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

+ O.M.P.(I) (COMM.) 253/2024

**MS WEDDING PARK HOSPITALITIES PVT LTD**

.....Petitioner

Through: Mr. Surjendu Sankar Das, Mr. Neelmani Pant, Mr. Shantanu Derwagre and Ms. Annie Mittal, Advs.

versus

**BALESH DEVI BHADANA & ANR.** .....Respondents

Through: Mr. Jinendra Jain, Mr. Krishna Sharma, Mr. Chirag Aneja, Ms. Bijay Laxmi and Mr. M.N. Mishra, Advs.

**CORAM:**

**HON'BLE MR. JUSTICE C. HARI SHANKAR**

**ORDER**

**02.08.2024**

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1. This petition under Section 9 of the Arbitration and Conciliation Act 1996<sup>1</sup> seeks pre-arbitral interim reliefs in the context of a Lease Deed dated 1 December 2017 executed between the respondents and the petitioner.

2. For the purpose of the order based today, no detailed allusion to the facts is necessary. Suffice it to state that, by the aforesaid Lease Deed, the respondents leased out to the petitioner, an area of land known as “Jannat Valley” (hereinafter referred to as “the leased area”) situated at Surajkund, Haryana.

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<sup>1</sup> “the 1996 Act”, hereinafter



3. Mr. Surjendu Sankar Das, learned Counsel for the petitioner, submits that the term of lease is till 2026, but that, with effect from June 2024, the access of the petitioner to the leased area has been blocked by completely sealing the area. He submits that there are several assets of the petitioner lying in the leased area, and that there is every apprehension of the respondents misappropriating the said assets. He also submits that the respondents have given the said area on lease to another party even while the petitioner's lease is subsisting.

4. Mr. Das also submits that the respondents have, even while the Lease Deed envisages resolution of disputes between the parties by arbitration, with seat at Delhi, initiated a civil suit against the petitioner in Faridabad, in which the petitioner has moved an application under Section 8 of the 1996 Act, seeking reference of the disputes to arbitration.

5. Mr. Jinendra Jain, learned Counsel for the respondents refutes this contention and submits that the petitioner has already filed an application under Order VII Rule 11 of the CPC which Mr. Das, on instructions, denies and reiterates that the application which has been filed by the petitioner in Faridabad is under Section 8 of the 1996 Act.

6. Be that as it may, I have heard Mr. Jain on the allegations made by Mr. Das.

7. Mr. Jain submits that the access to the leased area has been blocked because the petitioner has surrendered the lease.



**8.** To a query from the court as to whether the surrender has taken place under any document, Mr. Jain submits that there is no document evidencing surrender but that, the petitioner and the respondents set down together and the petitioner willy-nilly surrendered possession of the leased area.

**9.** *Prima facie*, this submission is difficult to accept.

**10.** Mr. Jain further submits that the petitioner is in default of rent since a considerable period. He also submits that the petitioner is also in default of paying TDS and GST.

**11.** Mr. Das submits, on the other hand, that the petitioner has been regularly paying rent at least till February 2024 and even thereafter.

**12.** Be that as it may, in the event of default of more than three months in paying rent, Clause 10.2 of the Lease Deed envisages termination of the lease at the instance of the lessor by one month's advance notice.

**13.** Mr. Jain, to a query from the Bench, admits that no such notice was given to the petitioner, though, on 6 July 2024, a notice of default of rent was sent to the petitioner.

**14.** Mr. Das disputes the receipt of any such notice. Mr. Jain nonetheless acknowledges that no formal notice of termination was issued by the respondents to the petitioner.



15. In these circumstances, *prima facie*, the leased area continues to remain leased to the petitioner, and the respondents could not have leased out the area to anyone else or blocked access of the petitioner to the leased area.

16. The submission that the petitioner has surrendered the lease is also *prima facie* not acceptable as there is no written document surrendering lease. In case the petitioner is in default of rent, Clause 10.2 envisages termination of the lease by the respondents on one month's advance notice in writing which has also not been given.

17. A *prima facie* case has, therefore, been made out by the petitioner of the continuation of the lease and of unlawful restraint against the petitioner having access to the leased area.

18. The principles of balance of convenience and irreparable loss would also clearly justify grant of *ad interim* injunction in such a case, as, if the respondents were to be permitted to lease out the area to another party, or to deal with assets of the petitioner which are contained in the leased area, it would naturally result in irreparable loss to the petitioner.

19. The balance of convenience would also, therefore, be in favour of a direction of *status quo* regarding the leased area till the next date of hearing.

20. In these circumstances, issue notice.



21. Notice is accepted, on behalf of the respondent, by Mr. Jinendra Jain
22. Reply, if any, be filed within four weeks with advance copy to learned Counsel for the petitioner who may file rejoinder thereto, if any, within four weeks thereof.
23. Till the next date of hearing, the parties shall maintain *status quo* with respect to the leased area. **There shall be no interference with any assets lying in the leased area and no lease of the leased area in favour of any third party shall be permitted or implemented.**
24. Renotify on 9 October 2024.

**C. HARI SHANKAR, J.**

**AUGUST 2, 2024**

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[Click here to check corrigendum, if any](#)