



2026:DHC:8655-DB



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
Date of decision: 30th September, 2026
+ **FAO (COMM) 235/2026 & CM APPL. 53419/2026 CM APPL. 53420/2026**

DEEPAK BALUTIA

.....Appellant

Through: Mr. Tishampati Sen, Mr. Kartik Pant,
Mr. Chaitanya, Ms. Kirtika Goyal, Ms.
Sejal Jain and Mr. Anand Kr. Singh,
Advocates

Versus

ANU MANGLANI

.....Respondent

Through: Mr. Sushil K. Tekriwal and Dr. Mamta
Tekriwal, Advocates

CORAM:

HON'BLE MR. JUSTICE DINESH MEHTA

HON'BLE DR. JUSTICE ADITI CHOUDHARY

J U D G M E N T

DINESH MEHTA, J. (ORAL)

1. The present appeal arises out of the order dated 04.06.2026 passed by the learned District Judge (Commercial Court)-03, Patiala House Courts, New Delhi, under Section 9 of the Arbitration and Conciliation Act, 1996 (*hereinafter referred to as "the Act of 1996"*).

2. What concerns the appellant the most is that part of the order whereby the Court had directed the appellant to restore the electricity connection of the subject property [*Shop No. 10, Vintage High Street, Polysheet, Haldwani,*

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Ground Floor and First Floor admeasuring 1300 sq. feet] leased out to the respondent, without any corresponding direction for payment of lease rent.

3. Learned counsel for the appellant firstly argued that the lease agreement in question, which was executed on 23.05.2017 had lived its life and ended on 05.05.2026, whereafter it has not been renewed and thus the Court was not justified in passing such an order. He secondly argued that if the Court were to balance the equity, blanket order could not have been passed due to which the respondent is enjoying the possession without paying even a single penny.

4. While challenging the aforesaid order, the appellant has approached this Court and submitted that after the impugned order of the Court, the respondent has not even paid the lease rent of the demised property. Considering that the period of lease had expired, we had passed the following order on 12.08.2026:-

“.....3. Learned counsel for the petitioner argued that the learned Trial Court has completely erred in law by relying upon Article 21 of the Constitution of India, ignoring the fact that the respondent was running a commercial shop in the premises qua which Article 21 of the Constitution cannot apply.

4. He further argued that the learned Trial Court has also erred in not taking into consideration clause 5.5 of the Lease Deed dated 25.05.2017, which enjoined upon the respondent/lessee to pay an amount of Rs. 10,000/- per day in case, the possession of the demised premise continued after termination of the lease.

5. Matter requires consideration.

6. During the course of the submissions, learned counsel for the appellant submitted that the electricity connection has already been restored with effect from 05.06.2026.

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7. *Issue notice to the respondent, returnable on 30.09.2026.*
 8. *Meanwhile, the respondent be allowed to continue availing electricity facility, in case she deposits a sum of Rs. 6,00,000/- by 25.08.2026 (being amount of Rs. 10,000/- per day as per clause 5.5 of lease of agreement from 05.06.2026 to 05.08.2026) and another amount of Rs. 3,00,000/- (for a period 05.08.2026 to 05.09.2026) by 30.09.2026.*
 9. *From 05.10.2026, the respondent shall deposit the amount of Rs. 3,00,000/- on 05th day of each month until further orders.*
 10. *Above amount shall be required to be deposited in the Bank account of the appellant, particulars whereof shall be provided by the appellant/his counsel to the respondent/her counsel within two weeks, if such particulars are not already with the respondent”.*
5. Learned counsel for the appellant contended that inspite of the above order, though the respondent is enjoying electricity connection but no amount has been paid to the appellant as directed by this Court and prayed that the appellant be allowed to disconnect the electricity facility to the respondent.
 6. Learned counsel for the respondent, on the other hand asserted that not only there were negotiations about the renewal of the lease but as a matter of fact the lease got renewed.
 7. Learned counsel for the respondent also submitted that after filing an application under Section 9 of Act of the 1996, an application under Section 11 of the Act of 1996 bearing no. ARB.P.1728/2026 was filed. The same came for consideration of the Court on 28.09.2026 and the notice of motion has been issued.
 8. Heard rival counsel.
 9. Indisputably, the agreement in question contains an arbitration clause

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and the respondent has invoked the same by moving an application under Section 11 of the Act of 1996.

10. Since the matter would ultimately be before the Arbitrator and in case the appellant-lessor wants to take possession of the property or get any other relief including disconnection of electricity supply, he has to seek appropriate relief/direction from the Arbitrator by way of moving an application under Section 17 of the Act of 1996 or seeking appropriate relief by way of counter claim or by way of a civil suit in accordance with law.

11. We are of the view that the interest of justice would be met by directing the appellant to continue with the electricity supply of the demised property, subject to the order to be passed by the Arbitrator under Section 17 of the Act of 1996 or final award passed by the Arbitrator, as the case may be.

12. Though, both the parties have their own stand in relation to expiry of the lease and its renewal, which shall obviously be considered and decided by the Arbitrator as and when the matter reaches before the Tribunal, but until the said adjudication is made, the lessor cannot be left high and dry. Accordingly, the lease deed dated 23.05.2017 shall be deemed to be in currency only for the purpose of payment of reckoning and interim mesne profits or lease rent. The respondent shall continue to pay such amount during the arbitration proceedings.

13. Meaning thereby, during the pendency of the arbitration proceedings, the lessee-respondent shall continue to pay the lease rent or enhanced lease rent in terms of the lease agreement dated 23.05.2017, which shall be an interim lease rent or mesne profits subject to the final award.

14. The respondent shall clear the arrears of lease rent for the period

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between 05.05.2026 and 30.09.2026, latest by 30.11.2026, after which (from 07.10.2026) the respondent/lessee shall continue to pay applicable amount on or before the 7th day of each month in terms of the lease deed, which we have held to be in currency, only for the purpose of reckoning of lease rent.

15. The appeal stands disposed of accordingly. Pending application(s) also stands disposed of.

16. Needless to observe that all rights and contentions of both the parties shall remain reserved to be agitated at the appropriate stage.

(DINESH MEHTA)
JUDGE

ADITI CHOUDHARY
(JUDGE)

SEPTEMBER 30, 2026
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