be calculated on the net amount refundable after adjustment of

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only such dues as are found to be lawfully recoverable in accordance with this order.

24.12. This Court answers Point No.(vi) by holding that the petitioner in W.P. No.7641/2023 is entitled to refund of his security deposit of ₹22,38,596, after adjustment of only such other dues, if any, as are lawfully recoverable in accordance with this order. He is also entitled to simple interest at 6% per annum on the net amount refundable, from 01.07.2022 until payment.

24.13. Petitioners No.9 and 10 in W.P. No.20426/2022 are entitled to refund of their respective security deposits, after adjustment of only such other dues, if any, as are lawfully recoverable, together with simple interest at 6% per annum on the net amounts refundable, from the respective dates on which their deposits became refundable until payment.

24.14. The petitioner in W.P. No.27997/2023 is entitled to protection of his security deposit of ₹6,68,668 against adjustment towards the licence fee component of the concession for April to June 2021, which has been quashed

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under Point No.(v). This protection does not extend to any other lawfully due arrears.

25. **Answer to Point No.(vii): What order?**

25.1. In view of this court answers to all the points above, this court passes the following:

ORDER

i. W.P.No.35467/2025 is partly allowed. The demand notice dated 18.08.2025 bearing No.KST/SMG/TR/COM/1249/2025-26, the consequential demand notice dated 01.09.2025 bearing No.KST/SMG/TR/COM/1368/2025-26, and the demand notice dated 16.10.2025 bearing No.KST/SMG/TR/COM/1812/2025-26, produced as Annexures-E, E1 and E2 respectively, are quashed in so far as they seek to recover the licence fee component of ₹37,17,642 representing the withdrawn concession for the months of April, May and June 2021. The said notices are not disturbed in so far as they relate to the GST component of ₹6,69,176 or to any dues for any period other than April to June 2021, which the first respondent is at liberty to recover in accordance with law.

ii. W.P.No.10460/2022 and W.P.No.13395/2022, for the same reasons, are partly allowed. The letter dated 06.04.2022 bearing No.KARASA.KEKA.SAM.VAA-1.22.2022-23, produced as Annexure-D and the consequential notices issued under Annexures-C and C1 to C6 in W.P.No.10460/2022 and under Annexures-C

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and C1 to C13 in W.P.No.13395/2022, are quashed in so far as they seek to recover the licence fee component of the concession withdrawn for the months of April, May and June 2021. The said letter and notices are not disturbed in so far as they relate to GST or to dues for any other period.

iii. W.P.No.20426/2022 is, likewise, partly allowed. Annexure-F dated 06.04.2022 is quashed in so far as it seeks to recover the licence fee component of the withdrawn concession for April, May and June 2021 from the petitioners; respondents No.1 to 3 are directed to be bound by the policy decision at Annexure-D dated 01.08.2021. Respondents No.1 to 3 are further directed to refund to petitioners No.9 and 10 the security deposit held in respect of the premises vacated by them, after adjustment of only such dues as are lawfully due consistently with this order, together with simple interest at 6% per annum from the date such refund fell due until payment.

iv. W.P.No.7641/2023 is partly allowed. The demand made by the third respondent by letter dated 03.05.2022, produced as Annexure-F, and the resolutions dated 21.03.2022 and 13.11.2024, produced as Annexures-L and M, are quashed in so far as they seek to recover the licence fee component of the withdrawn concession for April, May and June 2021 from the petitioner. Respondents No.1 to 3 are directed to refund the petitioner's security deposit of ₹22,38,596, after adjustment of only such dues, if any, as are lawfully due consistently with this order, together with

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simple interest at 6% per annum from 01.07.2022 until the date of payment.

v. W.P.No.27997/2023 is partly allowed. Respondents No.1 to 3 are directed not to adjust, against the petitioner's security deposit of ₹6,68,668, the licence fee component of the arrears for April, May and June 2021 that has been quashed under this order by giving effect to Annexure-G dated 06.04.2022; respondents No.1 to 3 remain at liberty to adjust against the said deposit any other lawfully due arrears.

vi. Save as modified above, the demands of the respondents-KSRTC for licence fee and GST for periods other than April, May and June 2021, and in respect of any petitioner or sub-lessee not specifically dealt with above, are not interfered with, and the respondents-KSRTC are at liberty to recover the same in accordance with law.

vii. All pending applications, if any, in these writ petitions stand disposed of accordingly.

This Court has been assisted by Mr. Sourav, Law Clerk, in reviewing this Judgement.

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(SURAJ GOVINDARAJ)
JUDGE

KTY, List No.: 1 Sl No.: 63