
(1969) 06 CAL CK 0011
In the Calcutta High Court
Case No : Matter No. 25 of 1969

Moulin Rouge Private Ltd.

APPELLANT

Vs

New Delhi Municipal Committee

RESPONDENT

Date of Decision : 04-06-1969

Acts Referred:

Arbitration Act, 1940 — Section 33

Citation : (1969) 06 CAL CK 0011

Hon'ble Judges : Masud, J

Bench : Single Bench

Advocate : R.C. Deb, S.K. Roy Chowdhury and A.C. Bhabhra, for the Appellant; A.K. Sen, Gouri Mitter, R.N. Pyne and K. Sen, for the Respondent

Judgement

Masud, J.—This is an application on behalf of Moulin Rouge Private Ltd., u/s 33 of the Arbitration Act, 1940, for determination of scope of arbitration clause being clause No. 21 of an agreement executed between the Petitioner and New Delhi Municipal Committee on September 23, 1966. The Petitioner has asked for various other reliefs including an injunction restraining the New Delhi Municipal Committee from referring the alleged disputes to arbitration or from proceeding in any way with the purported reference. The application has been made under the following circumstances:

2. By the said agreement in writing dated September 23 1966, the Respondent agreed to grant a licence and/or lease to the Petitioner to run a hotel business at a building to be constructed by the Respondent on certain terms and conditions. The relevant portion of the said agreement are set out below:

This Agreement executed at Delhi this 23rd day of September 1966, between the New Delhi Municipal Committee, Parliament Street, New Delhi, hereinafter called (the Committee and the licensor) of the one part and M/s. Moulin Rouge (P.) Ltd., a joint stock company duly incorporated under the Indian Companies Act, 1913 having its registered office at Calcutta (hereinafter called the licensee) which terms shall include their successors, administrators, executors and assigns etc.

of the other part. Whereas the licensor has agreed to grant the licence, to use the building (the details of which are given in the Annexure "A") proposed to be constructed by them at Chanakyapuri, Delhi (New Delhi), for the purpose of housing a hotel of 5-star standard and which building the licensee has agreed to take on licence basis on terms and conditions mentioned hereafter.

NOW THIS AGREEMENT WITNESSETH:

(1) That in consideration of the licence money and the licensee's, agreeing to the covenants hereto reserved and contained, the said licensor has agreed to grant the licence to use the proposed building with all the fittings, fixtures and furniture for a term of ten years. The licensee shall have the option to have the licence renewed for a further period of ten years on the same terms and conditions as incorporated in this agreement.

(2) That the sum of Rs. 1,72,000 deposited by the licensee shall remain with the licensor as security for the due performance of the terms of this indenture and the same shall be returnable only on the successful completion of the licence period. The said security deposit shall be invested by the licensor in any profitable manner but the licensee shall be entitled to the entire amount of interest or profit received from the said investment of the security deposit.

(3) That the period of licence shall commence from the date of intimation to the licensee that the building is complete in accordance with the plans annexed herewith and fit for occupation and he shall be at liberty to take charge thereafter at any time but not later than 15 days from the aforesaid date of the intimation. The liability of the licensee with respect to the licence money shall commence from the said date of intimation and not from the date of occupation.

(4) The time stipulated for completion of the building is expected to be 3? years from the date of actual start of the building at site during which period the licensee, shall be required to complete furnishing, interior decorations, carpeting and kitchen equipment installations at their own costs according to 5-star classification of the hotel.

(5) That the licence fees for the use of building and its fixtures, fittings, etc. shall be Rs. 16,70,000 per annum. The entire amount for the licence fees for the first year shall be payable as and when the licencees are intimated with respect to the completion of the buildings and with respect to their being called upon to take charge thereof. After the expiry of the first year from the date of the intimation, the licence fees shall be payable monthly in advance by the 7th of each month at the rate of Rs. 1,39,166-66 P.

(6) That all other charges and taxes except the ground rent and house tax for all the super-structures shall be payable by the licensee from the date of handing over the charge of the building by the licensor to the licensee.

(7) That if the said licensee makes a default in any payment or in the payment of any two instalments of the monthly licence fees or ceases to do business or

commits breach of the terms of this agreement the licensor, notwithstanding the amount deposited with them as security, shall have the option to determine the licence and assume charge of the entire building and to recover all the licence fees and other dues up-to-date, as also the licence fees payable for the remaining period of the agreement in full with all taxes and charges payable thereunder less the actual amount of the licence money realised by the licensor from their parties.

(8) That the licensee, at their own cost, will keep the building and other installations fully insured against fire and theft for the amount of Rs. 1 crore from the date they assume the charge of the building.

(9) That the licensee shall abide by all the rules and regulations made and to be made under the Prevention of Food Adulteration Act as well as those bye-laws framed under the Punjab Municipal Act.

(10) That the authorised officers of the licensor shall have the right to inspect the hotel premises at any time with a view to examining the state and condition of the building and other equipment installed thereon; besides for the purpose of examining whether the licensee is complying with the provisions of appropriate law and with respect to which they are empowered to do so.

(11) That the licensee shall not make any additions or alterations in the building without the prior permission of the licensor in writing and the same, if necessary, to meet the requirement of 5-star hotel shall not be withheld and when permitted by the licensor, the said additions or alterations shall be carried out by the licensee at their own cost. However, the licensees would not be entitled to any compensation for any additions or alterations carried out by them in the building and the same shall vest in the licensor.

(12) That the licensee shall be responsible to keep the entire premises, building, fittings and fixtures and all other installations including the air-conditioning plant, lights, fans etc. and shall also be liable to carry out all essential and necessary repairs to keep the premises in habitable condition and in a neat and befitting manner, lit their own cost.

(13) That the licensee will be liable to maintain the lawns open spaces in good condition at their own cost.

(14) That the hotel shall be styled by the name of "International Hotel". The name, however, if so desired, may be changed before the actual opening of the hotel with the mutual consent of both the parties.

(15) That the licensee during the tenure of his licence shall not transfer, assign or sublet the building or any portion thereof permanently or temporarily to anybody else without the prior permission in writing of the licensor. However, in accordance with the practice of running a modern hotel business he may allow temporary licences of small portions of the demised premises for purposes of being used as shopping centre by different shops and business houses, but the

licensee shall be responsible for the conduct of the various shop-keepers and others so accommodated and shall be further responsible to see that they quit the premises on termination of the licence period. The sublicense shall not get any rights over and above the rights and privileges of the licensee.

(16) That the licensee would use the building only for the purpose of running a first class hotel of international standard of 5-star classification and would not use the building for any purpose other than that.

(17) That in the event of any breach of any of the conditions of this agreement the licensor shall have the right to terminate the licence after duly serving the licensee first with a show-cause notice in writing of a period of not less than three, months and thereafter, if there is no proper and satisfactory explanation to the show-cause notice the licensor shall serve a final notice of termination which notice shall also be of a period of three months and after the service of the final notice, the licensee shall render himself liable not only for the forfeiture, of the security deposit, but also to make up the loss, if any, incurred by the licensor in consequence thereof.

(18) That on the expiry of the licence period and in the event of the licence having been terminated earlier, on the expiry of the notice period, the licensee shall hand over the charge of the entire premises, buildings, fittings and fixtures and all other installations belonging to the licensor according to the Schedule to be prepared at the time of taking charge of the said premises building, fittings and fixtures and other installations without any obstruction.

(19) That in the event of the termination of the licence as mentioned in Clause 18 above, the licensor shall have the option to retain the furnishing, interior decorations, carpeting, other fittings, machinery apparatus and other gadgets and installations belonging to the licensee on payment of reasonable compensation.

(20) That the licensor shall carry out the construction work in accordance with the approved plans and designs, (subject to any reasonable and appropriate deviations that may be necessary in the interest of the building and the design) and the licensor would also consider, during the construction, any suggestions that may be made by the licensee with respect to design modifications architecture or any other work necessary in accordance with the standard of 5-star hotel.

(21) That in the event of any dispute between the> licensee and the licensor regarding the cancellation of licence, compensation or any other terms of the licence, the same shall be referred to the sole arbitration of the Administrator, Delhi, whose decision shall be final and binding on the parties.

The said agreement contains reciprocal obligations on the part of the Petitioner and the Respondent. The Respondent is expected to complete the building within 3 years and the Petitioner is to complete furnishing, interior decorating etc. in

the building during the said period. It is alleged by the Respondent that the Petitioner has not discharged their part of obligation to furnish the building by furnishing the constructed portion of the building in accordance with Clause 4 of the said agreement. The Petitioner, however, has stated that they have taken all preliminary steps to fulfil their part of the obligations and that their obligation to furnish the said building will expire on March 23, 1970. The Respondent by a letter dated February 21, 1968, served a notice on the Petitioner at its office in Calcutta under Clause 17 of the said agreement to explain within 3 months as to why the agreement should not be cancelled and the security money amounting to Rs. 1,72,000 deposited by the Petitioner forfeited. The Petitioner by its letter dated May 18, 1968, denied the allegations of the Respondent and challenged the Respondent's right to serve the said notice without performing its part of the obligations under the said agreement. Thereafter, by a letter dated September 27, 1968, the Respondent sought to raise a dispute under the said agreement and wanted to refer the alleged dispute to the sole arbitration of the Administrator, Union Territory of Delhi, under Clause 21 of the said agreement. The Petitioner by a letter dated January 20, 1969, denied the Respondent's contentions and also existence of any alleged dispute covered by the said arbitration clause. By a telegram dated January 21, 1969, the Respondent referred the alleged dispute to the Lieut. Governor of Delhi as the sole Arbitrator on January 27, 1969. The Respondent also caused a publication on January 20, 1969, in the newspaper "Hindustan Times" alleging that the Petitioner was committing a breach of the said agreement and that the alleged disputes were going to be referred to arbitration. The Petitioner's grievance, is that the Respondent by not performing its obligations in completing and in handing over to the Petitioner the said building portion by portion for simultaneously furnishing the same in terms of the Clause 4 of the said agreement, has caused and is causing substantial loss to the Petitioner in breach of the said agreement. The Petitioner has now made the present application to prevent the Respondent from proceeding with the alleged reference to arbitration.

3. Mr. R.C. Deb, counsel on behalf of the Petitioner, has contended that the disputes raised between the parties referred to a period prior to the grant of licence and as such, the arbitration clause is not attracted and the purported reference is not warranted in law. The words used in the said arbitration clause show that the parties agreed to refer a limited class of disputes to arbitration. The disputes between the parties relating to the said agreement dated September 23, 1966, are not the disputes which are referable to arbitration under Clause 21. On a proper construction of the said agreement, according to them, reference to arbitration can only arise after grant of the licence. It is urged that the licence agreed to be granted was a licence for user of a thirteen-storied building for running a hotel business. The construction of the said building has not yet been completed. It was only on the intimation by the Respondent to the effect that the building is complete, the grant of licence would arise. Under Clause 5 of the agreement the annual licence fee is to be paid by the Petitioner

to the Respondent amounting to Rs. 16,70,000. It has been, therefore, argued that the purported reference of the dispute to the Lieut. Governor of Delhi should be set aside and stopped.

4. Mr. A.K. Sen, counsel for the Respondent, has strenuously opposed the contention of the Petitioner and in doing so he has submitted that the said agreement for licence is substantially the licence itself inasmuch as it contains all the terms of the licence and immediate grant of licence has been intended. He has urged that as agreements for lease have been construed as documents creating present demise, the agreement for licence in the present case should also be construed as an immediate grant of licence on the same principles of construction. In any event, Mr. Sen has urged that Clause 21 is wide enough to include the present disputes between the parties. The words "All disputes regarding cancellation of licence, compensation, or any other terms of the licence" obviously refer to all dispute in connection with the licence or the terms of the licence.

5. It is now necessary to examine the contentions of the counsel for both the parties. There is logic in the contention that the parties contemplated arbitration only in respect of disputes which might arise after the Petitioner gets the licence from the Respondent inasmuch as Clause 21 does not refer to disputes regarding agreement or terms of the agreement. The subject-matter of the licence is the user of the building which under the agreement has to be constructed by the Respondent, Under Clause 4 of the agreement such building should be completed within three and half years from the date of the agreement. Under Clause 3 there is an obligation on the part of the Respondent to intimate the Petitioner about the completion of the building and on such intimation the Petitioner will pay the licence fee and the licence becomes effective. But it cannot be denied that most of the clauses in the said agreement contain the terms of the licence or, as the Petitioner contends, the proposed licence: In fact, Mr. Salil Roy Choudhury on behalf of the Petitioner has argued that Clauses 1, 4, 20 refer to pre-licence period and Clauses 5 to 19 and 21 refer to post-licence period. As often a sale or a lease is preceded by an agreement for sale or an agreement for lease, it is quite possible to contemplate cases where grant of a licence is preceded by an agreement between the proposed licensor and the proposed licensee. It should be remembered that there is substantial distinction between the agreement for sale or agreement for lease on the one hand and sale and lease on the other. Agreement for sale or agreement for lease gives rise to rights in personam whereas the sale or the lease, when completed, creates rights in rem. In the case of licence, however, both agreement for the licence and the licence itself create rights in personam. As both agreement for licence and the licence itself bring into existence the same category of rights, it is often convenient for the parties to treat an agreement for licence as a licence itself. It is, however, quite possible for the parties to agree to have a separate agreement for licence and a formal grant of licence to be subsequently executed. It is, therefore, necessary to find out what was the intention of the parties when the

said agreement dated September 23, 1966, was executed. In finding out such intention it is the duty of the Court to examine the clauses in the agreement, the conduct of the parties and the surrounding circumstances. Applying the said principles, I hold that this is a fit case where the existing disputes between the parties, namely, failure on the part of the Petitioner to complete furnishing, internal decorations etc. in the constructed portion of the building in accordance with Clause 4 of the agreement, the proposed cancellation of the licence and the proposed forfeiture of security money are attracted by the arbitration clause. The reasons why I say so are as follows:

(a) The agreement itself does not contain any indication which would show that a formal document incorporating the terms of the licence is to be executed in future. Obviously the parties must have intended to treat the agreement as one containing all the terms of the licence.

(b) In the agreement itself the parties could have been described as "Delhi Municipal Committee" and "Moulin Rouge Pvt. Ltd." On the contrary, the agreement shows that they have been described as "licensor" and "licensee". Mr. Deb has contended that on account of such descriptions it cannot be contended that, the Respondent by executing the said agreement has also granted the licence to the Petitioner. I agree with Mr. Deb that those words by themselves do not lead to the said conclusion, but, in my view, they are certainly relevant in deciding the matter after evaluation of other circumstances.

(c) Apart from the said agreement it is not contended by the counsel for the Petitioner that the parties agreed or proposed to have additional terms of licence other than those contended in the agreement itself. The circumstances under which the Respondent can terminate the contract have been set out in Clauses 7 and 17. Ordinarily there is no question of determination of the licence unless the parties decided to grant the licence to the Petitioner. It is not contemplated, by the parties that the licence might be determined on grounds other than those mentioned in the document itself. The said document or the correspondences between the parties do not show that the Respondent has been given the right to determine the licence on some fresh grounds.

(d) One of the requisites to the grant of licence is that the Petitioner will have to furnish a security. Clause 2 of the agreement deals with the rights and obligations of the parties in connection with the said security money. Clause 17 states the circumstances under which the security money may be forfeited and it cannot be denied that the Clauses 2 and 17 constitute some of the terms of the licence and as such, the disputes relate to the terms of licence and Clause 21 is attracted.

(e) I accept the contention of Mr. Sen that the word "regarding" has a wide import. By using the said word in the arbitration clause the scope of the arbitration has been enlarged and the parties have agreed to have the justification of proposed cancellation of licence examined or decided by the

Arbitrator. In doing so, the Arbitrator will have to examine the terms and conditions of the licence which are imbedded in the agreement itself. "Cancellation of licence" in Clause 21 necessitate the examination of facts which allegedly justify cancellation in terms of the licence. Thus, the existing disputes are disputes not only regarding the terms of licence but also regarding cancellation of licence. Reliance may be placed on *Messrs Mohin and Company Ltd. v. Atul Chandra Dutta* (1948) 85 C.L.J. 188 (191). It is argued by the counsel for the Petitioner that the disputes regarding cancellation of licence or terms of licence presupposes the existence of the licence and until the grant of licence takes place the dispute regarding cancellation of licence or terms of licence cannot arise. As stated earlier, disputes regarding cancellation of licence must ordinarily refer not only to the terms of the licence, but also to the circumstances under which the licence is threatened to be cancelled. Or, in other words, in determining such a dispute the Arbitrator is to examine not only the terms and conditions of the licence but also all the facts and the surrounding circumstances under which the licence is sought to be terminated. The terms of licence, in the present case, are not to be found in any other document executed or to be executed. In any event, the present disputes between the parties relate to construction, scope and meaning of the terms of licence which admittedly are set out in the agreement itself. Thus the word "regarding" before "terms of licence" in Clause 21 must attract arbitration clause which deals with all disputes in connection with or in relation to the terms of the licence.

(f) Admittedly the agreement binds the parties. Even assuming the licence has not been granted under the said agreement, the agreement refers to a reference to arbitration with respect to disputes regarding "terms of licence". It is not denied that the terms of licence are set out in the agreement. A dispute regarding terms of licence may arise before or after the grant of licence. The licence may not be operative, but the agreement is. It often happens that before or at the time of the grant of licence there might be controversies over certain terms of licence agreed upon by the parties. Thus, even if the contention of the Respondent is correct, that is to say, disputes regarding the cancellation of licence can arise only after the grant of licence, disputes regarding terms of licence cannot be excluded from the scope of the said arbitration clause.

(g) An important point has been raised by the counsel for the Respondent that the agreement obviously does not contain an immediate grant of licence. Relying upon *Tolaram Relumal and Another Vs. The State of Bombay*, and *Tiruvembai and Another Vs. Lilabai*, it is argued that the said agreement does not show that an immediate grant for licence has been made. In the facts of this case the licence relates to the user of a hotel building. The hotel building has to be constructed by the Respondent and under Clause 3 of the agreement the licence will be effective only on intimation to the Petitioner that the building is complete. It was only at that stage the licence fee amounting to Rs. 16,70,000 is to be paid by the proposed licensee to the proposed licensor. It has been argued that an executory agreement for licence cannot in any case be construed as licence itself. In my

view, though there is force in the said contention, such contention does not hold water in the facts of the present case. Firstly, the two Supreme Court decisions refer to the question whether an agreement to lease of an immoveable property involves a present demise or a demise in future. The answer to such a question would involve construction of the terms of the lease including the question of possession to be delivered by the lessor to the lessee. Secondly, in the first case at p. 449 the parties admitted that no lease was granted or contemplated by the party whereas in the second case the agreement of lease refers to a contingency which situation may or may not arise. The obligation of the parties there appeared to arise after the occurrence of such contingency and naturally the Supreme Court held that such an agreement for lease cannot be construed as to have granted an immediate demise. The essential ingredients of a lease and licence are not the same and naturally the principles of constructions of documents relating to lease and licence may have to be dissimilar.

6. Mr. Sen, in dealing with the question as to whether an agreement to lease by itself involves a present demise and as such, amounts to a lease, has referred me to *Ramjoo mahomed Vs. Haridas Mullick and Others*, *Warman v. Faithfull* 5 B.& A. 1042 : 110 E.R. 1078, *Pinero One and Company v. Judson* and Anr. 6 Bhi 206 : 130 E.R. 1259 and *Doe Dem. Pearson v. Ries and Knapp* 8 Bin. 159 : 131 E.R. 369, Where agreements for lease have been construed as a deed of lease granting immediate demise. In these decisions, the learned Judges held that even in cases of lease, the intention of the parties is to be gathered from the instrument they executed. Reliance may also be placed on the following observations of Halsbury (3rd ed., p. 436, Article 1033):

An instrument is usually construed as a lease if it contains word of present demise; and although, it is called an agreement and contains a stipulation for the subsequent granting of a formal lease, it is construed as a lease if the essential terms are fixed, especially if possession is to be taken under it and if the covenants which would be inserted in the lease are to be binding at once.

Even assuming that the same principles would apply to the cases for agreement of licence also, the Court, by the same parity of reasoning, has to find out whether the parties intended to have granted licence in praesente or in future. In the present case, I am satisfied that the parties did not intend to have executed an agreement for licence to be followed by a formal grant of licence. On December 14, 1965, the Petitioner submitted a tender for the user of the proposed building to the Respondent at New Delhi. The said tender was accepted by the Respondent on January 18, 1966. The tender contained many terms and the Respondent, as set out in para. 4 of the petition accepted the said tender including those terms. In pursuance of the said agreement and at the request of the Respondent, the Petitioner duly deposited a sum of Rs. 1,72,000 with the Respondent. Admittedly, an agreement for licence to use the proposed building for running a hotel business was concluded. Thereafter on April 30, 1966, a draft document was sent by the Respondent to the Petitioner setting out the terms of

licence for its approval. Finally on September 20, 1966, the document was executed by the parties whereby all the relevant terms of the licence were set out. This document, according to the Petitioner, is only an agreement to grant a licence and not the licence itself, which would be granted only on construction of the house and the intimation of such construction to the Petitioner. Unlike sale or lease, a licence is an agreement in the same way an agreement for licence is an agreement. It is quite possible that the licence may be licence simpliciter or a licence coupled with interest in an immoveable property. As stated earlier, there is nothing to show from the said agreement or from the subsequent correspondence before the parties that a formal document granting the licence would be executed on the construction of the proposed building by the Respondent or on payment of the licence fee by the Petitioner to the Respondent, nor is there any indication that the parties intended to have the terms of the licence amended, substituted or added. The document appears to me to be a final document setting out the rights and obligations of the parties in respect of the licence for running a hotel business. Throughout the document the parties were described as the licensor and the licensee. Both the parties have made bargains by mentioning all the necessary terms for a licence. The period of the lease has been mentioned in Clause 1. The rights and obligation with respect to security money which has been already deposited under the agreement for licence between the parties before September 23, 1966, have been set out in Clause 2. Even the licensee has been given the right to have the licence renewed for a further period of 10 years on the same terms and conditions which have been mentioned in Clause 1. Immediately on the-construction of the building and on intimation of such construction to the licensee the annual licence fee is to be paid by the Petitioner at the rate of Rs. 16,70,000. The said licence fee has been fixed irrespective of the question whether the proposed building is to be constructed according to the convenience of the Petitioner or not. Even after the expiry of 10 years the quantum of the licence fee remains the same, although in such a case the payment of the total licence fee is to be made in 12 equal monthly instalments. In Clause 4 it is only stated that the time stipulated for completion of the building is expected to be 3? years from the date of actual commencement of the building, but it is specifically provided in Clause 4 that the licensee will have to complete the furnishing, interior decorations, carpeting and kitchen equipment installations at their own costs during the period of construction. Thus, immediately after the execution of this formal document dated September 23, 1966, the licensor would commence construction of the building at site and the licensee, simultaneously with the construction of the building portion by portion would be obliged to complete furnishing, interior decorations etc. The rights of the parties are not kept in abeyance till a future date or happening of an uncertain event. Even the circumstances under which the licence can be determined have been mentioned in Clauses 7 and 17. The counsel for the Petitioner has conceded that all the terms of the licence have been set out in paras. 5 to 21. Even the rights of the parties after the expiry of the licence period or in the event of the licence having been terminated earlier

have been set put in Clause 18. Further it is stated that the licence can be terminated only, in two cases:

- (i) on the expiry of the licence period, or
- (ii) on the expiry of the notice period as set out in Clause 17.

All these terms clearly indicate that the rights and obligations of the licensor and the licensee have been fully set out in the said document dated September 23, 1966 and the parties have finally decided that their respective rights and liabilities as licensor and licensee would commence simultaneously with the execution of the agreement. The counsel for the Petitioner has drawn my attention to notice dated February 21, 1968, where the Respondent has described the transaction to be an agreement for licence. As stated above the licence itself is an agreement and as such, it cannot be said that the Respondent wanted to treat the agreement for licence as a transaction different from the licence itself. Further, the nature of a document cannot be determined only by a wrong description of the document the document should be construed in its entirety and the legal effect of such documents has to be found out in the context of the intention of the parties which is to be inferred from the document itself and the surrounding circumstances. It may be added here that under Clause 17 the licensor has been given a right to terminate the licence in the event of any breach of any of the conditions of this agreement. But the same right has not been given to the licensee to terminate the licence. The legal consequences of not commencing the construction of the building or not completing the building have not been mentioned. Thus, apart from the question that the parties have been described as licensor and licensee it appears to me that the document dated September 23, 1966, has the effect of immediate grant of licence and the Respondent by executing this document has granted licence to the Petitioner.

(h) Assuming that the said document dated September 23, 1966, is only an executory agreement and not a full-fledged licence the language of Clause 21 is wide enough to have the present disputes between the parties determined by reference to arbitration. The terms of the licence have been finally incorporated in this document and any dispute regarding any term of the licence may be legally referred to the sole arbitration of the Administrator, Delhi, whose decision shall be final and binding upon the parties. The words, "any other terms of the licence" cannot be construed in the facts and circumstances of this case, in ejusdem generis with the words "the cancellation of the licence" compensation.

7. In the premises, I hold that the arbitration clause, being Clause 21 of the said document dated September 23, 1966, is wide enough to have all the existing disputes between the parties determined by reference to arbitration. It is not correct to say that there is no dispute existing between the parties which is covered by the arbitration clause nor can it be said that the reference of the said disputes to the arbitration of the Lieut. Governor of Delhi is void or illegal. All

interim orders stand vacated. The Respondent is entitled to costs of this application. Certified for two counsel.