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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ ***Date of Decision: 21.09.2026***

\# **CNR No. DLHC010449302026**

\+ **LPA 750/2026 & CM APPL. 64566/2026**

RABI GHOSH .....Appellant
Through: Mr. Abhinav Agnihotri, Mr. Sahil Gupta and Mr. Harshit Arun, Advocates.

versus

NEW DELHI MUNICIPAL COUNCIL .....Respondent
Through: Mr. Saurabh Seth, Standing Counsel with Mr. Raghav Alok, ASI NDMC; Mr. Abhiroop Rathore, Mr. Kabir Dev and Mr. Sukhvir Singh, Advocates.

CORAM:
HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE TEJAS KARIA

DEVENDRA KUMAR UPADHYAYA, CJ. (ORAL)

CM APPL. 64565/2026 *(Exemption)*

1. Exemption allowed, subject to all just exceptions.

2. The Application stands disposed of.

CM APPL. 64564/2026 *(Delay of 119 days in filing the Appeal)* & CM APPL. 64567/2026 *(Delay of 35 days in re-filing the Appeal)*

1. These Applications have been filed on behalf of the Appellant seeking condonation of delay of 119 days in filing and 35 days in re-filing the present Appeal, respectively.

2. Having heard the learned Counsel for the Parties and perused the averments made in the Applications, the same are allowed. The delay of 119 days in filing as well as 35 days in re-filing the present Appeal is hereby condoned.

3. Accordingly, the Applications stand disposed of.

LPA 750/2026 & CM APPL. 64566/2026

1. The instant *intra-court* appeal challenges the order dated 11.03.2026 passed by learned Single Judge whereby, *W.P.(C) 17451/2024* instituted by the appellant against the order dated 22.12.2022 passed by Deputy Director (Estate-I) of New Delhi Municipal Council (*hereinafter referred to as* '**NDMC'**) has been dismissed. By the same order CM (Main) 152/2021, a petition under Article 227 of the Constitution of India, instituted by NDMC against the order dated 01.02.2020 passed by District & Sessions Judge on an appeal under Section 9 of Public Premises (Eviction of Unauthorised Occupants) Act, 1971 (*hereinafter referred to as* '**PP Act'**) has been declared to have been rendered infructuous.

2. The subject premises, namely, *shop-cum-flat No. 27, Main Market, Lodhi Road, New Delhi – 110003* (*hereinafter referred to as* '**Subject Property**') was licensed by the NDMC *vide* license deed dated 11.04.1997 in favour of the appellant and one Mr. Anil Jain. The term of the license as per the said license deed dated 11.04.1997 was from 03.02.1997 up to 02.02.2002.

3. Thereafter, another license deed was executed by NDMC in the sole name of the appellant on 23.01.2013, considering the request made by the appellant for deletion of the name of Mr. Anil Jain, the earlier co-allottee and renewal of the license in his favour. The license was, thus, renewed in

the sole name of the appellant *vide* license deed dated 23.01.2013 for a period from 14.05.2011 up to 31.03.2015. During subsistence of the said license dated 23.01.2013, a letter was received by the NDMC from HDB Financial Services Limited informing therein that the appellant in his capacity as Director of M/s. YSF Hotels & Resorts Pvt. Ltd. had mortgaged the subject/licensed property with HDB Financial Services Limited against a term loan. Consequently, the NDMC issued a Show Cause Notice to the appellant on 20.10.2014 requiring from him an explanation for violation of the terms of license deed by mortgaging the subject property with HDB Financial Services Limited.

4. Relying on a letter dated 13.11.2014 said to have been issued by HDB Financial Services Limited, the appellant denied that subject property was mortgaged. It is on record that though the appellant submitted before the NDMC that subject property was not mortgaged relying on the letter dated 13.11.2014 issued by HDB Financial Services Limited, however, the loan document dated 11.08.2014 which was sent by HDB Financial Services Limited to the appellant listed the subject property as additional collateral security for a loan. The said document contains the signature of the appellant at three different places.

5. In the meantime, a money decree was passed on 08.09.2016 in favour of one M/s. Santosh Hospitality LLP against M/s. YSF Hotels & Resorts Pvt. Ltd. and the appellant, who is the Managing Director of the said company. In Execution Petition bearing no.155/2016 this Court *vide* order dated 08.12.2016 attached various properties of the appellant, including the subject property. On coming to know of the aforesaid developments, NDMC again issued a Show Cause Notice to the appellant on 01.03.2017 calling

upon the appellant to explain the mortgage of the subject property and about the subject property having been allowed to be attached in the execution of money decree.

6. In Execution Petition No.155/2016 a Memorandum of Understanding (*hereinafter referred to as* '**MoU**) was executed by the appellant on 25.09.2017 wherein, the appellant stated that he is ready to part away with the subject property and hand it over to the decree holder in discharge of the debt which he owed to the decree holder. In the Execution Petition, the appellant and the decree holder moved a joint application seeking adjournment of the proceedings of the Execution Petition for a period of six months so that the terms of MoU may be implemented. In the proceedings of the Execution Petition, an order was passed on 26.10.2017 wherein, submission on behalf of the appellant was recorded to the effect that he had handed over the subject property to the decree holder and that the same was affirmed by the decree holder.

7. The attachment order dated 08.12.2016 was withdrawn only on 30.07.2018 for the reason that the attachment order was said to be an impediment for renewal of the license deed, whose term had already expired on 31.03.2015. The NDMC also received a letter from the Advocate representing the decree holder, dated 31.05.2018 wherein it was stated that the decree holder did not have any objection, in case the license deed in respect of the subject property is renewed in favour of the appellant.

8. In the background of the aforesaid facts, the NDMC initiated proceedings against the appellant for eviction and payment of rent/damages in respect of the subject property under Section 5/7 of the PP Act, however, the Estate Officer, rejected the said application *vide* his order dated

12.03.2019 which was challenged by NDMC before the District & Sessions Judge concerned in an appeal filed under Section 9 of the PP Act bearing no. *PPA No.7/2019* which, however, was dismissed by order dated 01.02.2020 by the District & Sessions Judge.

9. The order dated 01.02.2020 passed by the Appellate Authority under Section 9 of the PP Act became subject matter of challenge of CM(Main) 152/2021, proceedings of which were instituted by the NDMC which has been found to have been rendered infructuous by learned Single Judge *vide* impugned order dated 11.03.2026.

10. Several other developments also took place. The decree holder moved an application in Execution Petition No.155/2016 on 14.09.2020 whereby, the Execution Petition was sought to be revived, proceedings of which were closed on the basis of MoU dated 25.09.2017. The decree holder also sought a modification of the order passed by this Court in the said execution proceedings on 26.09.2017 wherein, it was recorded that the possession of the subject property was handed over to the decree holder. This Court *vide* its order dated 21.10.2020 allowed the said modification application and modified the order dated 26.09.2017 by clearly recording that possession of the subject property was never handed over to the decree holder by the appellant and further that a cancellation deed dated 03.09.2020 was also executed whereby, MoU dated 25.09.2017 was sought to be cancelled.

11. The appellant had also instituted *W.P.(C) 11188/2020* with a prayer to quash the notices issued to him on 20.10.2014 and 01.03.2017 with a further prayer to direct the NDMC to renew the license deed for the subject property. The said writ petition was, however, disposed of by means of an order dated 22.09.2022 whereby, the appellant was permitted to approach

the concerned authority/Chairman of the NDMC along with copy of the said writ petition/representation. The NDMC was directed to dispose of the representation of the appellant by passing a detailed and reasoned order in accordance with law.

12. It is pursuant to the said order passed by this Court dated 22.09.2022 in *W.P.(C) 11188/2020* which was instituted by the appellant, that the order dated 22.12.2022 was passed by NDMC rejecting the claim of the appellant for renewal of the license deed that became subject matter of challenge in *W.P.(C) 17451/2024* before learned Single Judge which has been dismissed by the impugned order dated 11.03.2026.

13. Learned counsel representing the appellant has drawn our attention to certain findings recorded by the learned Single Judge in the impugned order wherein, it has been observed that the order dated 22.12.2022 passed by NDMC correctly records that cancellation deed dated 03.09.2020 was created after NDMC filed CM(Main) 152/2021 on 18.08.2020 to seek renewal of the license deed. The impugned order also records a finding that cancellation of MoU was, therefore, purely an afterthought and was done fraudulently to obtain renewal of license.

14. Learned counsel for the appellant has submitted that the finding regarding cancellation of MoU having been done fraudulently to obtain renewal of license is not correct for the reason that during the course of the proceedings of the Execution Petition, the said MoU was entered into and if two parties had arrived at some kind of understanding, the same cannot be termed to be fraudulent. Learned counsel for the appellant has also drawn our attention to the letter dated 13.11.2014 which was submitted by the appellant *vide* his letter dated 14.11.2014 to the NDMC in response to the

Show Cause Noticed dated 20.10.2014. On the said basis it has been stated that HDB Financial Services Limited in the said letter had clearly stated that the subject property, namely, *shop/flat no. 27, Main Market, Lodhi colony* was not mortgaged under the facility of loan extended by HDB Financial Services Limited to the appellant and in this view, it cannot be said that any mortgage was created in the subject property and, therefore, the findings recorded by NDMC while passing the order dated 22.12.2022 are incorrect. The submission further is that in any case, no action on the part of the appellant can be said to be fraudulent, however, the learned Single Judge while passing the impugned order dated 11.03.2026, as also the NDMC while passing the order dated 22.12.2022 have erred in law in not appreciating the aforesaid aspects of the matter.

15. Learned counsel representing the NDMC has, however, vehemently, argued that the *intra-court* appeal does not bear any good ground and further that the findings recorded by the learned Single Judge in the impugned order are based on the material available on record and hence, the same is not liable to be interfered with in this appeal.

16. It has further been stated on behalf of NDMC that the letter dated 13.11.2014 on which reliance has been placed by the appellant, which is said to be written by HDB Financial Services Limited to the appellant stating therein that subject property was not mortgaged for procuring the loan, is a procured and fabricated document for the reason that the appellant has not been able to place any material to deny the letter dated 11.08.2014 which formed part of the loan agreement between the appellant and HDB Financial Services Limited wherein, it is clearly stated that the loan was advanced on the basis of additional collateral security furnished by the appellant that

comprised of the subject property i.e. *shop/flat no. 27, Main Market, Lodhi Road, New Delhi – 110003.* The said document could not be disputed and therefore, the submissions made by learned counsel for the appellant are baseless.

17. On behalf of NDMC it has also been argued vehemently that all along the conduct of the appellant has been such that he initially submitted the subject property as additional collateral security for procuring a loan from HDB Financial Services and thereafter, even entered into a MoU in execution proceedings agreeing that the subject property may be handed over to the decree holder in satisfaction of the money decree passed against the appellant. The submission is that the appellant has all along conducted himself in a manner which defeats the terms and condition of the license deed dated 23.01.2013 and, therefore, the order dated 22.12.2022 passed by NDMC, refusing renewal of the license, has rightly been passed.

18. It is also submitted that in fact, the appellant has fraudulently acted to defeat the terms and conditions of the license and in this view, he is not entitled for renewal of license deed dated 23.01.2013 by the NDMC and that the learned Single Judge after considering all the aforesaid facts and circumstances of the case has rightly upheld the order dated 22.12.2022 passed by NDMC whereby, the prayer for renewal of license in favour of the appellant has been refused.

19. Having considered the respective submissions made by learned counsel for the parties and perused the records available before us we are unable to agree with the submissions made by learned counsel for the appellant and affirm the impugned order passed by the learned Single Judge.

20. The learned Single Judge after recording the facts which have already

been narrated herein above, has recorded a finding that the loan sanction letter dated 11.08.2014 clearly shows that the subject property was offered as an additional collateral security by the appellant to HDB Financial Services. The said document also bears the signature of the appellant. Such finding recorded by learned Single Judge is apparent from a bare perusal of the loan sanction letter dated 11.08.2014 which could not be disputed by the appellant by any cogent evidence.

21. The Learned Single Judge has also referred to the MoU dated 25.09.2017 which was entered into between the appellant and the decree holder wherein, it was recorded that the appellant would hand over the possession of the subject property to the decree holder. Learned Single Judge has also recorded the finding that though the appellant had several opportunities available to him to seek modification of the attachment order dated 08.12.2016, however, he approached this Court for modification only in July, 2018 for the reason that NDMC refused to renew his license and further that this Court while withdrawing the attachment order has clearly recorded in its order dated 30.07.2018 that NDMC had raised objection for renewal of license in view of the attachment of the subject property. The learned Single Judge has, thus, concluded that the appellant was acting collusively with the decree holder, only with the aim of getting the license renewed which could then be transferred to the decree holder.

22. The impugned order passed by the learned Single Judge has also referred to the findings recorded in the order dated 22.12.2022 passed by NDMC wherein, it was found that the cancellation deed dated 03.09.2020 was created only after NDMC had filed CM(Main) 152/2021, that too, only to seek renewal of the license deed and in the light of these facts, the learned

Single Judge further proceeds to record a finding that cancellation of MoU was purely an afterthought and was done fraudulently to obtain renewal of the license.

23. If we examine the conduct of the appellant throughout, he has been making attempts, one after the other, to get the license renewed, whose term had already expired on 31.03.2015 by taking certain remedial recourse, only after firstly mortgaging the subject property as collateral security for procuring a loan and thereafter, by entering into the MoU with the intent to hand over the possession in favour of the decree holder. The order dated 22.12.2022 passed by NDMC is a detailed order which has considered all the relevant aspects of the matter and has recorded the facts which are undeniable and, accordingly, the order reaches the conclusion that the appellant has indulged in misuse of the subject property and violation of the terms of the license and therefore, the renewal of the license cannot be done.

24. We do not find any material available on record which can be put to service to refute the findings recorded by NDMC in its order dated 22.12.2022. The appellant, as already observed above, has all along been acting in a deceitful and dishonest manner. We have already observed above that the appellant firstly subjected the property in question to collateral security for procuring a loan from HDB Financial Services Limited and, thereafter, he even attempted to enter into a MoU with the decree holder in execution of some money decree, though, the term of the license had already expired on 31.03.2015. Later he made attempts, so as to enable him to hand over the subject property to the decree holder in execution of the decree although; the appellant had lost all his rights on determination of the license on 31.03.2015.

25. The NDMC is a public authority and as such it has to, in all circumstances, act in public interest. Renewal of license in favour of the appellant, in the circumstances and facts noted above, could not have been in public interest for the reason that any such renewal would amount to succumbing to deceitful means attempted by the appellant for getting the license renewed which had already expired on 31.03.2015.

26. For the reasons aforesaid, we do not find any good ground to interfere with the impugned order passed by the learned Single Judge. The appeal is, thus, dismissed with a cost of Rs.50,000/- to be paid by the appellant to the NDMC within a month from today. In case the cost, as directed herein, is not paid by the appellant to the NDMC, the same shall be recovered as arrears of land revenue.

27. Application(s), if any, stand disposed of.

DEVENDRA KUMAR UPADHYAYA, CJ

TEJAS KARIA, J

SEPTEMBER 21, 2026/MJ