$~254-256.

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

% *Date of Decision: 10.08.2026*

\# **CNR No. DLHC010363492026**

\+ **LPA 619/2026 & CM APPL. 52229/2026**

KAWATRA HOSPITALITY PVT LTD ....Appellant

Through: Mr. N. Hariharan, Sr. Adv. with Mr. Amaan Shreyas, Ms. M.S. Bammi, Ms. Ananya Sharma, Mr. Saurav Yadav, Mr. Naman, Ms. Nida Akhtar, Ms. Rekha, Mr. Amartya, Mr. Aman Akhtar, Ms. Vasundhara Raj Tyagi, Mr. Manish Kumar, Mr. Arjan Singh, Ms. Apoorv Kmar, Mr. Nigam and Ms. Rozi, Advs.

Versus

THE DIRECTOR (R.P. CELL), DELHI URBAN SHELTER IMPROVEMENT BOARD & ANR. .....Respondents

Through: Mr. Rishi Kant Singh, Adv. for DUSIB.

255.

\# **CNR No. DLHC010363962026**

\+ **LPA 620/2026 & CM APPL. 52346/2026**

KAWATRA TENT AND CATERERS PVT LTD THROUGH ITS DIRECTOR/ AR .....Appellant

Through: Mr. N. Hariharan, Sr. Adv. with Mr. Amaan Shreyas, Ms. M.S. Bammi, Ms. Ananya Sharma, Mr. Saurav Yadav, Mr. Naman, Ms. Nida Akhtar, Ms. Rekha, Mr. Amartya, Mr. Aman Akhtar, Ms. Vasundhara Raj Tyagi, Mr. Manish Kumar, Mr. Arjan Singh, Ms. Apoorv Kmar, Mr. Nigam and Ms. Rozi, Advs.

Versus

THE DIRECTOR (R.P. CELL), DELHI URBAN SHELTER IMPROVEMENT BOARD & ANR. .....Respondents

Through: Mr. Rishi Kant Singh, Adv. for DUSIB.

256.

\# **CNR No. DLHC010364012026**

\+ **LPA 621/2026 & CM APPL. 52348/2026**

M/S ESWARA KAMADHENU RESTAURANT PVT LTD .....Appellant

Through: Mr. N. Hariharan, Sr. Adv. and Mr. Rajshekhar Rao, Sr. Adv. with Ms. Banni, Ms. N. Ananya Sharma and Mr. Naman, Advs.

Versus

THE DIRECTOR (R.P. CELL), DELHI URBAN SHELTER IMPROVEMENT BOARD & ANR. .....Respondents

Through: Mr. Rishi Kant Singh, Adv. for DUSIB.

CORAM:
HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE TEJAS KARIA

TEJAS KARIA, J. (*Oral*)

CM No. 52230/2026 in LPA 619/2026, CM No. 52347/2026 in LPA 620/2026 & CM No. 52349/2026 in LPA 621/2026 (all for exemptions)

1. Exemptions are allowed, subject to all just exceptions.

2. The Applications stand disposed of.

LPA 619/2026, LPA 620/2026 & LPA 621/2026

3. The present batch of *intra-court* Appeals has been preferred assailing the Judgments dated 03.08.2026 ("**Impugned Judgments**") passed in W.P.(C) No.8504/2026, W.P.(C) No. 8506/2026 and W.P.(C) No.8508/2026 ("**Writ Petitions**"), whereby the Writ Petitions were dismissed while

granting each of the Appellants a period of one week from 03.08.2026 to hand over vacant and peaceful possession of the land forming the subject matter of the respective Writ Petitions to the Respondents, Delhi Urban Shelter Improvement Board ("**DUSIB**").

4. Since the present Appeals raise common issues arising from the Impugned Judgments, which were rendered on substantially similar facts, the Appeals were heard together and are being disposed of by this common Judgment.

5. The factual background leading to the filing of the present Appeals is summarised hereinbelow:

5.1 The Appellants entered into their respective Agreements dated 20.07.2023 ("**Agreements**") with DUSIB for allotment of various land parcels/sites under the management of DUSIB, for a period of two years, pursuant to the notice inviting tender dated 05.10.2023 ("**Tender**").

5.2 The Agreements prescribed the initial tenure and set out the terms governing extension of the Agreements in the event DUSIB was unable to finalise the auction process by the date of completion of the Agreements, as extracted hereinbelow:

> *"4. **PERIOD OF CONTRACT/AGREEMENT:-***
>
> *The bid is invited for a period of 02 (Two) years i.e. from the date of taking over the possession. After expiry of the agreement period, the Second party shall hand over the particular chunk to the official of the First party in vacant, clean, clear and original condition in peaceful manner.*

5. The contract will be for a period of two years with effect from the date of handing over the site to the licensee with the condition that the Contract amount for second year shall be automatically increased at the rate of 10% of the bid amount after the completion of first year. After expiry of the agreement period, the second party shall hand over the chunk land to the DUSIB in vacant, clean, clear and original condition in peace full manner.

6. If, the department could not finalize the auction process up to the date of completion of the agreement, the agreement period can be further extended by DUSIB on quarterly basis up to a period of 06 months on the same terms and conditions. During this period the auction process for awarding new agreement shall be completed by DUSIB. The old agreement will come to an end from the date of executing the new agreement of chunk."

5.3 The original tenure of the Agreements expired on 26/27.12.2025. However, the Appellants continued in occupation of the respective premises pursuant to the first extension of three months granted by DUSIB in terms of Clause 6 of the Agreements, as the fresh tender process contemplated thereunder had not been completed by the time the tenure of the Agreements expired.

5.4 The first extension expired on 25/26.03.2026. Thereafter, in terms of Clause 6 of the Agreements, DUSIB granted the Appellants a second extension for a further period of three months on the same terms and conditions as the first extension.

5.5 Prior to the expiry of the second extension, DUSIB issued a communication dated 10.06.2026 directing the Appellants to vacate the respective lands and hand over peaceful possession thereof. Upon receipt of the said communication, the Appellants approached the Respondents seeking continuation of the allotment until the fresh tender process was initiated and completed.

5.6 Thereafter, the Respondents issued another communication dated 25.06.2026 directing the Appellants to vacate the respective lands and cautioning them of financial consequences in the event of non-compliance.

5.7 Aggrieved by the communication dated 25.06.2026, the Appellants filed the respective Writ Petitions seeking directions to the Respondents to issue fresh notices inviting tender in respect of the lands in question and to complete the fresh tender process within a reasonable timeframe. The Appellants further sought a restraint against the Respondents from taking back possession of the respective lands until completion of the fresh tender process.

5.8 By the Impugned Judgments, the learned Single Judge dismissed the Writ Petitions, holding that the Appellants, being licensees under the Agreements, did not possess any contractual, statutory or vested right to continue in occupation of the respective lands beyond the maximum contractual period stipulated therein. The learned Single Judge observed that, upon expiry of the contractual tenure, the Appellants were obliged to hand over vacant and peaceful possession of the respective lands to DUSIB. It was further observed that, admittedly, apart from the original contractual period of two years, the Appellants had also availed the entire extended period of six months contemplated under Clause 6 of the Agreements and, therefore, no direction could be issued permitting the Appellants to continue in possession of the lands in question till completion of the fresh tender process by DUSIB. However, considering that the *pandals* and other structures erected on the respective lands would require some time to be dismantled and removed, the learned Single Judge granted the Appellants a period of one week from 03.08.2026 to vacate the respective lands, subject to payment of licence fee, occupation charges and all other applicable charges in accordance with the applicable contractual terms.

5.9 At the same time, the learned Single Judge, in the Impugned Judgments, recorded the undertaking given on behalf of DUSIB that the process for issuance of a fresh tender would be completed within a period of six weeks and directed DUSIB to file a status report indicating the steps taken in that regard within the said period.

5.10 Aggrieved by the Impugned Judgments, the Appellants have preferred the present Appeals.

6. Mr. N. Hariharan, learned Senior Counsel for the Appellants submitted that, in terms of Clause 6 of the Agreements, the Appellants are entitled to remain in possession of the respective lands until the same are auctioned in favour of another party and fresh agreements are executed with the successful bidders. It was further submitted that, upon a holistic reading of Clause 6, the Agreements entered into with the Appellants would continue to subsist until completion of the fresh auction process and execution of the new agreements.

7. Learned Senior Counsel for the Appellants further submitted that the learned Single Judge failed to appreciate that the Appellants had made substantial investments in the respective lands to render them suitable for the purposes for which they were licensed. It was contended that compelling the Appellants to vacate the respective lands prior to completion of the fresh tender process would cause them significant financial loss and would also result in loss to the public exchequer.

8. Learned Senior Counsel for the Appellants submitted that the Appellants are willing to continue paying the licence fee and all other applicable charges, and even a higher amount if so directed, until conclusion of the fresh tender process and execution of agreements with the selected bidders. It was further submitted that, while DUSIB has been granted six weeks to complete the fresh tender process, the Appellants were granted only one week to vacate the respective lands.

9. Learned Senior Counsel contended that the learned Single Judge ought to have granted same time of six weeks to the Appellants to vacate the lands, particularly in view of Clause 6 of the Agreements, which stipulates that the Agreements would come to an end only upon execution of the new agreements after completion of the fresh tender process.

10. Learned Senior Counsel for the Appellants submitted that the learned Single Judge failed to appreciate the latter part of Clause 6 of the Agreements, which provides that during the e-auction process for awarding fresh agreements by DUSIB, the existing Agreements would continue. It was further submitted that Clause 6 casts a mandatory obligation upon DUSIB, by use of the expression "shall", to complete the fresh tender process for awarding new agreements within the extended period of six months granted to the Appellants.

11. Learned Senior Counsel for the Appellant submitted that, since DUSIB failed to comply with the said obligation within six months from expiry of the original term of the Agreements, the Appellants were entitled to continuation of the Agreements until execution of fresh agreements in respect of the lands in question, notwithstanding that the Appellants had already availed the six-month extension after expiry of the original term. It was accordingly submitted on behalf of the Appellants that exhaustion of the six-month extension did not disentitle the Appellants to continue with the possession of the respective lands to DUSIB, as Clause 6 stipulates that the Agreements would not come to an end until execution of the new agreements.

12. Learned Senior Counsel for the Appellants submitted that the learned Single Judge ought to have extended the term of the Agreements by directing the Respondents not to insist upon vacation of the respective lands until execution of the new agreements in respect thereof, in view of Clause 6 of the Agreements.

13. Mr. Rishi Kant Singh, learned Counsel appearing for the Respondents submitted that in view of the clear contractual terms, no interference with the Impugned Judgement is required. He further reiterated the commitment of DUSIB to complete the process of fresh tender within six weeks from the date of the Impugned Judgements.

14. We have heard learned Senior Counsel appearing for the Appellants and learned Counsel appearing for the Respondents as well as perused the material placed on record.

15. The principal issue arising for consideration in the present Appeals is whether the Appellants were entitled to extension of the term of the Agreements beyond six months from expiry of the original tenure, until completion of the fresh tender process and execution of the new agreements by DUSIB.

16. The learned Single Judge has observed that the Agreements were for a fixed period of two years and that, upon expiry of the tenure thereof, the Appellants were obliged to hand over peaceful and vacant possession of the respective lands to DUSIB. The Impugned Judgments further record that, if DUSIB had not completed the fresh tender process by expiry of the original term of the Agreements, the Appellants could be granted a further extension

of six months on the same terms and conditions. Accordingly, the learned Single Judge held that, once the Appellants had availed the entire extension of six months, no further extension could be granted, even if the fresh tender process for awarding new agreements had not been completed upon expiry of the extended period.

17. The Impugned Judgments also observe that the use of the expression "shall" in Clause 6 of the Agreements, in relation to completion of the e-auction process for awarding new agreements by DUSIB during the extended period of six months from expiry of the original term, cannot be read in isolation or in a manner that would render the other clauses of the Agreements nugatory. The Impugned Judgments further observe that any interpretation of Clause 6 of the Agreements, which permits the Agreements subsistence until execution of new agreements would have the effect of converting a fixed-term licence into a licence of indefinite duration, dependent entirely upon completion of the fresh tender process.

18. The Impugned Judgments further observe that the grant of extension up to six months was within the discretion of DUSIB, as Clause 6 of the Agreements uses the expression "can be further extended". Having availed the benefit of the entire six-month extension, the Appellants were not entitled to any further extension or to continue in possession until completion of the fresh tender process by DUSIB.

19. The Impugned Judgments also place reliance upon the decision of a Co-ordinate Bench of this Court in ***Kawatra Tent and Caterers Private Limited v. The Director (R.P. Cell), Delhi Urban Shelter Improvement***

Board & Anr., Neutral Citation: 2023:DHC:7500-DB, wherein, while interpreting substantially similar contractual clauses, it was held that the contractual relationship between the parties was solely that of licensor and licensee and that no proprietary or vested rights were created in favour of the licensee. It was further held that, upon expiry of the maximum contractual period stipulated in the agreement, the licensee has no legal or inherent right to continue in occupation of the land. It was also held that investments made by the licensee on the land did not confer any special right to seek continuation of the licence and that the contractual stipulations could not be disregarded merely on account of the commercial consequences arising from expiry of the licence.

20. In our considered opinion, the interpretation of Clause 6 of the Agreements sought to be advanced by the Appellants cannot be accepted. Clause 6 of the Agreements clearly provides that, if DUSIB is unable to finalise the auction process by the date of completion of the Agreements, the period may be further extended by DUSIB up to six months, during which period the e-auction process for awarding new agreements is required to be completed by DUSIB. It is only in that context that Clause 6 of the Agreements provides that the old Agreements would come to an end from the date of execution of the new agreements in respect of the concerned lands.

21. The reliance placed by the Appellants on the last sentence of Clause 6 of the Agreements, to contend that the Agreements must continue until execution of the new agreements, is therefore applicable only where DUSIB

initiates and completes the fresh tender process for awarding new agreements within the six-month period following expiry of the original term of the Agreements. However, if DUSIB is unable, for any reason, to complete the said process within the period contemplated under Clause 6 of the Agreements, the Appellants cannot claim an unlimited extension of the Agreements until execution of new agreements by DUSIB in respect of the lands in question. Since the Agreements expressly restrict the extension to a maximum period of six months, no further extension can be granted by interpreting the latter part of Clause 6 of the Agreements to mean that the Agreements would continue until execution of the new agreements by DUSIB. Accordingly, the interpretation of Clause 6 of the Agreements advanced on behalf of the Appellants cannot be accepted, as it would alter the essential term of the Agreements by rendering the tenure of the Agreement open-ended.

22. The submission of the Appellants based on the investments made by them and the financial loss likely to be suffered upon vacation of the respective lands also does not merit acceptance. Clause 5 of the Agreements clearly stipulates that, upon expiry of the term of the Agreements, the Appellants were required to hand over peaceful and vacant possession of the respective lands to DUSIB. Having entered into the Agreements with full knowledge of their terms, the Appellants cannot now contend that they are entitled to retain possession merely to avoid financial loss arising from vacation of the lands. Further, in view of the decision in ***Kawatra Tent and Caterers Private Limited*** (*supra*), investments made by the Appellants do not confer any special right to seek extension of the licence term,

particularly when the Agreements were entered into voluntarily and with full awareness of the duration and conditions of the licence. Accordingly, the likelihood of financial loss cannot constitute a basis for extending the term of the Agreements *dehors* the contractual stipulations.

23. The submission of the Appellants that they ought to have been granted the same period for vacating the respective lands as was granted to DUSIB for completion of the fresh tender process is also untenable. The extension of one week granted by the learned Single Judge in the Impugned Judgments was allowed only upon considering the time required to dismantle the *pandals* and other structures erected on the respective lands, and not on account of any legal right vested in the Appellants. No parity can, therefore, be drawn between the Appellants and the Respondents in respect of the time granted to them. The Respondents were directed to complete the tender process within six weeks from 03.08.2026 based on the statement made on their behalf as recorded in the Impugned Judgments. The Appellants cannot, accordingly, seek the same period on the ground of equitable treatment.

24. In view of the foregoing analysis, we find no infirmity in the Impugned Judgments dated 03.08.2026. The Appellants have failed to make out any ground warranting interference therewith.

25. However, considering that the time granted by the learned Single Judge for the Appellants to vacate the respective lands expires today, we deem it appropriate to grant the Appellants an additional period of one week from today to vacate the respective lands, on the same terms and conditions

as stipulated in the Impugned Judgments. We also reiterate the direction to DUSIB to conclude the fresh tender process in respect of the lands in question within a period of six weeks from the date of the Impugned Judgments, in terms of the statement made on instructions on behalf of DUSIB.

26. Accordingly, the present Appeals are dismissed with the aforesaid observations. Pending Applications, if any, shall stand disposed of. There shall be no order as to costs.

TEJAS KARIA, J

DEVENDRA KUMAR UPADHYAYA, CJ

AUGUST 10, 2026
'gsr'