

Copyright ©- 2022 Bennett, Coleman & Co. Ltd. All rights reserved

Sat, 21 Dec-24; Economic Times - Delhi; Size : 104 sq.cm.;
Circulation:86600; Page : 6

SC Upholds HC Order to Halt Toll Collection on DND Flyway

Indu Bhan

New Delhi: The Supreme Court (SC) on Friday upheld a 2016 decision by the Allahabad High Court that halted the collection of toll charges on the Delhi-Noida Direct (DND) flyway, a vital route connecting Delhi and Noida in Uttar Pradesh.

While dismissing the appeal of Noida Toll Bridge Company Ltd (NTBCL) against the high court order, a bench led by justices Surya Kant and Ujjal Bhuyan held that there was no infirmity in the order and “we find no reason to interfere with it”.



The contract awarded to NTBCL through a concession agreement by state authorities and Noida was unfair

The DND flyway, which has been operational since 2001, has drastically reduced traffic congestion and travel time between Delhi and Noida. Before the high court decision, commuters were charged ₹28 for a one-way trip or ₹56 for a round trip.

Criticising the New Okhla Industrial Development Authority (Noida) for allowing a toll company to exploit users indefinitely, the apex court said that when a state engages in public work, it must be free of arbitrariness. It said that the contract awarded to NTBCL through a concession agreement by state authorities and Noida was unfair, unjust and inconsistent with constitutional norms and that Noida exceeded its authority by delegating the power to levy fees or impose tolls to the company, “rendering such delegation invalid”.

“There was no tender from other interested companies and no competitive bidding was done,” the SC said

The judgment said that some of the clauses in the concession agreement contravened public policy and was, therefore, liable to be severed from the agreement. “NTBCL has recovered the project costs and substantial profits, eliminating any justification for the continued imposition or collection of user fees or tolls,” said the judges.