

DLND01-008998-2026

PPA No.19/2026

Delhi Race Club (1940) Ltd. Vs. Union of India & Anr.

25.08.2026

File taken up on filing of an application for pre-ponement of the date of hearing for grant of interim order of stay U/s.9 of Public Premises Act read with Section 151 of CPC in view of the order passed by Hon'ble Supreme Court of India dated 25.08.2026 in SLP (C) No(s). 29238/2026.

Present : Sh. Suhail Dutt, Ld. Sr. Advocate with Sh. Azhar Alam and Sh. Sankalp Goswami, Ld. Counsels for the appellant.

Sh. Ashish K. Dixit, Ld. C.G.S.C. with Sh. Umar Hashmi, Sh. Ayush Kumar, Ms. Iqra Sheikh, Sh. Gaurav and Sh. Suchit Goyal, Ld. Counsels for the respondents.

This application has been filed by the applicant/appellant for seeking pre-ponement of the date for passing an order on interim application on the basis of the liberty granted by the Hon'ble Supreme Court of India vide order dated 25.08.2026 while dismissing the SLP.

Perusal of the order dated 25.08.2026 passed by the Hon'ble Supreme Court of India shows that the liberty is granted to the appellant to file an application for preponement before this court for passing appropriate order.

Considering the above facts and circumstances and the order dated 25.08.2026, the application for pre-ponement is allowed. The appeal is taken up today for consideration of an

application filed by the appellant for stay of the order dated 11.08.2026 against which the present appeal has been filed.

The respondent is directed to place the record of the Estate Officer for the consideration of application of interim stay at 04.30 PM. Be awaited.

25.08.2026 (05.00 pm)

Present : Sh. Suhail Dutt, Ld. Sr. Advocate with Sh. Azhar Alam and Sh. Sankalp Goswami, Ld. Counsels for the appellant.

Sh. Ashish K. Dixit, Ld. C.G.S.C. with Sh. Umar Hashmi, Sh. Ayush Kumar, Ms. Iqra Sheikh, Sh. Gaurav and Sh. Suchit Goyal, Ld. Counsels for the respondents.

Sh. Dinesh Kumar Tomar, JSA, ESO Office, in person.

Record of the Estate Officer produced.

The appellant/applicant has filed an application for seeking stay of the enforcement of order dated 11.08.2026 passed by the Estate Officer claiming that appellant is having a very good prima facie case in their favour. Balance of convenience also lies in favour of the appellant and against the respondent and grave prejudice would be caused to the appellant if the present application is not allowed. On that basis, it is prayed that interim stay may be granted qua the enforcement of the order dated 11.08.2026.

Sh. Suhail Dutt, Ld. Sr. Advocate for the appellant/applicant has contended that impugned order dated

11.08.2026 passed by the Estate Officer is in violation of the principle of natural justice because the Estate Officer has failed to supply copy of the plaint filed by the respondent before it despite various requests and last request for grant of plaint was made on 07.08.2026. He further contended that the respondent had earlier issued a show cause notice dated 15.10.1999 which was challenged by the appellant by filing writ petition (C) No. 7822/1999 and the Hon'ble High Court had quashed the said show cause notice vide order dated 09.07.2012. He further contended that in view of the quashing of the previous show cause notice, the present proceedings are barred by the principle of Res judicata as the show cause notice has been issued on the same ground. He further contended that the respondent demanded a sum of Rs.3,48,82,723/- for consideration of extension of lease which was duly deposited by the appellant on 23.08.2013 and therefore the lease was extended by the conduct of the parties. He further contended that the appellant has been regularly paying the use and occupation charges without any default, therefore, the occupation of the appellant could not be termed as unauthorized. Ld. Sr. Advocate contended that the appellant is having a good prima facie case in their favour for grant of interim stay and grave prejudice would be caused to the appellant if operation of the order is not stayed. On that basis, it is prayed that the application may be allowed and impugned order may be stayed.

Sh. Ashish K. Dixit, Ld. C.G.S.C. Ld. Counsel for the respondent has contended that no lease deed or extension of lease

was done after 1994 and the occupation of the appellant in the property in question after 1994 was on month to month basis. He further contended that the appellant appeared before the Estate Officer and copy of the plaint was duly supplied to him but despite affording various opportunities by the Estate Officer, the appellant failed to put forth their defence, therefore, the Estate Officer was constrained to close the right and passed the order on the basis of the material available on record. He further contended that it is well settled law that after the expiry of the period of lease, mere payment of rent would not construe as renewal of the lease.

In support of his plea, Ld. Counsel has relied upon the judgments titled as '**Delhi Development Authority Vs. Anand Raj Agencies Private Limited (2016) 11 SCC 406**' and '**Union of India Vs. S.M. Aggarwal & Ors. 1995 (33) DRJ (DB)**'.

I have heard Ld. Senior Counsel of the appellant, Ld. Counsel of the respondent, perused the application, impugned order as well as the record. Perusal of the above shows that respondent initiated the proceeding U/s. 5 of Public Premises Act for seeking eviction terming the respondent as an unauthorized occupant as per Public Premises Act. On receipt of the plaint, the Estate Officer had issued a show cause notice dated 17.04.2026 stipulating the ground for issuance of such show cause notice and directed the appellant to appear before the Estate Officer on 27.04.2026 at 02.30 PM.

Perusal of the order dated 27.04.2026 of the Estate Officer shows that representative of appellant appeared and apprised the Estate Officer that appellant had filed a Writ Petition

(C) No. 5608/2026 in which Hon'ble High Court of Delhi had passed an interim order dated 24.04.2026. Perusal of the order dated 27.04.2026 further shows that respondent not only sought adjournment before the Estate Officer but also made a request for providing the copy of the plaint and the Estate Officer directed the department to provide the same to the respondent and the copy of the plaint was supplied, which is mentioned in the said order.

After that, the respondent filed an application for early hearing before the Estate Officer on 27.05.2026 when the stay granted by the Hon'ble Single Judge of High Court of Delhi was vacated by the Division Bench vide order dated 26.05.2026. The Estate Officer allowed the stay application and preponed the date of hearing to 04.06.2026 at 04.30 pm.

On 04.06.2026, Col. S.K.Bakshi, Secretary of appellant appeared before the Estate Officer and sought adjournment for filing reply and evidence of the document. On his request, matter was adjourned and posted for 29.06.2026.

On 29.06.2026 also, the appellant/respondent sought an adjournment for filing reply and evidence and matter was again adjourned for 10.07.2026. On 10.07.2026, the appellant/respondent again sought adjournment for filing reply and evidence and on such request, matter was again adjourned to 17.07.2026.

On 17.07.2026, the Estate Officer was on leave therefore, the case was adjourned to 24.07.2026. On 24.07.2026, the appellant/respondent sought adjournment on the ground that they submitted a representation to the department for

reconsideration.

The matter was adjourned for 07.08.2026. on 07.08.2026 also the appellant/respondent did not file reply, therefore, the Estate Officer reserved the matter for passing of the order and thereafter the impugned order was passed.

Perusal of the record of the Estate Officer clearly shows that the Estate Officer had afforded more than sufficient opportunities to the appellant/respondent but they did not submit their reply and evidence. The appellant/respondent failed to submit any reply due to which the Estate Officer was constrained to close their right and reserved the matter for orders.

Ld. Senior Counsel for the appellant has contended that principle of natural justice has been violated as the copy of the plaint was not supplied to the appellant by the Estate Officer.

The said contention is however not sustainable for the simple reason that in the order dated 27.04.2026, the Estate Officer has specifically mentioned that the copy of the plaint was supplied to the appellant. The said order sheet was signed by the Col. S.K. Bakshi, Secretary of appellant and legal representative. Thereafter on none of the dates, the appellant made any request to the Estate Officer that copy of the plaint was not supplied.

All these facts clearly shows that the appellant was duly supplied the copy of plaint. The appellant, however, failed to put their reply and evidence before the Estate Officer, despite granting ample opportunity.

The Hon'ble Delhi High Court in case titled as 'Union of India Vs. S.M. Aggarwal & Ors.', (Supra) has observed about the procedure to be followed by Estate Officer, which reads as under :

“9. We feel these observations of the learned Additional District Judge are quite uncharitable to the Estate Officer and against the provisions of law as contained in the Act. As noted above, in spite of various opportunities granted to the shopkeepers by the Estate Officer they failed to file written statement and in fact the entire proceedings show that their whole attempt was to delay the proceedings. There was no question of any departmental official being examined beforehand. What section 4 of the Act required was that if the Estate Officer was of the opinion that any person was in unauthorised occupation of any public premises he is to give him a notice to show cause as to why an order of eviction should not be made. It is, therefore, for the occupant to show that he is not in unauthorised occupation of public premises. In spite of various opportunities no record of any nature was produced by the shopkeepers and they did not even file any answer to the show cause notice. If it was a case tried in a civil court then the judge would have straightaway struck out the defense of the shopkeepers for having failed to file written statement in spite of adjournments having been granted for the purpose.”

The Ld. Estate Officer has not supplied the copy of the plaint as demanded but also granted sufficient opportunities to the appellant to file their reply, but they failed to avail the same for the reason best known to them.

Ld. Counsel for the appellant further contended that the respondent earlier issued a show cause notice dated 25.10.1999 which was quashed by the Hon'ble High Court of Delhi vide order dated 09.07.2012 therefore, the issuance of fresh show cause notice is barred by the principle of Res Judicata.

The said contention of Ld. Counsel for the appellant is not sustainable for the simple reason that previous show cause notice dated 25.10.1999 was issued without determining the lease and without passing any order of re-entry as per Clause 5 of lease deed.

In the instant case, before filing proceeding U/s.5 of PP Act before Estate Officer, the respondent issued a notice dated 12.03.2026 thereby called upon the appellant to vacate the land and hand over the vacant and peaceful possession of the entire premises to the Land and Development Office within a period of 15 days failing which Government of India shall be constrained to initiate appropriate proceedings for eviction and recovery of possession of the said land in accordance with law. Without any further reference.

The said notice of re-entry was duly served upon the appellant. But, instead of complying the said notice, appellant filed a civil suit before the Hon'ble High Court of Delhi being CS (OS) 253/2026. The Hon'ble High Court of Delhi initially granted

interim protection. But Ld. Counsel for the respondent made a statement before the court that they shall not dispossess the plaintiff without due process of law.

In view of the said submission, the suit was disposed of vide order dated 09.04.2026.

After that, respondent filed the plaint before the Estate Officer. Show cause notice was served upon the appellant, but despite the service of show cause notice, the appellant failed to contest the proceedings and failed to file reply. Thus, the contention of Ld. Counsel for the appellant that the show cause notice of the proceeding initiated by the Estate Officer is barred by res judicata is not sustainable.

Ld. Counsel for the appellant has further contended that the appellant has always been making the payment of rent and the lease was never determined. He further contended that the respondent demanded a sum of Rs.3,48,82,723/- for the purpose of extension of lease deed which was duly deposited by the appellant on 23.08.2013. Thus, the lease was extended by the conduct of the parties.

The said contention of Ld. Counsel for the appellant is however, not sustainable because the amount of Rs.3,48,82,723/- was not the amount of future rent deposited by the appellant for extension of the lease but as per the demand letter dated 22.07.2013. The amount of Rs.3,48,82,723/- was the net recoverable amount towards damages uptill 04.07.2013.

It is relevant to mention that after 1994, no document was issued by the respondent renewing the lease beyond 1994.

The appellant has contended that they have been making the payment of the rent without any default, therefore, they cannot be termed as unauthorized occupant.

It is well settled law that mere payment of rent after the expiration of the terms of the lease deed cannot be construed as renewal of the lease which has already expired.

The Hon'ble Supreme Court of India in 'Delhi Development Authority Vs. Anand Raj Agencies Private Limited' (Supra) has held as under :

“There cannot be an automatic renewal of lease in favour of the original lessee once it stands terminated by efflux of time and also by issuing notice terminating the lease. Merely accepting the amount towards the rent by the office of the DDA after expiry of the lease period shall not be construed as renewal of lease of the premises in question, in favour of the original lessee, for another period of 20 years as contended by the respondent.”

The above legal proposition laid-down by Hon'ble Supreme Court of India makes it clear that by mere payment of rent after the expiry of the lease cannot be construed as renewal of lease deed. The lease granted to the appellant was not renewed after 1994 by execution of any document.

The respondent initiated the proceeding for eviction U/s.5 of PP Act before the Estate Officer, who issued a show cause

notice, pursuant to which, appellant appeared and sought various opportunities to file reply. But, despite various opportunities, appellant did not file any reply nor put forth any plea before Estate Officer, therefore, the Ld. Estate Officer has passed the order on the basis of the material placed before it by the respondent.

The appellant has thus failed to make out any prima facie case for stay of the impugned order dated 11.08.2026.

In view of the above facts and circumstances, I am of the considered view that appellant has failed to make a prima facie case for stay of the impugned order dated 11.08.2026 passed by the Ld. Estate Officer in case No.ESO/11/3 (1) /2026 titled as Union of India Vs. Delhi Race Club. Accordingly, the application filed by the applicant/appellant for interim stay is dismissed.

Renotify for disposal of appeal on **26.09.2026**.

Copy of the order be given dasti to Ld. Counsels for the parties, as prayed for.

(Pitamber Dutt)
Principal District & Sessions Judge
New Delhi District
Patiala House Courts/ND/25.08.2026