$~36

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

\+ W.P.(C) 6211/2024 and CM APPL. 25885/2024

Date of Decision: **10.03.2026**

IN THE MATTER OF:

HARDEV SINGH AKOI AND ORS .....Petitioners

Through: Mr. Rajiv Nayar, Sr. Advocate with Mr. Amit Sethi, Mr. Preet Pal Singh, Mr. B. Anand and Mr. Neeraj Kargeti, Advocates.

versus

UNION OF INDIA .....Respondent

Through: Mr Vikram Jetly, CGSC with Mr Rudra Paliwal, GP.

CORAM:
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

J U D G E M E N T

PURUSHAINDRA KUMAR KAURAV, J. (ORAL)

The petitioner approaches this Court aggrieved by the decision dated 28.03.2024, issued by the Government of India, Ministry of Housing & Urban Affairs, Land & Development Office, whereby ground rent was levied on the premises bearing Block No. 124, Plot 1, Janpath Lane, commonly known as the Imperial Hotel. The petitioner challenges the said decision as being without justification and seeks its quashing.

2. The petitioner assails the impugned order on multiple grounds, the foremost being the alleged breach of the principles of natural justice. It is submitted that, had the petitioner been given proper notice, it could have

demonstrated that, under the terms of the lease deed, the respondents lacked the authority to levy the ground rent.

3. The Supreme Court in ***Biecco Lawrie Ltd. and Anr. v. State of West Bengal and Anr.***,[1] has observed that both sides in a dispute being heard is fundamental to fair procedure. Notice being required to be served was further considered as an essential ingredient of fair hearing. The material portion of the judgement reads as under:

> "*24. It is fundamental to fair procedure that both sides should be heard—audi alteram partem i.e. hear the other side and it is often considered that it is broad enough to include the rule against bias since a fair hearing must be an unbiased hearing. One of the essential ingredients of fair hearing is that a person should be served with a proper notice i.e. a person has a right to notice. Notice should be clear and precise so as to give the other party adequate information of the case he has to meet and make an effective defence. Denial of notice and opportunity to respond result in making the administrative decision as vitiated.*"

4. In ***Canara Bank v. V.K. Awasthy***,[2] the Supreme Court in eloquent terms described adherence to principle of natural justice to be of "*supreme importance*" when actions involving civil consequences are involved. Para. 10 of the said decision is extracted as under:

> "*10. The adherence to principles of natural justice as recognised by all civilised States is of supreme importance when a quasi-judicial body embarks on determining disputes between the parties, or any administrative action involving civil consequences is in issue. These principles are well settled. The first and foremost principle is what is commonly known as audi alteram partem rule. It says that no one should be condemned unheard. Notice is the first limb of this principle. It must be precise and unambiguous. It should apprise the party determinatively of the case he has to meet. Time given for the purpose should be adequate so as to enable him to make his representation. In the absence of a notice of the kind and such reasonable opportunity, the order passed becomes wholly vitiated. Thus, it is but essential that a party should be put on notice of the case before any adverse order is passed against him. This is one of the most important principles of*

[1] (2009) 10 SCC 32.
[2] (2005) 6 CC 321.

natural justice. It is after all an approved rule of fair play. The concept has gained significance and shades with time. When the historic document was made at Runnymede in 1215, the first statutory recognition of this principle found its way into the "Magna Carta". The classic exposition of Sir Edward Coke of natural justice requires to "vocate, interrogate and adjudicate". In the celebrated case of Cooper v. Wandsworth Board of Works the principle was thus stated: (ER p. 420)

> *"[E]ven God himself did not pass sentence upon Adam before he was called upon to make his defence. 'Adam' (says God), 'where art thou? Hast thou not eaten of the tree whereof I commanded thee that thou shouldest not eat?'"*

Since then the principle has been chiselled, honed and refined, enriching its content. Judicial treatment has added light and luminosity to the concept, like polishing of a diamond."

5. The Madras High Court in ***M. Guruswamy Nadar v. Commissioner, Hindu Religious and Charitable Endowment Department, Chennai***,[3] dealt with a case where the respondent-authority had fixed the fair rent, which the petitioner therein was liable to pay, without affording an opportunity of hearing. On this ground alone, finding there to be a violation of the principles of natural justice, the Court set aside the order impugned therein fixing the fair rent. Para. 18 of the said decision reads as under:

"*18. It is relevant to mention the one important aspect of this matter in this context is that the guidelines issued by the Government indicated that the fair rent should be on the basis of the value of the building or on the basis of market rate, whichever is higher. The value of the building and the land need not be on the basis of market value, unless, there is a specific direction in this case by the Government. Having regard to the position that 0.06% of the value of the building can be the monthly rent for commercial building let out by the temple authorities, this Court is of the view that the fair rent may be even more than what it was fixed by the Committee earlier. Since the Committee has fixed fair rent in this case without notice to the tenant, this Court is of the view that the fair rent in respect of the property occupied by the petitioner as tenant is fixed arbitrarily and in violation of principles of natural justice. Without affording any opportunity, the demand notice dated 11.09.2009 was sent through RPAD, which is a clear violation of principles of natural justice. Hence the impugned order of the Commissioner, HR & CE Department, Chennai, in A.P.No.27 of 2015, D2, dated 28.03.2016, is*

[3] (2018) 3 MWN (Civil) 167.

set aside. It is open to the temple authorities to fix the fair rent w.e.f., 01.05.2008 following the guidelines issued by the Government, vide G.O.Ms.No.456, dated 09.11.2007 or any other subsequent guidelines or amendment in accordance with law, after giving an opportunity to the petitioner to raise his objection with regard to the basic factors, which are to be taken into account for the purpose of fixing fair rent w.e.f., 01.05.2008."

6. The Court finds that *vide* interim order dated 21.05.2024 the operation of the said order has been stayed.

7. There is nothing on record to controvert the primary submission made by the petitioners regarding affording of opportunity of hearing. In light of the facts of the instant case and the law discussed above, the Court, instead of going into the merits of the matter, deems it appropriate to set aside the same only on this ground alone.

8. Accordingly, the impugned order is set aside and the matter is remitted back to the respondent to decide afresh after extending opportunity of hearing to the petitioners. If the petitioners, thereafter, are aggrieved by the said order, they shall be at liberty to take appropriate recourse in accordance with law.

9. Pending application also stands disposed of.

(PURUSHAINDRA KUMAR KAURAV)
JUDGE

MARCH 10, 2026
Tr/ksr