



2026 INSC 663

NON-REPORTABLE

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO. 4400 of 2026

**MALKIT SINGH AND
ANR.**

... APPELLANT (S)

Versus

**STATE OF U.T., CHANDIGARH &
ORS.**

... RESPONDENT (S)

ORDER

1. On 9th April 2026, we had passed a detailed order, recognising that the efforts made by the respondent-State had borne some fruit. It was observed that any act by the State ought to ensure that there is minimum disruption of livelihood with adequate sense of fairness and responsibility. If the zones are identified, the authorities must also give the vendors adequate support to relocate. It has to be recognised that such relocation disrupts the customers of a particular vendor and also deprives the residents of immediate or proximate access to such vendors.

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Reason:

The State had been asked to file affidavits indicating information about existing vending zones and all other relevant details.

2. *Vide* order dated 5th May 2026, we had asked certain officials of the respondent-union territory to be present in Court namely **(i)** The Chairperson (Commissioner), Town Vending Committee, Chandigarh; **(ii)** The Chairperson, GRDRC, Chandigarh; and **(iii)** The Secretary, Local Government & Home, Chandigarh, with whom we freely interacted. We had also perused the note of the learned *amicus curiae* Mr. Anant Vijay Palli, senior counsel.

3. On the said date, an affidavit was filed by the Commissioner, Municipal Corporation, Chandigarh in addition to earlier affidavit dated 25th April 2026. *Inter-alia*, it has been submitted that the Municipal Corporation website displays the detail of each relocated vendor through a searchable list; numerous anti-encroachment drives were carried out in which (approximately) 5400 challans have been issued, with 1150 approximately pertaining to Manimajra area. The number of registered vendors total to 10939, the division of which is as follows: -

Total Registered Vendors Detail				
Detail	ESP	Mobile	N-ESP	Total
Total Registered vendors	3563	1139	6237	10939

Regarding basic amenities in the vending zone, which was a concern expressed by this Court, Para 16 of the affidavit reads as follows:

“16. That the basic amenities of drinking water, toilets, Paver blocks are mostly available at vending zones as most of the vending zones are adjoined with the markets. However, in other vending zones, there are 18 nos. of mobile toilets vans, available as and when required at any vending zones and the Municipal Corporation Chandigarh is also in process of procurement of more 10 nos. of mobile toilets van which would also be made available to facilitate the public amenities at vending sites.”

A total of 6881 licenses have thus far been cancelled for non-deposit of requisite instalments. Para 21 contains the details as follows:

“That the remaining 5535 vendors, have neither approached the Appellate Authority nor paid the outstanding dues. It seems that most of these vendors have been migrated to somewhere and in case any vendor is found vending without payment of the requisite vending fee, then the challans are being issued in order to enforce the rules/ bye-laws which do not allow unlicensed /illegal street vending”

1346 vendors filed appeals before the appellate authority against cancellation and 1177 were permitted to deposit outstanding fee within three months as per the date of their orders. As on date of the affidavit 169 appeals were pending. Before the Grievance Dispute Redressal Cell (GRDRC), there were 443 applications pending without interim protections.

4. In response to the above affidavit of the Commissioner, Municipal Corporation which stood served to the learned *amicus curiae*, on 28th April 2026, the following submissions have been made:

(i) Challans are not a solution to the issue for they do not directly result in removal of encroachment or rehabilitation of vendors and so they are only a revenue generating exercise and nothing more;

(ii) No Evidence is presented showing that these vendors have been '*meaningfully guided*' towards these sites and new certificates of vending have accordingly been issued;

(iii) The effect of mass cancellation has grave impact on the livelihoods of the people. Out of the total cancellations 5535 vendors have not even approached the appellate authority, this indicates that for lack of alternate employment, they may continue to do street vending which shall, now be done illegally;

(iv) For the appeals that are pending before the GRDRC, a time bound schedule should be mandated with an outer limit of four weeks to decide all matters;

(v) The steps taken regarding Chandigarh should also be extended to Mohali and Panchkula since they function as a ‘single integrated urban agglomeration’;

(vi) The definition of Essential Service Provider is submitted as being unsustainable because it includes food vending such as Chhole Bhature within its expanse. This may dilute the very concept of ESP.

The learned *amicus* has thereafter made following prayers:

“In the light of the above, the Amicus Curiae respectfully urges this Court to:

- a) Direct the MCC to file a result-oriented compliance report not merely listing drives conducted and challans issued, but specifying : the number of sites permanently cleared and verified to remain free of encroachment after a minimum period of 30 days; the number of displaced vendors actually relocated to and operating from designated bending zones; and photographic and field verification evidence in support thereof.
- b) Direct the Commissioner, MCC, to put in place a dedicated enforcement team for post-drive monitoring to ensure that cleared sites are not re-encroached, with weekly compliance reports to be placed before this Court until the matter is finally resolved.
- c) Fix a firm timeline of four weeks for the GRDRC and the Appellate Authority to dispose of all 443 pending applications, failing which this Court may consider appropriate action against the concerned officers.
- d) Direct the MCC to revisit and narrow the definition of Essential Service Providers under the 2018 Bye Laws to prevent, its misuse as a shield against legitimate enforcement action.

- e) Direct the MCC to publish ward-wise, sector-wise data on vacant vending sites available, vendors relocated thereto, and site confirmed as permanently encroachment-free, so that this Court and the public may assess compliance on objective parameters rather than raw challan counts.
- f) Extend the scope of these directions to the entire Tricity region, directing the local bodies of Mohali and Panchkula to conduct coordinated anti-encroachment drives and the file compliance reports before this Court on the same timelines applicable to the MCC.

The object of this Court's intervention is not to be seen to have acted, but to ensure that Chandigarh's streets are genuinely free of unauthorised encroachments while its vendors are lawfully sheltered in designated zones. Anything short of that outcome is mere performance”

5. In reply to the *amicus curiae*, the Municipal Corporation, Chandigarh through the Commissioner submits that:

- (i) The removal of encroachment is a periodically recurring exercise and is undertaken in view of the provisions of the Punjab Municipal Corporation Act 1976 as extended to Chandigarh by the Street Vendors Bye-laws of 2018;
- (ii) The process of issuing smart IDs to vendors is an ongoing process that will attest to the authenticity and genuineness of the vendor. It will also contain the geo-coordinates of the site allocated to them;
- (iii) Nodal officers have been appointed by order dated 7th May 2026 to facilitate shifting of vendors and also, for

maintaining basic amenities, and the said officers have been directed to undertake daily inspection;

(iv) The cancellation of licenses was a measure of last resort and all of them have been given ample opportunity to deposit the amount i.e. time of 30 days after publishing of notice in newspaper;

(v) The appellate authority has decided 1177 appeals. The total of 1346 appeals arise out of two types- the decision of the town vending committee and the GRDRC. Further dates had been fixed for hearing *vide* public notice dated 6th May 2026 i.e., on 8th May 2026. Regarding the remaining appeals, it is submitted as follows:

“31. That in compliance of strict directions of this Hon’ble Court, the Appellate Authority has disposed of total 330 appeals out of total 409 appeals and balance 79 pending appeals would be decided at the earliest. It is relevant to submit that out of that 79 pending appeals, the 75 appeals have been filed in the month of February 2026 against the order dated 21.01.2026 of the GRDRC”

6. The above affidavits have received due consideration. Considering the entire dispute at hand and with the intent to take things to their logical conclusion in a manner that effectively deals with the problems pointed out by the original writ petitioners, we issue the following directions and expect the same will be complied, in letter and spirit:

- (i) The recently identified vending zones and the shifting of license vendors to such location be carried out at the earliest;
- (ii) The vending zones should be made fully operational with everyday monitoring by the city officials to ensure smooth functioning along with adequate road signage in all languages of daily use pointing the commuting public to the zones;
- (iii) The public amenities in each of these vending zones if not already there be established forthwith, and once operational, requisite attention be paid to its upkeep;
- (iv) Advertisements be placed both in print and electronic media at regular intervals informing the public of the vending zones and the timing associated therewith;
- (v) The process of issuance of smart cards is a welcome step that ought to be carried on swiftly for all vendors. The details of each vendor along with the smart card number be supplied to the jurisdictional police station(s) and the District Administration;
- (vi) In order to ensure safety and security of the vendors as also the buyers visiting the vending zones, the installation of CCTV cameras must be completed within six months,

with adequate provision of storing the videos for a specified period of time as may be deemed fit;

(vii) The authorities to consider having a helpline for the vendors and buyers with the authority in order to boost the confidence of the vendors, the security of the vending zone and also the trust of the buyers in proper regulation of the area;

(viii) All applications/appeals that are still pending, be decided at the earliest after giving due opportunity of hearing to all interested parties. At any rate, the current batch of applications/appeals be decided within 60 days. For fresh applications/appeals, an outer limit of 30 days be implemented subject to provisions of the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 and its bye laws;

7. During the course of hearing on 12th , May 2026 the learned *amicus* emphatically opposed the stand taken by the respondents (Chandigarh Administration) in its reply note dated 12th May 2026 regarding the Notification dated 17th July 2020 expanding the definition of ‘*Essential Service Providers*’ as also the time for which they were permitted to ply their services on the streets. It was contended that since it was brought out during the peculiar, stressful and unique conditions of the national

disaster – COVID 19, it has outlived its object, purpose and utility, and accordingly, needs to be set aside, restoring *status quo ante*. Deliberations with all concerned, including the functionaries, officers present in the Court led us to a formation of consensus with the learned *amicus curiae* on this specific issue. The relevant portion of the Notification is extracted as under: -

CHANDIGARH ADMINISTRATION
MUNICIPAL CORPORATION, CHANDIGARH
VENDORS CELL
Notification The 17th July, 2020

No. CMC/2020/1401.—In the exercise of the powers conferred by Section 37 of the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014 the Administrator, Union Territory, Chandigarh, vide Memo No. 1354-FII(8)-2020/9399, dated 10.07.2020 is pleased to approve the following amendments in the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bye-Laws, 2018.

1. These Bye-Laws may be called as the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Bye-Laws (Amendment) 2020.
2. These shall come into force from the date of their publication in the Official Gazette.

Chapter I, Para No: 2. (d)

‘For’ “Essential Service Providers” means those street vendors who are providing essential services within the vicinity e.g. cobbler, milk/bread/egg seller, tea vendor, cycle/rickshaw repairer, dhobi (ironing) barber and massager.

'Read' "Essential Service Providers" means those means street vendors who are providing essential services within the vicinity e.g. cobbler, milk/bread/egg seller, tea vendor, cycle/rickshaw, dhobi (ironing) barber, Tandoor, Chhole Bhature, Kulche Chhole and Parantha. Fruits and vegetables and the

florists witting outside the religious places like Mandir and Gurudwara.

Chapter II, Para No:4(g)

‘For’ Sell goods or service or merchandise between 6 A.M. as specified by the TVC

‘Read’ Sell goods or service merchandise between 6 A.M. to 10 P.M. as specified by the TVC

... ..

Commissioner
Municipal Corporation
Chandigarh”

Accordingly, we quash the said Notification dated 17th July 2020 extracted *supra*. Undoubtedly, the earlier Notification would govern the field.

8. Let an affidavit indicating the status of compliance with the aforesaid directions be filed by 22nd July 2026. List on 24th July 2026 at 2.00 P.M. before this bench.

.....**J.**
(SANJAY KAROL)

.....**J.**
(NONGMEIKAPAM KOTISWAR SINGH)

New Delhi;
1st July, 2026