



CIVIL

Railway Catering License Renewals: A Settled Question Revisited As Delhi High Court Dismisses Fresh Challenge to Non-Renewal Policy Under Catering Policy 2017

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Case Overview

In a comprehensive judgment delivered on February 2, 2026, the Delhi High Court dismissed a batch of 33 writ petitions filed by railway catering licensees who sought renewal of their licenses upon expiry of the five-year contractual term. The Group of the petitioners, operating catering stalls and Multipurpose stalls at various railway stations across India under the Catering Policy 2017, attempted to rely on a newly discovered document the Indian Railway Code for Traffic (Commercial) Department, Revised Edition,1993 to claim an entitlement to renewal that had already been conclusively rejected by the courts up to the Supreme Court.

Hon'ble Justice Amit Bansal held that the reliance on the 1993 Code was misplaced, that the matter had been fully and finally settled in earlier proceedings, and that the petitioners were attempting to resile from undertakings already filed before the Court. The petitions were dismissed and the petitioners were directed to hand over possession of the licensed premises.

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Background And Factual Context

The Catering Policy 2017 and License Terms

The Indian Railways implemented the Catering Policy 2017 as a framework for awarding catering licenses at railway stations. A defining feature of this policy, enshrined in Clause 11 of Commercial Circular No. 20 of 2017, was the stipulation that licenses awarded thereunder would be for a fixed term of five years with no provision for extension or renewal. This was a deliberate departure from earlier arrangements that had allowed for renewals, and was designed to ensure periodic re-tendering so as to give fresh opportunities to other eligible applicants.

In the lead matter, W.P.(C) 19100/2025, the petitioner (Kaushalya Meena) had been allotted a license on January 21, 2020 to operate Catering Stall / Special Minor Unit (Women) No. 24 at Platform No. 6, Vadodara Railway Station. A Master License Agreement was executed on October 21, 2020, explicitly providing for a five-year tenure from October 17, 2020 to October 17, 2025, with Article 19.1 of the Agreement unambiguously stating: ***“There will be no extension/renewal.”***

The Earlier Round Of Litigation

A prior batch of writ petitions had already addressed the core question of whether licensees under Catering Policy 2017 were entitled to renewal. Those petitions, which challenged Clause 11 of the Catering Policy on grounds of unconstitutionality under Articles 14, 19, and 21 of the Constitution, were dismissed by a Coordinate Bench of the Delhi High Court on May 30, 2024.

The Single Judge found that the petitioners had knowingly entered into contracts with a fixed five-year non-renewable term, and that granting them a perpetual or indefinite renewal right would be antithetical to the constitutional guarantee of equality of opportunity. The Court further observed that re-tendering of reserved catering units within the same eligible category actually *broadened* access to livelihood opportunities by enabling more individuals from the same reserved category to compete for units.

Appeals to the Division Bench were dismissed on August 9, 2024. Special Leave Petitions before the Supreme Court of India were dismissed on August 27, 2024 though the Supreme Court, as a measure of transitional relief, extended the time for vacation by a further four months beyond the three months granted by the Single Judge.

In consequence, the petitioners had filed undertakings before the Court committing to vacate the premises after the total extended period of seven months. The question of renewal had been conclusively settled at all three levels of judicial hierarchy.

Fresh Challenge To Railway Code 1993

Undeterred, the petitioners filed fresh writ petitions premised on a document that they claimed had newly come to their knowledge: the *Indian Railway Code for Traffic (Commercial) Department, Revised Edition, 1993*. In particular, they relied on Para 712 of this Code, which provided that after the expiry of five years, a license could be further extended subject to satisfactory performance, with the renewal decision to be taken based on recommendations of a Screening Committee.

The petitioners further argued that even though the Railways had amended Para 712 on January 14, 2026 — during the very pendency of these writ petitions to expressly state that there shall be no renewal of license, this amendment was prospective in operation and therefore could not affect prior allottees.

Additionally, the petitioner in W.P.(C) 11962/2025 placed reliance on a communication from the Jabalpur Branch of Railways that had extended a license at Jabalpur Railway Station, contending that the respondents were acting in a discriminatory manner. Reliance was also placed on an order of the Rajasthan High Court in S.B. Civil Writ Petition No.5981/2025, wherein a Screening Committee had been directed to be constituted.

Analysis By High Court

Inapplicability of the 1993 Code

The court accepted the respondents' submission that the 1993 Code was not applicable to the petitioners at all. Para 703 of the very same Code made it clear that it governed licenses awarded through applications (not tenders), requiring that catering and vending licenses be awarded by calling applications from professional and reputed caterers through press advertisements and expressly stipulating that the tender system shall not be followed.

Since all petitioners had obtained their licenses pursuant to a tender process under the Catering Policy 2017, the 1993 Code and by extension, its Para 712 had no application to their cases. The court found that the petitioners' reliance on the 1993 Code was **completely misplaced**. Consequently, the question of whether the amendment to Para 712 was prospective or retrospective became irrelevant.

The Concept Of Res-Judicata

The Court observed that the entitlement of the petitioners to seek renewal had already been conclusively decided by the judgment of May 30, 2024, which was upheld through the Division Bench and the Supreme Court. The fresh petitions were characterized as *"nothing but an attempt to reopen the issue which has already been settled."* The Master License Agreement itself, being the governing contractual document, explicitly prohibited extension or renewal.

The Undertaking

The Court also noted that by filing the fresh writ petitions, the petitioners were effectively attempting to resile from the solemn undertakings they had filed before the Court, committing to vacate the premises after the expiry of the seven-month extended period. The Court held that such conduct **cannot be permitted**.

The Argument Of Parity

On the discrimination argument based on the Jabalpur extension, the Court accepted the respondents' explanation that the Jabalpur license pertained to old catering units originally awarded *prior to* the Catering Policy of 2010 an entirely different category with no parity to the petitioners' cases.

As regards the Rajasthan High Court order, Justice Bansal declined to follow it, noting that it contained no reasons, carried no precedential value, and that the May 2024 Delhi High Court judgment did not appear to have been placed before the Rajasthan

Courts Decision

All 33 writ petitions, along with all pending applications, were dismissed. The Court issued the following directions regarding possession:

- **Where the seven-month extension period had already expired:** Petitioners were directed to forthwith hand over possession of the premises.
- **Where the seven-month extension period had not yet expired:** Petitioners were directed to hand over possession upon expiry of that period.

Conclusion

This judgment is noteworthy on several counts. First, it illustrates the finality principle in public law litigation where a question has been taken through all levels up to the Supreme Court, fresh attempts to reopen it through novel legal arguments will generally be rejected, particularly where the underlying contractual position is clear and unambiguous.

Second, it offers guidance on the interpretation of overlapping policy frameworks. The Court's reasoning that an older general code cannot be invoked to override a specific, later tender-based policy framework is a valuable contribution to administrative law. The applicability of a document must be determined having regard to its own terms, and Para 703 of the 1993 Code made clear that it governed a different mode of license award altogether.

Third, the judgment reinforces the principle that undertakings filed before a court are solemn obligations. A party cannot file an undertaking to vacate premises and then simultaneously file fresh proceedings seeking continuation such conduct will be viewed as an abuse of the court's process.

Finally, this case highlights the policy rationale behind fixed-term, non-renewable licensing in the context of reserved category catering units at railway stations: perpetual licenses would concentrate livelihood opportunities in the hands of a few incumbent holders, depriving other eligible persons within the same reserved category of equal access. Re-tendering, the Court had earlier held, serves the constitutional value of equality of opportunity.

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