

**ESTATE-I DEPARTMENT  
NEW DELHI MUNICIPAL COUNCIL  
PALIKA KENDRA : NEW DELHI**

No. D-1043/SO(Estate-I)/2016

Dated: 16.8.2016

**Circular**

**Subject: Policy on licences of NDMC's shops, kiosks, pan tharas and issues related thereto.**

The need for laying down a simple and transparent policy on grant and renewal of licence, transfer of licence, change of trade etc. and other issues in respect of shops kiosks, pan tharas have been under consideration of the New Delhi Municipal Council (NDMC) for some time.

- 2.1 Accordingly a Sub-committee under section 9 of the NDMC Act, 1994 was constituted by the Council vide its Resolution No. 18(L-08) dated 15.12.2015 for the purpose with (i) Chairman, NDMC, (ii) Vice Chairman, NDMC (iii) Hon'ble Member of Parliament (Lok Sabha-New Delhi constituency); and (iv) three nominated Members of the Council, as Members to examine all issues involving general conditions for licensees, change of trade, renewal of licence, transfer on partnership/legal heir basis, clubbing of units, loft & mezzanine floor, damages on cancellation non-renewal of licence, etc. in the background of past and extant practices as well as resolutions of the Council on the subject. Secretary, NDMC was convener and Financial Advisor, NDMC was a co-opted Member of the Sub-Committee. A copy of the order on the constitution of the said Sub-Committee is at **Annexure-I**.
- 2.2 During the course of deliberations, the Sub-Committee consulted market associations of NDMC markets well as Estate Department of NDMC dealing with the subject matter, and examined their comments in the light of past and present policies and unresolved issues pending since long with aim of simplifying and streamlining the processes and procedures for management of NDMC shops, kiosks and Pan Tharas and their licensing. After carefully examining all aspects of unresolved issues of

licensing of shops, Kiosks and Pan Tharas and other related issues thereto mentioned in the foregoing para, the Sub-Committee submitted its report containing recommendations to the Council for consideration. After careful consideration and approval of recommendations of the Sub-Committee, was approved by the Council, the following policy takes effect as decided/approved by the Council in its meeting held on 27.6.2016 vide Resolution No. 31(L-08) with immediate effect.

3. **Renewal of licence:**

- (i) All case pending before date of issuing the Circular i.e. 16.8.2016 shall be governed as per the Council's resolutions applicable as on that date.
- (ii) Wherein license deed have not been executed since 1960-70's, in such cases the renewal can be considered in respect of cases where licence deed was not executed provided the occupant is legal heir or licence was transferred to him on legal heir basis. In case, the occupant is other than self / legal heir, the Director Estate shall get the premises vacated under the provisions of the Public Premises (Eviction of Unauthorized Occupants) Act, 1971 (**PP Act, 1971**).
- (iii) From date of issuing the Circular i.e. 16.8.2016 onwards all the markets shall be categorized into the following two categories viz. Category 'A' and category 'B'. List of category 'A' units is at **Annexure II**. All markets other than category 'A' units will be treated as category 'B' units. All kiosks / stalls (any commercial premises on the right of way is a kiosk/stall) will be treated as category 'C' units. All pan-tharas shall be treated as category 'D' units.
- (iv) Units under Category 'A', 'B', 'C' and 'D' shall be renewed for a period of ten years at a time.
- (v) Licence fee will be enhanced by 10% biennially for category 'A' units, 9% biennially for 'B' category units, 8% biennially for category 'C' units and 5% biennially for category 'D' unit. Existing Estate Policy covering the enhancements will continue in case of commercial spaces, office spaces, residential cum office flats, office restaurants, hotels, cinemas, licensable trade premises and all other premises not covered under category A, B, C, D.
- (vi) A four-member Standing Committee consisting of Secretary, Financial Advisor, Director Estate and one member amongst the nominated members of the Council mentioned in section 4(1)(d) of the NDMC Act 1994 (to be nominated by the Council) is to be constituted to recommend to the Council freezing any increase/enhancement in licence fee of a premises/market with effect from such date as may be specified and for a certain period of time,

considering the open market conditions. Such Committee may recommend to the Council de-freezing w.r.t. any premises/market any time before the end of freezing period. The Council shall take a decision on the recommendations of the Committee for freezing/de-freezing any increase/enhancement in licence fee.

- (vii) Any unit getting vacated on or after 27<sup>th</sup> July, 2016 shall be allotted through e-auction only. Reserve price shall be provided by an independent professional agency, which shall be empanelled by the NDMC from time-to-time through open tender process.
- (viii) List of all vacant category A, B, C, D premises, alongwith reserve price by the empanelled agency, shall be prepared on quarterly basis by the Estate Department. Such premises may be e-auctioned on a price not less than the reserve price. The Chairperson may allot such premises to successful applicant identified through e-auction process.
- (ix) Cases, wherein the licence holder has died and has nominated any other person or organization for using whole of such premises only for purposes such as literature, science, art and social service, without any commercial usage, in such cases the application for renewal of licence, alongwith an undertaking by the applicant to not use such premises for any commercial purpose, may be considered on case to case basis. If at any time, it is found that such premises is used for commercial usage, then licence of such premises will stand terminated after giving a notice of 21 days to such licence holder by Director (Estate).
- (x) Time waiver amnesty to file the applications for renewal, if not filed so far, is provided to allow applicants for filing applications within a period of 60 days from the date of issuing the Circular i.e. 16.8.2016.
- (xi) With respect to waiver on penal interest, the following rebate is provided on the penal interest to the occupants of such premises on full payment of all arrears:
  - (a) In case of markets categorized under category 'A' and 'B':
    - (I) Occupant, who pay all arrears within 15 days from the date of issue of demand will get 15% rebate in penal interest.
    - (II) Occupant, who pay all arrears within 30 days from the date issue of demand will get 10% rebate in penal interest.



- (b) In case of category 'C' premises, 50% waiver on penal interest may be given to the occupants who pay all arrear within 30 days from the date of issue of demand.
- (c) In case of category 'D' premises, 100% waiver on penal interest may be given to the occupants who pay all arrear within 30 days from the date of issue of demand.

4. **Change of Trade:**

- (i) All pending cases shall be dealt as per this decision of the Council:
- (ii) No trade in the negative list shall be permitted. Negative list for each market to be notified within one month from the date of this circular viz. 16<sup>th</sup> August 2016.
- (iii) For (a) change from 'licence trade' to 'non-licence trade which is not in the negative list', or (b) change from 'non-licence trade' to 'non-licence trade which is not in the negative list', or (c) grouping of non-licence trades which are not in the negative list, permission from NDMC will not be required, and an intimation, without any fee / increase in licence fee, to the Director Estate, NDMC shall be sufficient for the same.
- (iv) Change of trade from (a) 'non-licence Trade' to 'Licence Trade'; or (b) 'licence trade' to 'licence trade', may be allowed subject to the following conditions:
  - (a) No Objection Certificate (NOC) shall be obtained from Health, Water, Sewerage, and Electricity Departments. If a decision on application for such NOC is not taken and uploaded on the website of the NDMC within a period of 30 days from the date of receipt of such application in the NDMC, such application for NOC will be deemed approved. In case of deemed approval of such application, Head of the Department will be held responsible for such delay or any eventuality arising out of such deemed approval;
  - (b) Prior permission of NDMC shall be obtained; and
  - (c) Enhancement in the licence fee by 50%.
- (v) Where licence/permission/NOC is required under any prevailing statute, the same may permitted only after licence/permission/NOC is obtained and additionally NDMC's permission is taken on availability of space and safety factors.
- (vi) Licence fee once increased shall not be decreased on account of reversion to the trade of pre-increased licence fee.



5. **Transfer of licence on legal heir basis:**

- (i) All cases before the date of issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions applicable as on that date.
- (ii) Legal heir(s) shall mean son; daughter; widow; mother; son of a predeceased son; son of a predeceased daughter; daughter of a predeceased son; widow of a predeceased son; son of predeceased son of a predeceased son; daughter of a predeceased, son of predeceased son; son of a predeceased daughter of a predeceased daughter; daughter of a predeceased daughter of a predeceased daughter; daughter of a predeceased son of a predeceased daughter; daughter of a predeceased daughter of a predeceased son, of the person whose name is mentioned in the latest licence deed.
- (iii) NDMC is not obliged to permit continuation of allotment after death of the allottee. The licence stands cancelled on the death of the licensee. In continuation of past practices, the Council may continue to give a licence to the legal heirs on humanitarian grounds, without enhancement in licence fee, for period not exceeding remaining period of the licence held by the deceased, subject to the condition that all other legal heirs submit a NOC in favour of the legal heir(s) whose name is to be added in the licence.
- (iv) If there is dispute in the family, unless they settle the dispute amicably, the licence cannot continue and the premises has to be got evicted. In respect of cases pending in the department for transfer on legal heirs basis, wherever there are disputes, the legal heirs be given a change to settle the dispute and inform accordingly to the Director Estate NDMC in writing within 90 days from the date of issuing this circular i.e. 16.8.2016.
- (v) If dispute is not settled, the licence will be automatically cancelled, and Director Estate shall initiate the necessary action in terms of PP Act, 1971.
- (vi) Partnership with legal heir(s) will be allowed with prior approval of NDMC, without enhancement of license fee, subject to the condition that all other legal heirs submit a NOC in favour of the legal heir(s) whose name is to be added in the licence.
- (i) Deletion of name of legal heir is allowed without any cost with prior approval of NDMC, subject to NOC from all other holders of that licence.

6. **Transfer of licence on Partnership basis:**

- (i) All cases before the date of issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions application as on that date.

- (ii) **For prospective cases of transfer:** Prior permission of the NDMC is made mandatory in terms of the modified clause no. 9 of the standard Licence Deed before entering into partnership or to allow any person to use the shop in any manner during the valid term of licence subject to enhancement of the existing licence fee by 50%. In default of such prior permission, the licensee/occupant shall be liable for eviction and ejection being unauthorized occupant besides forfeiture of the security deposit and damage charges.
- (iii) **For pending cases of transfer:** Partnership entered before the date of issuing this circular i.e. 16.8.2016, NDMC will entertain such cases, irrespective of whether the same was done during the valid term of licence or after expiry of the licence, as an exceptional case. If the occupant now seeks the permission of the NDMC at this belated stage, such transfer cases shall be regularized after forfeiting the earlier security deposit by the licensee and subject to enhancement of the licence fee by such percentage as per the respective Council's resolutions applicable as on that date for each such transfer and completion of other required formalities like deposit of fresh security deposit, etc.
- (iv) In cases, wherein the licence holder has died and has nominated any other person or organization for using whole of such premises only for purposes such as literature, science, art and social service, without any commercial usage, in such cases the application for transfer of licence, alongwith an undertaking by the applicant to not use such premises for any commercial purpose, may be considered on case to case basis, subject to enhancement of the licence fee by 50%. In case of date of such transfer is before the date of issuing this circular i.e. 16.8.2016, enhancement of the licence fee will be by such percentage as per the respective Council's resolutions applicable as on that date for each such transfer. If at any time, it is found that such premises is used for commercial usage, then licence of such premises will stand terminated after giving a notice of 21 days to such licence holder by Director (Estate).
- (v) Transfers are freely allowed (except in case of premises granted under special considerations such as SC/ST/OBC/Physically challenged etc.) in the above manner only.
- (vi) In case of date of entry of partnership on or after issuing of this circular i.e. 16.8.2016, there will be 30% enhancement in the licence fee. In case of date of entry of partnership before 16<sup>th</sup> August, 2016 enhancement of the licence fee will be by such percentage as per the respective Council's resolutions applicable as on that date for each such partnership.
- (vii) If the status of the individual licensee is converted into the Private Limited Companies, the same shall be permissible subject to enhancement in the

existing licence fee by 50%. The existing/proposed private limited companies/companies seeking transfer shall have to submit annual declaration indicating change in equity holding pattern, if any. Whenever, there is change in equity holding pattern of more than 25%, the licence fee of such company shall be enhanced by 50% w.e.f. the date of change of such equity holding pattern.

- (viii) Any issue/point not covered under the above policy shall be decided by the Chairman on merits, while keeping the overall spirit of this policy.
- (ix) Deletion of name of partner is allowed without any cost with prior approval of NDMC, subject to NOC from all other holders of that licence.
- (x) Cases involving multiple transfer are to be dealt in accordance with the above proposals.

7. **Clubbing of Units:**

- (i) All cases before issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions application as on that date.
- (ii) Clubbing of stalls and kiosks would not be allowed. Any commercial premise on the right of way is a stall/kiosk.
- (iii) Clubbing of two or more adjoining units (i.e. shops in markets) be allowed subject to the condition that:
  - (a) Technical feasibility and structural safety allows the same;
  - (b) Licence fee of each unit involved in the clubbing shall be enhanced by 30%;
  - (c) Prior permission from NDMC is obtained;
  - (d) Date of expiry of the clubbed unit shall be the date of expiry of unit, whose licence period will expire first;
  - (e) The original shape/structure of the units shall be restore in case clubbing is undone;
  - (f) If a unit involved in such clubbing is given under special considerations such as member of specific group, then such characteristic shall be maintained on such clubbing.
  - (g) A joint license deed shall be executed with licensees, whose units are involved in such clubbing.

8. **Subletting:**

- (i) All cases before issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions applicable as on that date.



(ii) No sub-letting shall be allowed except in the following case:

- (a) In exceptional circumstance, wherein the licensee expires at age when his family does not have any major legal heir (i.e. on or above 18 years of age) except his wife, then (i) the wife of the licensee, or (ii) in case of death of wife of the licensee – all legal heirs of the licensee, may apply for permission to a three-member Committee of Dir(Estate), Municipal Officer Health and Chief Architect for sub-letting the shop; and
- (b) The Chairperson, on case-to-case basis, considering the recommendation of the Committee, may allow the same on payment of one-time fee [Rs. 50 per sq. ft. for open area and Rs. 200 per sq. ft. for other than open area (this fee is to be revised every five years)] for two years at a time, in addition to licence fee/other applicable dues; and
- (c) If required, the person(s) mentioned above may apply for extension of such permission atleast 90 days before expiry of such approved period following the procedure mentioned above; and
- (d) This sub-clause does not give any right to anyone to sublet the NDMC's premises, and can be done only after prior approval of Chairperson in exceptional circumstances as mentioned herein.

9. **Damages on Cancellation and revocation of cancellation of licence**

- (i) All cases before issuing this circular i.e. 16.8.2016 shall be treated as per the Council's resolutions applicable as on that date.
- (ii) From 16<sup>th</sup> August, 2016 on cancellation of the licence, the damages may be charged at 130% of the last applicable licence fee. The damage charges shall increase at compounding rate of 10% annually. These charges shall continue, so long, as the cancellation of licence continue. If cancellation order is withdrawn / quashed, the damages may be reduced only from the date or order withdrawal / quashing of the order of cancellation, and the charges already collected may not be refunded or adjusted.

10. **Interest rate on delayed or non-payment**

- (i) All cases before issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions applicable as on that date.
- (ii) Interests on default payments are charged to discourage any late payment, and to protect the interests of the NDMC. Therefore, from 27<sup>th</sup> June, 2016, interests may be charged at the rate of 1.25% per month (i.e. 15% per



annum) from the 1<sup>st</sup> of succeeding month when the allottee fails to pay the licence fee.

11. **Sealing and de-sealing of premises:**

- (i) In case of violations of terms and conditions of the licence, the premises may be sealed by the NDMC officials with the prior approval of Director Estate or officers senior to Director Estate in hierarchy.
- (ii) During the period when the premises remains sealed, the licensee has to pay charges equal to Damages on Cancellation as mentioned in para 9 above. During the de-sealing period, the licensee has to pay licence fee, as applicable from time to time.
- (iii) On a request from the licensee, the premises, which has been sealed due to major violations, may be de-sealed for a period of one month for rectifying violations with the approval of Secretary, NDMC. In case, more than one-month de-sealing permission is required for rectifying violations, the same shall be done with the approval of Chairperson, NDMC. However, in any case, such de-sealing permission cannot be given for a period more than 3 months in a stretch.
- (iv) After rectifications of all violations and payment of all dues/arrears/fees etc. to the NDMC, the licensee may apply for de-sealing the shop. The Estate Department, within a period of 30 days, submit the request of the licensee with the Department's recommendation, including a site inspection report, to the Chairperson, NDMC for a decision in the matter. In case, no decision on such de-sealing application is taken and uploaded on the NDMC's website within a period of 30 days of receipt of such application in the NDMC, then in such case, such application for de-sealing of such premises will be deemed approved. In case of such deemed approval, Head of the Department will be held responsible for such delay or any eventuality arising out of such deemed approval. The licensee be allowed for normal activity of business as per the terms of the licence agreement.

12. **Mutual Exchange:**

- (i) All cases before issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions applicable as on that date.
- (ii) Mutual exchange will be allowed with prior approval of the NDMC subject to the condition that:
  - (a) Each licensee would take over all the responsibilities and liabilities due to NDMC;



- (b) All fees/dues/penalties etc. Pending against all licence holders involved in such exchange has been paid to the NDMC;
- (c) In case where a mutual exchange is within a market, permission by NDMC for such exchange may be considered by enhancing licence fee of units involved in such exchange by 10% each;
- (d) In case where mutual exchange is not within a market, permission by NDMC for such exchange may be considered by enhancing licence fee of units involved in such exchange by 50% each;
- (e) If there is any change in trade, etc., then policy for change in trade, etc. will also be applied.

13. **Security Deposit:**

- (i) All cases before issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions applicable as on that date.
- (ii) The applicant shall deposit security deposit equal to eight months of licence fee with the NDMC before signing of the licence agreement, including at the time of renewal, transfer etc. In case of any default by the licence holder, such security deposit shall be adjusted against any dues, and security deposit shall be replenished within a period of 45 days, failing which the licence shall deemed to be suspended.

14. **Lofts and Mezzanine:**

- (i) All cases before issuing this circular i.e. 16.8.2016 shall be governed as per the Council's resolutions applicable as on that date.
- (ii) From the date of decision of the Council, permission for loft and mezzanine be considered wherein 'Unified Building Bye-laws for Delhi(as applicable from time to time) and 'Master Plan Delhi, 2021'(as applicable from time to time) permits the same, subject to technical feasibility, structural safety and other statutory clearance, as applicable.

15. **Other Conditions:**

- (i) For renewal of license OR change of trade of license (including cases of additional trades) OR transfer / partnership OR subletting of license OR any combination of them as mentioned in paras 3 to 14 above, which took place before date of issuing this circular i.e. 16.8.2016 .
- (ii) As an amnesty measure, all defaulters may be given a period of 60 days, for filing application as per the procedure, from 16<sup>th</sup> August, 2016.



- (iii) The applicant filing such application may make payment at the time of filing of application or even earlier, which is subject to the verification by Accounts Department of NDMC in due course of time.
- (iv) The applicant shall pay all the dues, including fees, arrears, charges, penalties etc. within a period of six months from the date of filing of his application.
- (v) The events shall be dealt in chronological order. For example:
  - (a) A licence given on 01.01.2001 for 10 years is due to expire on 31.12.2010;
  - (b) The licence holder has (I) changed trade on 01.01.2005, (II) entered into partnership on 01.01.2006, (III) applied for renewal on time but no renewal granted, or applied for renewal after the prescribed time but before the expiry of 60 days from the date of issuance of minutes of this decision of the Council, (IV) entered into further partnership on 01.02.2011 after expiry of licence period, (V) further changed trade of the premises under consideration on 01.03.2013; where all these actions have been done without taking approval in writing from the NDMC.
  - (c) Then these events shall be dealt in chronological order viz. (I), (II), (III), (IV) and then (V) w.e.f. from the date of occurrence of such events for the purpose of levying charges, penalty, fees or any other action to be taken accordingly.
  - (d) It is to be clarified herein that any case for trade change, partnership etc. will be entertained when there is a valid licence on date of such event. Renewal for such period shall be done first, followed by action on such application for trade change, partnership etc. during that period.
  - (e) No application shall be considered under this regularization for past events after 60 days from 16<sup>th</sup> August, 2016.
  - (f) No application under this policy decision shall be considered in cases where the NDMC has already terminated / cancelled the license deed.
  - (g) This policy may be used for resolving court matters.
- (VI) A copy of the decision of the Council (both in English and in Hindi) shall be provided / pasted / posted on each of the said NDMC's premises, which are covered under this Policy, by 31<sup>st</sup> August, 2016. A copy of the Council's resolution shall also be uploaded on the NDMC's website. This copy of resolution shall be treated as notice from the NDMC to the occupants of NDMC's premises.



- VII) Any application for events (expiry of licence, trade change, transfer / partnership etc.) to be due on or after 16<sup>th</sup> August, 2016 shall be dealt as per policy laid down herein.
- (VIII) Maximum six number of instalments shall be permitted by the Chairperson (one upfront payment followed by five continuous monthly instalments) for making payments of due amount, including fees, arrears, charges, penalties etc.
- (IX) For the purpose of decisions to be taken in accordance with this policy, Chairperson shall be the Competent Authority. The Chairperson may delegate such power to the officer(s) of NDMC on case-to-case basis or for a group of cases. (Annexure-III)
- (X) If any point is not specifically mentioned herein or if any clarity is required in respect to this policy, Chairperson shall decide it, in light and spirit of this policy decision. The Council shall be apprised about all such matter not later than 90 days of such decision.
- (XI) Succession of licence should not permitted as a matter of right, and the ownership right over the premises will always remain with NDMC.
- (XII) All the applications pending with NDMC on 16<sup>th</sup> August, 2016 shall be dealt as per the provisions of this Estate policy, on receiving requisite information / documents as mentioned in procedure (to be provided by Estate Department) from the applicant within a period of 60 days from 16<sup>th</sup> August, 2016, failing which the pending applications shall be deemed rejected being incomplete ones.
- (XIII) Licence fee once increased / enhanced shall not be decreased on account of reversion to the trade etc. of pre-increased / enhanced licence fee.
- XIV) Procedure may be simplified by adopting self-declarations by the applicants.
- (XV) NDMC's premises granted under special considerations, such as SC/ST/PH/War-Widows/Ex-serviceman, should not be regularized/transferred in the name of General Category persons in case of all category 'A', 'B', 'C' and 'D' premises. Such premises shall only be regularized/transferred in the name of person fulfilling conditions for such special considerations, except in the cases of grant of premises through e-auction wherein such premises may be granted to the successful applicant selected through e-auction.
- (XVI) All Council Resolutions that have been reflected in the Council decision dated 27.6.2016 (Annexure-IV) shall remain modified to the extent as approved by the Council. Other valid and live Resolutions which were not expressly

brought before the Council shall remain valid to the extent of their modifications by the Council decision dated 27.6.2016.

16. Issues which are not covered in this Circular, shall continue to be governed by the Council's resolution in that regard, that is the earlier resolutions of the Council will remain valid, however they will stand modified to the extent of changes mentioned in Para 3 to 15 above.
17. It is reiterated that the above changes will be applicable only for the premises [markets, stalls, kiosks and tharas (pan-tharas)] mentioned under category A, B, C and D. Premises (including hotels, tourist lodges, stand-alone restaurants) other than 'premises under category A, B, C and D' would continue to be regulated under the respective resolutions of the Council.
18. This issues with the approval of the Competent Authority.

  
( CHANCHAL YADAV )  
Secretary, NDMC

Encl: As above

1. Director(Estate-I) and other Directors in NDMC
2. Financial Advisor
3. Chief Vigilance Officer
4. Jt. Director(Estate-I)
5. A.O.(Estate-I)
6. All Market Associations
7. Notice Boards
8. To all concerned

Copy also to:

1. PS to Chairperson
2. PS to Secretary
- ✓ 3. Jt. Director(IT) – with a request to upload this circular on the website of NDMC.

Coastal Community College

15-12-2015

licenses and other related matters.

Name of the Department: Estate Department-I

### Brief History:

provides as follows:

into, reporting or advising upon any matter which the Council may refer to them.

opinion of the Council possesses special qualifications for serving on such

(3) Each Committee constituted under this section shall be presided over by

expressly provided in this Act may be provided by regulations made in this

In the past, three Committees were constituted by the Council u/s 9 of the

Committee framed for advising the Council on framing of Bye-

Committee framed for advising the Council on Tax exemption and

### Standing Committee on Audit

Detailed proposal on the subject:

accordance with the policies and guidelines laid down by the Council

through various resolutions from time to time.

3/12/22

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The comprehensive Estate Policy was earlier framed vide Reso. No.6 dated 18.3.1999 which was subsequently amended through various resolutions. This Estate Policy allows renewals of licence for subsequent period and also recommends the transfer cases on the basis of partnership, dissolution, etc. subject to enhancement of licence fee besides completion of other required formalities.

The Council vide its Reso. No.15 (L-04) dated 27.08.2014 has streamlined the transfer policy with prospective date. Renewal of licence in a time bound manner was also approved vide Council Reso. No. 05 (L-08) dt. 6.2.2014 by adopting one time measure but the issue of renewal of licences is yet to be finalized.

During public hearings and interaction with various Market Associations, non-renewal of licences can be broadly categorized in the following categories:

- (i) Units where renewal not done due to huge amount of arrears found in payments of licence fee.
- (ii) Units where renewals not done due to trade violations.
- (iii) Units where renewals not done due to pending cases of transfers.
- (iv) Units where licence fee is being paid as per policy but the licence has not been renewed, the validity of licence period has lapsed and licensee fees being charged as damages without levy of any penalty.
- (v) Units were no application for renewal are received.
- (vi) Non-renewals of units due to subletting violations.
- (vii) Non-renewals of licences due to encroachment issues and violations of condition no. 13 of Licence Deed.
- (viii) Non-renewals of licences due to lack of permission for partnership deeds.
- (ix) Non-renewals of licences due to non execution of licence deed with original licensee.
- (x) Non-renewals of licences due to conversion of booths and kiosks into shops.
- (xi) Non-renewals where the licensee had not applied within stipulated 60 days.
- (xii) Non-renewal of cases due to the alleged family disputes.
- (xiii) Non-renewals where applications for renewals submitted but Licence Deed not executed.

- (xiv) Non-renewals where partnership deed executed or dissolved after expiry of period of original licence deed.

- (xv) Non-renewal cases where department has not accepted arrear/damages of arrears and now they stand accumulated.

- (xvi) Other cases where renewal is pending for any other reason.

There is a need to prepare a detailed policy in conformity with NDMC Act, 1994 and in conformity with previous resolutions on this subject regarding renewals/Market Associations after duly interacting with them. It is noticed that this Council has passed various resolutions in the past on the subject and related matter since 1978. A Committee under a Member of the Council may be constituted to go into the details and advising on the subject of renewals and other related matters. A status note in this regard is enclosed at Annexure-I (See pages 194 - 209).

5. Financial implications:

Not applicable.

6. Comments of Law Department:

There are no legal implications and such Committee can be constituted under section 9 of the NDMC Act, 1994.

7. Recommendation:

To constitute a Committee under section 9 of the NDMC Act, 1994 for the purpose of enquiring into, reporting and advising upon the matters related to renewals of various licenses and other connected/related matters.

#### COUNCIL'S DECISION

Resolved by the Council to constitute a Committee u/s 9 of the Act for examining the renewal of licenses and other related matter of NDMC est buildings. Recommendations of the Committee may be placed before the Council for its consideration. The Composition of the Committee is as under :-

Sh. Naresh Kumar - Chairperson  
Sh. Karan Singh Tanwar - Vice-Chairperson  
Sh. Surender Singh - Member  
Dr. Anita Arya - Member  
Sh. Abdul Rasheed Ansari - Member  
Sh. B.S. Bhati - Member  
Financial Advisor - Co-opted Member  
Secretary, NDMC - Co-opted Member - Convenor

Director (Estate) will provide secretariat assistance to the Committee.

The Committee shall submit its recommendations to the Council within a period of three months.

*Mudat*  
For Secretary  
Council of Municipalities  
District of Delhi

Pdy.

ITEM NO. 10 (L-11)

1. Subject :- Inclusion of the name of Smt. Meenakshi Lekhi, MP (Lok Sabha), Member, NDMC in the Committee framed u/s 9 of NDMC Act, 1994 on the subject of Renewal of licenses and other related matters, vide Council Resolution No. 18 (L-08) dated 15.12.2016.

2. Name of the Department : Estate Department.

3. Brief History : An item was placed before the Council vide Item No. 18 (L-08) dated 15.12.2016, on the subject : Constitution of Committee u/s 9 of NDMC Act, 1994 [hereinafter referred as Act] on the subject of Renewal of licenses and other related matters. The Council, in the aforesaid meeting, has resolved as under :-

"Resolved by the Council to constitute a Committee u/s 9 of the Act for examining the renewal of licenses and other related matter of NDMC est buildings. Recommendations of the Committee may be placed before the Council for its consideration. The Composition of the Committee is as under :-

Sh. Naresh Kumar - Chairperson  
Sh. Karan Singh Tanwar - Vice-Chairperson  
Sh. Sunder Singh - Member  
Dr. Anita Arya - Member  
Sh. Abdul Rasheed Ansari - Member  
Sh. B.S. Bhati - Member  
Financial Advisor - Co-opted Member  
Secretary, NDMC - Co-opted Member - Convenor

Director (Estate) will provide secretariat assistance to the Committee.  
The Committee shall submit its recommendations to the Council within a period of three months."

Now, a letter was received vide D.O. No. ML/NDMC/2016/00057 dated 15<sup>th</sup> December, 2015, from Smt. Meenakshi Lekhi, MP (Lok Sabha), Member, NDMC, which is enclosed herewith as Annexure - I (See page 76). In the said letter she wished to include her name in the Committee framed u/s 9 of the Act, on the subject of Renewal of licenses and other related matters.

4. Proposal of the Department : The Committee framed u/s 9 of the Act for examining the renewal of licenses and other related matter may be amended to include the name of Smt. Meenakshi Lekhi, MP (Lok Sabha), and Member, NDMC, which is as under :-

"Resolved by the Council to constitute a Committee u/s 9 of the Act for examining the renewal of licenses and other related matter of NDMC buildings. Recommendations of the

11/11/14  
11/11/14  
11/11/14

06/05

09/03/16  
10/08/2016  
11/11/14

Committee may be placed before the Council for its consideration. The Composition of the Committee is as under :-

Sh. Naresh Kumar – Chairperson  
 Smt. Meenakshi Lekhi - Member  
 Sh. Karan Singh Tanwar – Vice-Chairperson  
 Sh. Surender Singh – Member  
 Dr. Anita Arya – Member  
 Sh. Abdul Rasheed Ansari – Member  
 Sh. B.S. Bhati - Member  
 Financial Advisor – Co-opted Member  
 Secretary, NDMC - Co-opted Member – Convenor

Director (Estate) will provide secretariat assistance to the Committee.

The Committee shall submit its recommendations to the Council by 30<sup>th</sup> April, 2016."

5. Draft Resolution : As detailed in para 4 above.

#### COUNCIL'S DECISION

Resolved by the Council to reconstitute the Committee u/s 9 of the Act for examining the renewal of licenses and other related matter of NDMC buildings. Recommendations of the Committee may be placed before the Council for its consideration. The Composition of the Committee is as under :-

Sh. Naresh Kumar – Chairperson  
 Smt. Meenakshi Lekhi - Member  
 Sh. Karan Singh Tanwar – Vice-Chairperson  
 Sh. Surender Singh – Member  
 Dr. Anita Arya – Member  
 Sh. Abdul Rasheed Ansari – Member  
 Sh. B.S. Bhati - Member  
 Financial Advisor – Co-opted Member  
 Secretary, NDMC - Co-opted Member – Convenor

Director (Estate) will provide secretariat assistance to the Committee.

The Committee shall submit its recommendations to the Council by 30<sup>th</sup> April, 2016.

1  
2

## Annexure-II # - 2

### LIST OF MARKETS IN NDMC AREA

#### Category - A

1.	Prithviraj Market
2.	Pandara Market
3.	Baird Lane Market
4.	Bhagat Singh Market
5.	CSC Kaka Nagar
6.	CSC Sarojini Nagar
7.	Gole Market
8.	All Janpath Market
9.	Yusuf Zai Market
10.	Yashwant Place Market Shops Only
11.	Momo Market
12.	Tibetan Mkt.
13.	Lodhi Road Mkt.
14.	Palika Bazar
15.	Palika Bhawan Shops Only
16.	Lok Nayak Bhawan Shops Only
17.	Malcha Marg Market
18.	AIIMS Subway Market

# Annexure - III

## NEW DELHI MUNICIPAL COUNCIL PALIKA KENDRA: NEW DELHI

No.D-654/Dir(E)/2016

Dated:16.08.2016

### DELEGATION OF POWERS AS PER PROVISIONS OF SECTION 400 OF THE NDMC ACT, 1994

In exercise of powers conferred on Chairperson as per provisions of Section 400 of the New Delhi Municipal Council Act, 1994 (hereinafter referred to as 'the Act') and all other powers enabling Chairperson in this behalf, I hereby direct and order that the powers vesting in/or exercisable by Chairperson, NDMC under section 141 and 383 of the Act regarding disposal of immovable property and instituting legal proceedings respectively shall, subject to my superintendence, direction and control, be exercised as under:

- (i) Following matters shall be decided by Director in-charge of Estate Department as per the policy of the Council:
  - (a) Renewal of licence.
  - (b) Transfer of licence on legal heir basis.
  - (c) Change of trade from non-licensable to non-licensable trade.
  - (d) Deletion of the name of any of the existing partner(s) from licence agreement.
  - (e) Addition of name of the spouse, son or daughter in licence agreement.
  - (f) Transfer of licence on partnership basis.
- (ii) Following matters shall be decided by Secretary, NDMC as per the policy of the Council:
  - (a) Grant of licence, cancellation of licence and revocation of licence.
  - (b) Cases of change of trade from non-licensable to licensable category.
  - (c) Cases of change of trade from licensable to licensable category.
  - (d) Cases of clubbing of units after obtaining technical feasibility report from CE (Civil) and Chief Architect.
  - (e) Cases of the mutual exchange of units.
  - (f) Institute legal proceedings for eviction and recovery of licence fee and damages before the Estate Officer or any other court.
- (iii) The Joint Director (Estate-I)/Dy. Director (Estate-I)/Sr. A.O. (Estate-I)/ AO (Estate-I) are authorized to sign on licence deed/petition/written statement/rejoinder and file affidavit on behalf of the NDMC in various courts/ commissions/Estate Officer's Court after the same have been approved by Director (Estate) or Secretary, as the case may be.
- (iv) All decisions shall be taken in terms of the Council's Resolution No.31(L-08) dated 27.06.2016. Any subject beyond the laid down policy of the Council shall be brought before the Chairperson for decision.

2. This issues with the approval in terms of Council's Resolution No. 31 (L-08) dt. 27.6.2016 and opinion of Ld. Additional Solicitor General, Delhi High Court dated 02.08.2016 on delegation of powers with the provisions of Section 400 of the NDMC Act, 1994.

  
16/8/16  
CHAIRPERSON  
New Delhi Municipal Council