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Darshna Sachdeva vs Union of India & Ors

Darshna Sachdeva vs Union of India & Ors

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Court : Delhi

Decided On : May-22-2026

Judge : Cases Pertaining to Spl.Division Benches

Appeal No. : LPA/632/2022

Appellant : Darshna Sachdeva

Respondent : Union of India & Ors

Judgement :

* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Judgment reserved on: 24.04.2026

Judgment pronounced on: 22.05.2026

Judgment uploaded on: 22.05.2026

+ LPA 522/2022, CM APPL. 40048/2022, CM APPL. CM APPL. 71572/2025, CM APPL. 27359/2026 GAUTAM TAHILRAMANI AND ANR .....Appellants Through: Mr. Vikram Saini, Adv.

versus

UNION OF INDIA AND ORS .....Respondents Through: Mr. Subhash Tanwar, SPC with Mr. Sandeep Mishra, Mr. Harshit Deshwal, Mr. Mohit Kumar Tomar, Mr. Mayank Sehrawat, Advs. for R-1/UOI. Mr. Naseem Ahmed, Adv. for R-4. Dr. Aman Hingorani, Sr. Adv. with Ms. Shreya Chopra, Adv. for R-5 to R-10. Mr. S.R. Mehta, Adv. R-11. + LPA 630/2022, CM APPL. 47325/2022, CM APPL. CM APPL. 71573/2025 and CM APPL. 27330/2026 SMT DARSHNA SACHDEVA .....Appellant Through: Mr. S.R. Mehta, Adv.

versus

UNION OF INDIA AND ORS. .....Respondents Through: Mr. Subhash Tanwar, SPC with Mr. Sandeep Mishra, Mr. Harshit Deshwal, Mr. Mohit Kumar Tomar, Mr. Mayank Sehrawat, Advs. for R-1/UOI. Mr. Shashank Dixit, CGSC with Mr. Kunal Ra, Adv. Signing Date:22.05.2026 Page 1 of 39 Mr. Vikram Saini, Adv. for R-3 and 4. Mr. Naseem Ahmed, Adv. for R-5. Dr. Aman Hingorani, Sr. Adv. with Ms. Shreya Chopra, Adv. for R-6 to R-11. + LPA 631/2022, CM APPL. 47341/2022 and CM APPL. DARSHNA SACHDEVA .....Appellant Through: Mr. S.R. Mehta, Adv.

versus

UNION OF INDIA & ORS & ORS. .....Respondent Through: Mr. Subhash Tanwar, SPC with Mr. Sandeep Mishra, Mr. Harshit Deshwal, Mr. Mohit Kumar Tomar, Mr. Mayank Sehrawat, Advs. for R-1/UOI. Mr. Shashank Dixit, CGSC with Mr. Kunal Ra, Adv. Mr. Vikram Saini, Adv. for R-3 and 4. Mr. Naseem Ahmed, Adv. for R-5. Dr. Aman Hingorani, Sr. Adv. with Ms. Yukta Chauhan, Adv. for R-6 to R-11.

+ LPA 632/2022, CM APPL. 47346/2022 and CM APPL. DARSHNA SACHDEVA .....Appellant Through: Mr. S.R. Mehta, Adv.

versus

UNION OF INDIA & ORS .....Respondents Through: Mr. Subhash Tanwar, SPC with Mr. Sandeep Mishra, Mr. Harshit Deshwal, Mr. Mohit Kumar Tomar, Mr. Mayank Signing Date:22.05.2026 Page 2 of 39 Sehrawat, Advs. for R-1/UOI. Mr. Shashank Dixit, CGSC with Mr. Kunal Ra, Adv. Mr. Vikram Saini, Adv. for R-3 and 4. Mr. Naseem Ahmed, Adv. for R-5. Dr. Aman Hingorani, Sr. Adv. with Ms. Yukta Chauhan, Adv. for R-6 to R-11. + LPA 718/2022, CM APPL. 54380/2022, CM APPL. GAUTAM TAHILRAMANI & ANR. .....Appellants Through: Mr. Vikram Saini, Adv.

versus

UNION OF INDIA & ORS .....Respondents Through: Mr. Subhash Tanwar, SPC with Mr. Sandeep Mishra, Mr. Harshit Deshwal, Mr. Mohit Kumar Tomar, Mr. Mayank Sehrawat, Advs. for R-1/UOI. Mr. Naseem Ahmed, Adv. for R-4. Dr. Aman Hingorani, Sr. Adv. with Ms. Shreya Chopra, Adv. for R-5 to R-10. Mr. S.R. Mehta, Adv. for R-11. + LPA 719/2022, CM APPL. 54384/2022, CM APPL. CM APPL. 20844/2024 GAUTAM TAHILRAMANI & ANR. .....Appellants Through: Mr. Vikram Saini, Adv.

versus

UNION OF INDIA & ANR. .....Respondents Through: Mr. Subhash Tanwar, SPC with Mr. Sandeep Mishra, Mr. Harshit Deshwal, Mr. Mohit Signing Date:22.05.2026 Page 3 of 39 Kumar Tomar, Mr. Mayank Sehrawat, Advs. for R-1/UOI. Mr. Naseem Ahmed, Adv. for R-4. Dr. Aman Hingorani, Sr. Adv. with Ms. Shreya Chopra, Adv. for R-5 to R-10. Mr. S.R. Mehta, Adv. for R-11. + LPA 596/2023, CM APPL. 42896/2023, CM APPL. CM APPL. 43626/2023, CM APPL. 57663/2023, CM APPL. UNION OF INDIA AND ANR .....Appellants Through: Mr. Sandeep Kumar Mahapatra, CGSC with Ms. Mrinmayee Sahu, Mr. Tribhuvan, Mr. Abhimanyu, Ms. Anushka Sarraf, Advs.

versus

VIKRAM HINGORANI AND ORS. .....Respondents Through: Dr. Aman Hingorani, Sr. Adv. with Ms. Shreya Chopra, Adv. for R-1 to R-6. Mr. Vikram Saini, Adv. for R-7 and 8. Mr. Subhash Tanwar, SPC with Mr. Sandeep Mishra, Mr. Harshit Deshwal, Mr. Mohit Kumar Tomar, Mr. Mayank Sehrawat, Advs. for UOI. Mr. S.R. Mehta and Mr. Naseem Ahmed, Advs. for R- 10.

CORAM:

HON'BLE MR. JUSTICE ANIL KSHETARPAL

HON'BLE MR. JUSTICE HARISH VAIDYANATHAN

JUDGMENT

ANIL KSHETARPAL, J. :

1. The present batch of Letters Patent Appeals raises the following

issues for consideration:

i. Whether a decree for partition of a leasehold property, passed without impleading the lessor, can result in splitting of tenancy or otherwise bind the lessor so as to effect an alteration of the terms and conditions of the lease? ii. Whether a writ petition seeking a direction for mutation (entry of leasehold rights in the official records) of leasehold rights is maintainable without first challenging the order of cancellation of the lease and re-entry passed by the lessor? iii. Whether disputes inter se between co-lessees, particularly with regard to liability for payment of misuse charges, are amenable to adjudication in exercise of writ jurisdiction under Article 226 of the Constitution of India?

2. The present batch of Letters Patent Appeals arises out of a

common set of facts and impugns a series of orders passed by the learned Single Judge in W.P.(C) 7452/2019, including the principal Impugned Order dated 27.01.2021, as also the subsequent review and corrigendum orders dated 16.12.2021 and 21.04.2022.

3. The controversy, though arising out of a dispute relating to mutation and leasehold rights in respect of an immovable property, in

> substance raises significant questions concerning the nature and incidents of leasehold estates, the permissibility and legal effect of partition thereof, the scope and limitations of writ jurisdiction in matters involving contractual and public law elements, as well as the extent to which inter se disputes between co-lessees can be examined in proceedings under Article 226 of the Constitution of India.

FACTUAL MATRIX

4. In order to appreciate the controversy involved in the present batch of Appeals, it would be necessary to briefly notice the relevant

facts leading to the present proceedings.

5. The dispute pertains to property bearing No. 13, Main Road,

> West Patel Nagar, New Delhi, admeasuring approximately 800 square yards [hereinafter referred to as the subject property]. The said property was originally allotted by the Union of India in favour of Shri Ramchand B. Tahilramani, pursuant to which a lease deed dated 06.09.1956 came to be executed in his favour for a term of ninety-nine years, subject to the terms and conditions contained therein.

6. It is not in dispute that the original lessee, Shri Ramchand B.

Tahilramani, subsequently transferred the leasehold rights in favour of his wife, Smt. Sati Tahilramani, by way of a gift deed dated 27.07.1959. Thus, Smt. Sati Tahilramani came to be recorded as the lessee in respect of the subject property under the terms of the original lease.

7. Disputes thereafter arose with respect to rights in the subject Signing Date:22.05.2026 Page 6 of 39

property, culminating in Civil Suit No. 640A/1974, wherein Shri Hardasmal Banasing Hingorani asserted claims against Smt. Sati Tahilramani. The said suit came to be decreed, declaring both Shri Hardasmal Banasing Hingorani and Smt. Sati Tahilramani as co-lessees, each holding 50% undivided share in the subject property.

8. It is the case of the Hingorani family that, subsequent to the

aforesaid declaration, the Tahilramani side inducted a contractor in or around the year 1988 for redevelopment of the subject property. The contractor, in turn, is stated to have inducted various occupants/tenants, including a banking institution, namely Laxmi Vysya Bank (subsequently succeeded by Kotak Mahindra Bank).

9. Thereafter, disputes inter se between the co-lessees escalated,

leading to the institution of Civil Suit No. 364/2004 seeking partition and rendition of accounts. The said suit culminated in a final decree of partition dated 24.04.2008, which was passed on the basis of a settlement between the parties.

10. A perusal of the said decree, read with the terms of the

settlement (Ex. C-1), indicates that the partition effected between the parties does not result in a vertical subdivision of the plot into independent sub-plots, nor it can be characterised as a purely horizontal division or floor-wise division. The arrangement envisaged under the

> decree is one whereby specific portions of the existing superstructure, including basement, different floors, individual flats, and terrace rights, have been allocated to the respective parties, while the land beneath continues to remain undivided and no independent

Signing Date:22.05.2026 Page 7 of 39 demarcation of the plot itself is effected. The decree also preserves various common areas and creates mutual rights of access, user, and enjoyment.

11. In that view, the partition is essentially in the nature of an inter

se arrangement regulating possession and enjoyment of different portions of the superstructure, without effecting any physical or legal subdivision of the plot itself. The decree did not contemplate, nor could it have effected, a modification of the underlying lease conditions binding the parties vis--vis the lessor.

12. It is also a matter of record that subsequent proceedings ensued

> for enforcement of rights flowing from the partition decree, including proceedings for possession. Ultimately, by order dated 15.01.2013, a decree for possession came to be passed, which was carried in challenge up to the Honble Supreme Court and attained finality. The occupants, including the successor of Laxmi Vysya Bank, were directed to vacate the premises by December, 2018.

13. However, significantly, during the subsistence of the aforesaid

disputes and prior to culmination of the proceedings, the Union of India, acting through the Land & Development Office (L&DO), passed an order dated 06.02.2006 cancelling the lease of the subject property on account of alleged misuse and exercising the right of re- entry.

14. The effect of the said order of cancellation and re-entry is of considerable legal consequence. Admittedly, neither party sought to challenge or set aside the said order of cancellation of lease in Signing Date:22.05.2026 Page 8 of 39

appropriate proceedings including in the present round of litigation filed by the Hingoranis Family. Consequently, the order of re-entry continued to operate and attained finality.

15. Following the passing of the final decree of partition and

conclusion of possession proceedings, applications came to be

> submitted by the parties before the L&DO seeking mutation/substitution of their respective names in the records of the lessor. The said applications were, however, rejected by the L&DO vide communication dated 03.05.2019, inter alia, on the ground that the lease of the subject property already stood cancelled and the property had been re-entered by the Government.

16. Aggrieved by the rejection of their request for mutation, the Hingorani parties instituted W.P.(C) 7452/2019 before this Court, seeking, inter alia, the following:

> (a) issue appropriate Writ, Direction and Order setting aside/quashing the Rejection Letter for Mutation No. L&DO/PS3/62952/389 dated 03.05.2019 issued by Deputy Land & Development Officer rejecting the mutation application of the Petitioners in respect of their share in Property No. 13, Main Road, West Patel Nagar, New Delhi;

(b) issue an appropriate Writ, Direction and Order setting

aside/quashing the Mutation-cum-Substitution letter No. L&DO/PS- III/195 dated 02.02.2005 pertaining the lease hold rights in respect of Property No. 13, Main Road, West Patel Nagar, New Delhi in the names of the Respondent Nos. 3 and 4;

(c) issue a Writ of Mandamus directing the Respondent Nos. 1 to 2 to

mutate/substitute such lease hold rights in respect of Property No. 13, Main Road, West Patel Nagar, New Delhi in favour of the Petitioners in terms of the final decree of partition dated 24.04.2008 with Exhibit C 1 passed by the Court of Shri

NK Sharma, A.D.J., Tis Hazari Courts, Delhi in Suit No. 364/2004;

(d) issue a Writ of Prohibition restraining the Respondent Nos. 3 and

4 and all persons claiming under them from acting on the MutationSigning Date:22.05.2026 Page 9 of 39 cum-Substitution letter No. L&DO/PS-III/195 dated 02.02.2005;

(e) issue a Direction to the Respondent No. 5 to pay the misuse or other charges for breach of lease deed terms, if any, levied by the Respondent No. 1 and 2;

(f) award costs of this Petition to the Petitioners; and

17. The writ petition, as framed, was thus directed not only against

> the rejection of the request for mutation vide communication dated 03.05.2019, but also sought to question the earlier mutation/substitution effected in favour of certain co-lessees, while simultaneously seeking a positive direction for mutation of the writ petitioners names in terms of the final decree of partition dated 24.04.2008.

18. The learned Single Judge, vide principal Impugned Order dated 27.01.2021, proceeded to dispose of the writ petition by granting, inter alia, the following reliefs:

i. The writ petitioners were held entitled to seek mutation/substitution of their names in respect of their share in the subject property in terms of the partition decree; ii. It was observed that the writ petitioners (Hingoranis Family) could seek conversion of their share of the property from leasehold to freehold without requiring any No Objection Certificate from the other co-lessees;

iii. It was further observed that the writ petitioners (Hingoranis) could deal with or alienate their respective shares in the property; iv. Significantly, it was also held that the writ petitioners, Signing Date:22.05.2026 Page 10 of 39 having been put in possession only on 08.12.2018, could not be saddled with liability towards misuse charges for any prior period.

19. The aforesaid findings, particularly those relating to (i)

permissibility of dealing with the property as if independently held, and (ii) exclusion of liability towards misuse charges, form the core of the present controversy.

20. Subsequent to the passing of the principal Impugned Order,

further proceedings were initiated by the parties, including review petitions as well as proceedings in contempt. The record reveals that, in the course of such proceedings, certain statements were made on behalf of the L&DO indicating that steps would be taken for execution of lease deeds.

21. The matter was thereafter considered by the learned Single

> Judge in Review Petition No. 209/2021 and connected proceedings, which came to be disposed of by order dated 14.12.2021, followed by a corrigendum dated 16.12.2021 [hereinafter collectively referred to as the second set of Impugned Orders]. A perusal of the said orders indicates that the learned Single Judge, while declining to interfere with the operative directions contained in the principal Impugned

Order dated 27.01.2021, proceeded to clarify and, in certain respects,

reinforce the scope and effect thereof. The following clarifications were issued: i. The observations in the principal Impugned Order dated 27.01.2021 do not amount to an approval of the levy, quantum, Signing Date:22.05.2026 Page 11 of 39 or recoverability of misuse charges by the L&DO, which was left at liberty to proceed in accordance with law;

ii. Any disputes between Respondent Nos. 3 and 4 and the L&DO would not operate as an impediment to mutation/substitution of leasehold rights in favour of the writ petitioners; iii. There existed no impediment to execution of lease documentation in favour of the writ petitioners (Hingoranis) in terms of the earlier

directions; and iv. Respondent Nos. 3 and 4 were left at liberty to avail of appropriate remedies in accordance with law in respect of their disputes with the L&DO.

22. Thereafter, further proceedings ensued at the instance of the

> L&DO and other parties seeking modification/clarification of the earlier orders. The learned Single Judge, vide order dated 11.04.2022 in Review Petition Nos. 49/2022 and 66/2022, followed by a corrigendum dated 21.04.2022 [hereinafter referred to as the third set of Impugned Orders], issued the following directions:

i. The Court took note of the memorandum dated 24.08.2021 (as corrected on 07.09.2021), whereby the L&DO had already recorded mutation of the property in favour of the parties as joint holders of undivided shares, on the terms of the original lease deed dated 06.09.1956; ii. The said memorandum specifically stipulated that sub- Signing Date:22.05.2026 Page 12 of 39 division of the property would not be permitted at any stage; iii. Notwithstanding the above, the Court held that there was no impediment to execution of the lease deed, provided that the lease expressly reflects that the parties hold undivided shares in the property; iv. Accordingly, a direction was issued to the L&DO to execute the lease deed in favour of the petitioners and other co- lessees in terms of the said memorandum, within a stipulated time; v. It was further clarified that inter se disputes between the co-lessees, including with Respondent Nos. 3 and 4, were outside the scope of the writ proceedings.

23. All these three sets of orders, namely, (i) the principal

Impugned Order dated 27.01.2021, (ii) the review and corrigendum Orders dated 16.12.2021, and (iii) the review and corrigendum Orders culminating on 21.04.2022, are the subject matter of challenge in the present batch of Letters Patent Appeals. CONTENTIONS OF THE PARTIES Learned counsel appearing on behalf of the respective parties have advanced elaborate submissions both assailing and supporting the Impugned Orders passed by the learned Single

Judge. For the sake of convenience, the array of parties as reflected in LPA 522/2022 is being followed. Signing Date:22.05.2026 Page 13 of 39

24. Submissions on behalf of the Appellants (Tahilramani side)

24.1 Learned counsel appearing on behalf of the Appellants assailed the Impugned Orders on multiple grounds, both on maintainability as well as on merits. At the outset, it was submitted that the learned Single Judge erred in granting substantive reliefs in a writ petition which, in essence, arose out of a purely contractual relationship of lease governed by the terms of the lease deed read with the provisions of the Government Grants Act, 1895. It was contended that rights flowing from such lease could not have been altered or expanded in exercise of writ jurisdiction.

24.2 It was submitted that the lease in respect of the subject property stood validly cancelled by the competent authority vide order dated 06.02.2006 on account of alleged misuse, and the right of re-entry had been duly exercised by the lessor. In the absence of any challenge to the said order, it was contended that no subsisting leasehold rights survived in favour of any party, and consequently, no direction for mutation or substitution could have been issued in respect of a lease that had already been determined.

24.3 Elaborating on the issue of maintainability, it was submitted that the writ petition was fundamentally defective, inasmuch as it

sought consequential reliefs without first assailing the primary order

of cancellation. It was urged that the writ petitioners could not have bypassed the order dated 06.02.2006 and proceeded on the premise that mutation could be directed notwithstanding the extinguishment of leasehold rights. In this regard, it was submitted that any relief Signing Date:22.05.2026 Page 14 of 39 flowing from the alleged partition decree could not be enforced in the absence of revival or

restoration of the lease.

24.4 It was further contended that a decree for partition between co-lessees cannot result in splitting of tenancy or creation of independent leasehold estates. It was submitted that the lessor was not a party to the partition proceedings, and therefore, the decree could operate only inter se the parties and could not bind the Union of India. It was emphasized that the terms of the original lease govern the relationship between the lessor and lessees, and any arrangement between co- lessees cannot override or modify those terms.

24.5 It was also argued that the learned Single Judge erred in observing that the writ petitioners could deal with, alienate, or otherwise transact with their respective shares independently. According to the Appellants, such findings effectively recognize severable and independent rights in a leasehold property, which is impermissible in the absence of express consent of the lessor. It was submitted that the leasehold interest remained joint and indivisible vis--vis the lessor, and could not be treated as partitioned for the purposes of alienation or conversion.

24.6 On the aspect of misuse charges, it was submitted that the liability arises out of breach of lease conditions and attaches to the lessee as well as to the property. It was contended that the learned Single Judge erred in excluding Respondents No. 5 to 10 from liability towards misuse charges, particularly when such determination involves disputed questions of fact and inter se rights between co-

 lessees. It was argued that such disputes are not amenable to adjudication in writ jurisdiction and ought to have been relegated to appropriate civil proceedings.

24.7 It was further submitted that the directions issued in the review proceedings, particularly those relating to execution of lease deeds, go

beyond the scope of the original writ petition and amount to granting substantive reliefs in review jurisdiction. It was contended that the power of review is limited and cannot be exercised to enlarge the scope of the original order or to grant fresh reliefs which were neither sought nor considered at the initial stage.

24.8 It was also urged that reliance placed on the memorandum dated 24.08.2021 and the corrigendum dated 07.09.2021 is misplaced, inasmuch as the said documents cannot override the original lease conditions or the effect of cancellation. It was submitted that the learned Single Judge failed to appreciate that administrative communications cannot confer substantive rights contrary to the governing legal framework.

24.9 It was further submitted that the learned Single Judge failed to appreciate the fundamental distinction between mutation and execution of a lease deed. Mutation, it was urged, is a ministerial act intended to record or recognize pre-existing rights in the revenue or administrative records, whereas execution of a lease deed creates or reconstitutes contractual rights and obligations between the lessor and the lessee. It was contended that the directions contained in the principal Impugned Order dated 27.01.2021 stood fully complied with

upon issuance of the memorandum dated 24.08.2021 (as corrected on 07.09.2021), whereby mutation/substitution was duly effected. Consequently, the subsequent direction compelling execution of lease deeds amounts to grant of a fresh and substantive relief, wholly dehors the pleadings and beyond the scope of the writ proceedings.

24.10 It was also contended that at no stage in the writ petition had the writ petitioners sought execution of any lease deed or creation of fresh

leasehold rights. The reliefs claimed were confined to mutation/substitution in terms of the partition decree. In such circumstances, the directions issued in the review and contempt proceedings travel far beyond the pleadings and effectively rewrite the scope of the original writ petition by introducing a relief which was never sought.

24.11 It was further submitted that the directions for execution of separate lease deeds are, in effect, contrary to the prohibition on subdivision of plots under the applicable planning norms and lease conditions. Reliance was placed on the relevant provisions of the Master Plan for Delhi, 2021, as well as the applicable municipal policies, which prohibit subdivision of plots in such categories of properties. It was urged that execution of separate lease deeds in favour of different parties would, in substance, amount to recognition of subdivision, which is impermissible in law and contrary to the express stipulation that the property must remain undivided.

24.12 Learned counsel further submitted that the statement recorded on 09.09.2021 in the contempt proceedings, to the effect that a lease Signing Date:22.05.2026 Page 17 of 39

deed would be executed, was made without proper instructions and under a mistaken understanding of the legal position. It was contended that an inadvertent or erroneous concession by counsel cannot create enforceable rights, particularly where such concession runs contrary to the governing legal framework and the scope of the original judgment.

25. Submissions on behalf of the Respondent Nos. 5-10 (Hingorani side)

25.1 Per contra, learned Senior Counsel appearing on behalf of Respondents No. 5 to 10, supported the Impugned Orders and submitted that the same do not warrant interference in appellate jurisdiction.

25.2 It was submitted that the title of Respondents No. 5 to 10 to 50% share in the subject property stands conclusively established and has attained finality up to the Honble Supreme Court. It was pointed out that the decree in Civil Suit No. 640A/1974 declared equal ownership of the property, which position was subsequently affirmed in appellate proceedings. The final decree of partition dated 24.04.2008 further crystallized the respective rights of the parties. It was emphasized that the Respondents were put in actual physical possession of their share only on 08.12.2018, pursuant to orders passed by the Honble Supreme Court.

25.3 It was further submitted that Respondents No. 5 to 10 derive title through a distinct and independent line of succession tracing back to Shri H.B. Hingorani, and are not claiming through the Appellants. It was argued that the rights of the Respondents cannot be prejudiced Signing Date:22.05.2026 Page 18 of 39 by any alleged acts of misuse or breach attributable to the Appellants or their predecessors.

25.4 On the issue of mutation, it was contended that mutation is a ministerial act intended to reflect existing rights, and once the civil court decree has attained finality, the L&DO was ought to give effect to the same. It was submitted that the rejection of mutation by the L&DO was arbitrary, particularly when the Respondents title and entitlement stood conclusively determined by a competent court.

25.5 With regard to the order of cancellation dated 06.02.2006, it was contended that the said order was issued only against the Appellants and cannot operate to the prejudice of Respondents No. 5 to 10, particularly when the L&DO itself has confined its claim for dues to the Appellants. It was thus contended that the Respondents rights were never extinguished. It was further submitted that the failure of the L&DO to take physical possession of the property pursuant to re-entry is contrary to its

own policy framework and established legal position. It was argued that mere issuance of a re- entry order without taking actual possession ought not to be used to defeat the rights of lawful co-owners, and that the re-entry, in the absence of actual resumption of possession, cannot defeat accrued rights.

25.6 On the issue of misuse charges, it was submitted that Respondents No. 5 to 10 cannot be held liable for any alleged misuse for the period prior to 08.12.2018, when they were not in possession of the property. It was emphasized that the misuse, if any, was Signing Date:22.05.2026 Page 19 of 39

attributable exclusively to the Appellants and their inductees. It was further pointed out that the L&DO itself, in its affidavit, confined its claim for Government dues to the Appellants. It was thus contended that no breach of lease conditions is attributable to the Respondents, and that disputes relating to Government dues are essentially inter se between the Appellants and the L&DO, falling outside the scope of the present writ proceedings.

25.7 Learned Senior Counsel also supported the direction for execution of lease deeds, submitting that the memorandum dated 24.08.2021 itself recognizes the parties as co-holders of undivided shares. It was contended that execution of lease deeds reflecting undivided shares does not amount to subdivision of the property, and therefore, the objection raised on the basis of planning norms is misconceived.

25.8 It was further submitted that the rights of the parties are governed by the terms of the original lease read with the Government Grants Act, 1895, and any execution of lease deeds would necessarily be subject to such terms. It was argued that there is no legal impediment in recognizing co-lessees holding undivided shares under a common lease; and that the continued refusal to effect substitution of leasehold rights or permit dealing with the property has resulted in an unreasonable

restriction on the Respondents right to enjoy their property, thereby infringing Article 300A of the Constitution of India.

25.9 Learned Senior Counsel also raised preliminary objections as to the maintainability of the Appeals, contending that certain Appeals are Signing Date:22.05.2026 Page 20 of 39

barred by limitation and that no Appeal lies against an order

dismissing a review petition. It was further submitted that the Appellants cannot be permitted to widen the scope of the original proceedings by raising disputes which were never the subject matter of the writ petition.

26. Submissions on behalf of Union of India / L& DO

26.1 Learned counsel appearing on behalf of the Union of India and the L&DO submitted that the rights of the parties are governed by the terms of the lease and applicable policy framework. It was reiterated that the lease stood cancelled vide order dated 06.02.2006 on account of misuse, and that any further action would necessarily be subject to clearance of outstanding dues and compliance with applicable conditions

26.2 It was submitted that, pursuant to the directions of this Court, the L&DO issued the memorandum dated 24.08.2021, as corrected on 07.09.2021, recording mutation in favour of the parties as holders of undivided shares. It was submitted that the said action was taken in compliance with the directions of the Court.

26.3 However, it was contended that certain practical and legal difficulties arise in relation to execution of separate lease deeds, particularly in view of restrictions on subdivision of the property under applicable norms. It was submitted that execution of multiple lease deeds may be construed as recognition of subdivision, which is not permissible.

Signing Date:22.05.2026 Page 21 of 39

26.4 It was further submitted that any observations or statements recorded in prior proceedings, including contempt proceedings, cannot be construed as binding admissions where the same were made without proper instructions and were subsequently sought to be recalled. It was emphasized that under the terms of the lease deed and applicable municipal norms, subdivision of the property is impermissible, and execution of separate lease deeds would amount to recognizing such subdivision, which is legally untenable.

26.5 It was also contended that the impugned directions, particularly those issued in review proceedings, effectively mandate a restructuring of the leasehold arrangement contrary to the original terms of the grant. At the same time, learned counsel fairly submitted that the L&DO would abide by the directions issued by this Court and take appropriate steps in accordance with law, subject to resolution of outstanding issues including recovery of dues.

ANALYSIS & FINDINGS

27. This Court has carefully considered the submissions advanced on behalf of the parties and perused the material on record. Issue (i): Effect of Partition of Leasehold Property

28. The first and foremost issue that arises for consideration is

whether a decree for partition of a leasehold property, passed in proceedings inter se between co-lessees, can result in a legal severance of the tenancy so as to create independent and separately enforceable leasehold estates vis--vis the lessor. Signing Date:22.05.2026 Page 22 of 39

29. At the outset, it is necessary to delineate the nature of a

leasehold interest created by the Government. A lease granted by the Union of India is not merely a transfer of a limited interest in immovable

property, but is in the nature of a Government grant, the terms whereof are governed primarily by the grant itself. In this context, the provisions of the Government Grants Act, 1895 assume significance, particularly in view of Sections 2 and 3 thereof, which mandate that the terms of the grant shall take effect according to their tenor, notwithstanding anything inconsistent contained in any other law.

30. The legal consequence of the aforesaid position is that the rights

and obligations of the lessee, as also the incidents of the leasehold estate, must be gathered strictly from the terms of the lease deed. The relationship between the lessor and lessee is thus regulated not merely by general principles of property law, but primarily by the stipulations embodied in the Government grant.

31. At this stage, it becomes necessary to advert to the relevant

clauses of the lease deed governing the subject property. Clause 1(vi) expressly prohibits construction of more than one building on the plot, except outhouses and servant quarters. Similarly, Clause 1(vii) mandates that the premises shall not be used for any purpose other than that of a residential house, except with the express permission of the competent authority. The relevant Clauses read as under-

(vi) not to erect more than one building upon the said land and except such outhouses and servants quarters as may be approved by an officer appointed by the lessor in this behalf; Signing Date:22.05.2026 Page 23 of 39

(vii) not to use the said land and buildings that may be erected thereon

during the said term for any other purpose other than the purpose of constructing a house without the previous consent in writing of an officer appointed by the Lessor in this behalf; provided that the lease shall become void if the land is used for any purpose other than that for which

> the lease is granted not being a purpose subsequently approved by the said officer;

These stipulations clearly indicate that the lease contemplates the property as a single, indivisible residential unit, and not as a property capable of fragmentation into independent units.

32. The above position stands reinforced by the planning regime

applicable to the property. Clause 4.4.3 of the Master Plan for Delhi, 2021, provides that subdivision of residential plots is not permissible. The relevant stipulation reads as under: Master plan Delhi 2021 master plan for Delhi Vide clause 4.4.3: Control for building/buildings within residential premises A. residential plot - plotted housing Terms and conditions: vide condition number (iv):Subdivision of plots is not permitted...

33. A conjoint reading of the lease conditions and the Master Plan leaves no manner of doubt that subdivision of the plot into separate and independent units is impermissible.

34. At this stage, it also becomes necessary to examine the concept

> of subdivision of a leasehold plot in the context of the present controversy. A distinction must be maintained between an inter se arrangement regulating possession and enjoyment of different portions of the superstructure, and a legal subdivision of the leasehold estate itself. The former may regulate enjoyment amongst co-lessees,

 whereas the latter would entail recognition of separate and independently enforceable rights in distinct portions of the plot vis-- vis the lessor.

35. A perusal of the partition decree dated 24.04.2008 and the

settlement forming part thereof indicates that the arrangement between the parties is confined to allocation of portions of the existing superstructure and allied rights of enjoyment. The land underneath continues to remain undivided and the parties continue to hold undivided interests therein. The decree, therefore, does not effectuate a legal subdivision of the leasehold estate.

36. It is true that the learned Single Judge has not expressly directed

subdivision of the subject property. However, the effect of the directions permitting execution of separate lease documentation and independent dealing with the respective portions would, in substance, amount to recognition of severable and independently enforceable leasehold interests. Such a consequence would run contrary to the terms of the original lease as well as the planning norms governing the property, both of which proceed on the basis that the plot constitutes a single indivisible unit.

37. The partition decree dated 24.04.2008 must, therefore, be

understood as an arrangement governing inter se possession and enjoyment between the parties. Any delineation of portions for use and occupation thereunder cannot be construed as creating independent leasehold estates enforceable against the lessor.

38. It is well settled that a lease, particularly one granted by the Signing Date:22.05.2026 Page 25 of 39

Government, is indivisible in nature, unless the terms of the grant expressly permit fragmentation. The original lease in the present case was created in favour of a single lessee. By virtue of judicial determination, the parties came to be recognized as co-lessees; however, such recognition does not alter the fundamental nature of the tenancy.

39. The status of the parties, therefore, is that of co-lessees under a

single indivisible lease, and not that of independent lessees holding separate tenancies. The principle that splitting of tenancy is impermissible without the consent of the lessor is well established and admits of no exception in the facts of the present case. The partition decree, admittedly passed in proceedings to which the lessor was not a party, cannot bind the lessor or compel it to recognize multiple tenancies. It operates only inter se the parties and remains subject to the overarching terms of the lease. The co-lessees, by any arrangement inter se, cannot compel the lessor to recognise a fragmented tenancy or impose altered obligations upon it

40. In the aforesaid backdrop, the directions issued by the learned

Single Judge permitting the writ petitioners to seek execution of lease documentation in respect of their respective portions, and to independently deal with or transact in relation thereto, cannot be sustained. Though the Impugned Orders do not expressly direct subdivision of the plot, the effect of the directions issued therein would be to recognise separate and independently enforceable leasehold interests in distinct portions of the property. Such recognition would, in substance, operate as a fragmentation of the

original leasehold estate, which is contrary to the terms of the lease deed, the applicable planning norms, and the nature of the partition decree itself. It is well settled that a decree for partition operates only inter se the parties to the proceedings and cannot enlarge, alter, or bind the rights of the lessor, who was not a party thereto. Consequently, while the partition decree may regulate possession and enjoyment between the co-lessees, it cannot compel the lessor to recognise separate

leasehold estates or independent tenancies in respect of portions of the leased property.

41. This Court is, therefore, of the considered opinion that the

directions issued by the learned Single Judge proceed on a legal assumption inconsistent with the indivisible nature of the leasehold estate and could not have resulted in creation of independent rights enforceable against the lessor.

42. Accordingly, it is held that the partition decree does not result in

splitting of tenancy, nor does it bind the lessor to recognize separate leasehold estates. The lease, as originally granted, remains a single and indivisible grant. Consequently, rights flowing under such a common lease cannot be asserted in a fragmented or independent manner by one or more co-lessees to the exclusion of others.

43. It necessarily follows that the legal consequences arising from

the lease, including its cancellation by order dated 06.02.2006, operate uniformly upon all co-lessees. The writ petitioners, therefore, could not have claimed insulation from the effect of the said order or sought enforcement of leasehold rights in isolation from the status of the lease Signing Date:22.05.2026 Page 27 of 39 as a whole. Issue (ii): Maintainability of Writ Petition in Light of Unchallenged Cancellation dated 06.02.2006

44. The second issue which arises for consideration goes to the root

of the maintainability of the writ proceedings themselves. The question is whether a writ petition seeking mutation/substitution of leasehold rights could have been entertained and allowed, despite the admitted position that the lease in respect of the subject property stood cancelled by the competent authority, and the said cancellation had not been challenged in any proceedings known to law.

45. The factual position in this regard is not in dispute. The L&DO,

acting on behalf of the Union of India as the lessor, passed an order

> dated 06.02.2006 cancelling the lease of the subject property on account of alleged misuse and simultaneously exercised the right of re-entry. The said order has neither been set aside nor even questioned by any of the parties in appropriate proceedings or in the writ petition filed before this Court. It has, therefore, attained finality and continues to subsist.

46. In the considered opinion of this Court, the legal consequences

> flowing from such an order cannot be understated. A leasehold interest is, by its very nature, a limited right derived from the lessor and subject to the terms and conditions of the lease. Upon cancellation of the lease and exercise of the right of re-entry, the substratum of such leasehold rights stands fundamentally affected and renders the continuance and enforceability of such leasehold rights seriously

 impaired and contingent upon the said order being set aside, stayed, or otherwise regularised in accordance with law.

47. It is trite that mutation does not confer title; it merely recognises

> or records an existing right. However, it is equally well settled that mutation cannot be directed in a vacuum, divorced from the subsisting legal status of the property. Where the very lease, which constitutes the source of the rights sought to be mutated, stands cancelled, any direction for mutation would necessarily presuppose the continued existence or revival of such leasehold rights.

48. The writ petitioners, however, proceeded on an entirely different premise. They sought mutation of their alleged shares in the leasehold property on the basis of

the partition decree dated

24.04.2008, without addressing, let alone challenging, the prior order

dated 06.02.2006 whereby the lease itself stood cancelled. In effect, the writ petition invited the Court to grant consequential relief while ignoring the foundational order which directly governed the existence of the very rights claimed.

49. This, in the view of the Court, is impermissible. It is a settled

> principle of law that a party cannot seek to circumvent or indirectly nullify an order by seeking reliefs that are inconsistent with or dependent upon the invalidation of such order, without expressly challenging the same. The doctrine that one cannot do indirectly what one is prohibited from doing directly squarely applies in such a situation.

50. The learned Single Judge, while granting reliefs in favour of the Signing Date:22.05.2026 Page 29 of 39 writ petitioners, does not appear to have adequately considered the effect of the subsisting cancellation order.

51. Much emphasis was sought to be placed by the Respondents on

> the stand of the L&DO in its counter affidavit, to the effect that its primary concern was recovery of government dues from the Appellants, and that the rights of the Appellants stood suspended. However, such pleadings cannot dilute or override the legal effect of an order of cancellation and re-entry, which has the effect of rendering the continuance of leasehold rights subject to the said order. Thereafter, unless the order is set aside, stayed, or the lease is otherwise restored or regularised in accordance with law, the lessees cannot assert enforceable rights in respect of the property.

52. Even assuming that the L&DO had not taken physical

possession of the property, or had not proceeded to fully enforce the consequences of re-entry, the legal position emanating from the cancellation order does not automatically stand effaced. At best, such inaction may give rise to independent remedies or consequences, but it cannot justify the grant of reliefs that proceed in disregard of the subsisting order.

53. The contention advanced on behalf of Respondent Nos. 5 to 10

that the order of cancellation dated 06.02.2006 operates only against the Appellants and does not affect their rights as co-lessees also requires consideration. This submission, however, cannot be accepted. As already noted hereinabove, the lease in question was a single and indivisible grant, and the parties derived their rights as co-lessees

under a common leasehold estate. In such a situation, any action taken by the lessor in respect of the lease, including cancellation and exercise of the right of re-entry, necessarily operates upon the lease as a whole and not in a fragmented manner qua individual co-lessees. The leasehold interest, being unified vis--vis the lessor, cannot be selectively determined or preserved in favour of some co-lessees while being extinguished as against others.

54. It is equally untenable to contend that the absence of physical

resumption of possession by the lessor renders the order of cancellation ineffective or inoperative. The legal effect of an order of re-entry flows from its issuance in accordance with the terms of the lease and applicable law, and does not stand automatically negated merely on account of non-taking of physical possession. At best, such circumstances may give rise to separate remedies or consequences, but

they do not efface the legal consequences of the cancellation order

itself.

55. Consequently, the plea that the Respondents rights remained unaffected by the order dated 06.02.2006, or that such order could not be relied upon in the absence of physical dispossession, is rejected.

56. The writ jurisdiction under Article 226 of the Constitution,

> though wide, is nonetheless discretionary and equitable. It cannot be invoked to grant reliefs that are contrary to the subsisting legal framework or that effectively bypass mandatory legal requirements. The Courts exercising such jurisdiction are required to ensure that its directions do not result in creating a legal fiction inconsistent with

 binding orders or statutory consequences.

57. In the present case, the failure of the writ petitioners to

> challenge the order dated 06.02.2006 is not a mere procedural omission; it goes to the very root of the maintainability of the reliefs sought. The writ petition, insofar as it sought mutation and allied reliefs, was premised on a legal foundation that stood seriously undermined by the unchallenged cancellation of the lease. The contention based on Article 300A also does not advance the case of the writ petitioners. The right to property, though constitutionally protected, is not absolute and remains subject to valid legal constraints, including contractual stipulations governing Government grants and lawful orders passed thereunder. In the present case, any restriction on enjoyment flows directly from the subsisting lease conditions and the order of cancellation, and cannot be characterised as an unconstitutional deprivation.

58. Even otherwise, it is evident that any direction for substitution

or recognition of leasehold rights in favour of the co-lessees could arise only upon compliance with the conditions governing the lease, including clearance of outstanding dues. In the absence of any express stipulation to the contrary in the lease, such compliance could be effected either jointly by all co-lessees or even individually by one or more co-lessees for the purposes of restoration or recognition of the common leasehold estate. However, in either eventuality, the subsisting liability attached to the lease could not have been bypassed or disregarded. The learned Single Judge, therefore, could not have directed recognition of leasehold rights in favour of select co-lessees

 without ensuring satisfaction of the obligations arising under the lease.

59. Consequently, this Court is of the considered view that the writ

petition, to the extent it sought directions for mutation/substitution of leasehold rights without assailing the order of cancellation and re- entry dated 06.02.2006, suffered from a fundamental infirmity and ought not to have been entertained in the manner it was.

60. The issue is, therefore, answered by holding that a writ petition

seeking mutation of leasehold rights is not maintainable in the absence of a challenge to the subsisting order of cancellation of the lease and re-entry passed by the lessor. Any relief granted in disregard of such foundational order cannot be sustained in law. Issue (iii): Scope of Writ Jurisdiction in Inter Se Disputes and Liability Towards Misuse Charges

61. The third issue pertains to the permissible limits of the writ

jurisdiction under Article 226 of the Constitution, particularly in the context of disputes arising inter se between co-lessees and the determination of liability towards misuse charges levied by the lessor. This issue assumes significance in light of the findings returned by the

learned Single Judge, whereby not only were certain rights recognised in favour of the writ petitioners, but it was also held that they could not be held liable for misuse charges for the period prior to their obtaining possession.

62. At the outset, it must be noted that the writ jurisdiction is primarily designed to enforce public law rights and to ensure that Signing Date:22.05.2026 Page 33 of 39

statutory and constitutional authorities act within the bounds of law. While the jurisdiction is wide and flexible, it is equally well settled that it is not intended to serve as a forum for adjudication of purely private disputes, particularly those requiring detailed examination of disputed questions of fact or enforcement of contractual obligations inter se private parties.

63. In the present case, the controversy relating to liability to

deposit misuse charges amongst the co-lessees arises from alleged breaches of the terms and conditions of the lease deed, which is a contractual arrangement governed, in the case of government grants, by the provisions of the Government Grants Act, 1895. The determination of liability for such charges would ordinarily depend upon a range of factors, including the nature of the breach, the identity of the party responsible for such breach, the period during which such misuse occurred, and the contractual stipulations governing the consequences of such breach. Moreover, inter se disputes with respect to liability to pay misuse charges amongst the joint lessees will not affect lessors rights to recover before revoking cancellation of the lease.

64. The Respondent Nos. 5 to 10 have contended that they cannot

be saddled with liability towards misuse charges, as they were neither in possession of the property during the period of alleged misuse nor responsible for the acts leading to such misuse. On the other hand, the

Appellants contend that the liability, if any, cannot be apportioned in the manner suggested and that the issue involves complex questions relating to the rights and obligations of the parties under the lease.

65. In the considered view of this Court, such a dispute, which

essentially concerns the allocation of liability arising out of alleged contractual breaches and involves competing claims between co-lessees, squarely falls within the realm of private law. The adjudication of such disputes would necessarily require examination of evidence, determination of factual responsibility, and interpretation of contractual obligations; functions that are not ordinarily undertaken in proceedings under Article 226.

66. The learned Single Judge, however, proceeded to record a

categorical finding to the effect that the writ petitioners (Hingoranis) could not be held liable for misuse charges for the period prior to 08.12.2018, i.e., the date on which they were put in possession of the property. While the reasoning appears to be founded on considerations of equity, the question that arises is whether such a determination was within the permissible scope of writ jurisdiction.

67. It is well settled that even where a public authority is involved,

the High Court, in exercise of its writ jurisdiction, ordinarily refrains from adjudicating disputes that are essentially contractual in nature, unless the action of the authority is shown to be arbitrary, unreasonable, or in violation of statutory provisions. The writ court does not sit as a court of plenary jurisdiction to decide all disputes that may have some nexus with a public authority.

68. In the present case, the liability towards misuse charges is intrinsically linked to the terms of the lease and the conduct of the parties. The L&DO, as the lessor, is entitled to determine the liability Signing Date:22.05.2026 Page 35 of 39

for such charges in accordance with the lease conditions and applicable policies. Any dispute with regard to such determination, including the question as to who is liable to pay such charges, would ordinarily be amenable to challenge in appropriate proceedings where evidence can be led and issues can be properly framed.

69. Furthermore, the dispute between the Appellants and

Respondent Nos. 5 to 10 regarding apportionment or exclusion of liability is clearly an inter se dispute between co-lessees or persons claiming under them. The writ court, in such circumstances, ought to exercise restraint and leave the parties to avail of appropriate remedies in civil proceedings, rather than rendering conclusive findings that may prejudice the rights of parties without a full-fledged trial.

70. It is also relevant to note that the L&DO itself, as per the

record, issued a demand letter dated 07.09.2021 quantifying the dues payable by the Appellants. The determination of liability by the lessor, and any challenge thereto, would have to be examined in the context of the relevant contractual and statutory framework. The writ court could not have pre-emptively adjudicated upon such liability, particularly in the absence of a direct challenge to the demand or a comprehensive examination of the underlying facts.

71. The observations of the learned Single Judge, to the effect that

the writ petitioners cannot be made liable for misuse charges for the prior period, effectively amount to a determination of civil liability between parties. Such a determination, in the absence of a proper evidentiary foundation and outside the

framework of an appropriate Signing Date:22.05.2026 Page 36 of 39 proceeding, cannot be sustained.

72. The effect of the findings returned by the learned Single Judge

is that the liability towards misuse charges for the prior period stands confined to the Tahilramani parties. Such a determination, which directly adjudicates liability between co-lessees, travels beyond the permissible scope of writ jurisdiction.

73. A writ petition, insofar as it seeks adjudication of civil liabilities between private parties, is not maintainable, and such disputes must be relegated to the jurisdiction of the competent civil court.

74. Equally, the further observations permitting the writ petitioners

> to deal with, alienate, or otherwise transact with their respective shares as if they held independent and severable interests, also trench upon areas that are closely intertwined with the nature of the leasehold rights and the contractual obligations governing the property. As already noted while dealing with Issue (i), such matters cannot be decided in isolation from the terms of the lease and the rights of the lessor.

75. The cumulative effect of the directions issued by the learned

> Single Judge is that the writ court has, in substance, assumed the role of a civil court in adjudicating disputes relating to rights, liabilities, and obligations inter se the parties, as well as vis--vis the lessor. This, in the considered opinion of this Court, travels beyond the permissible contours of jurisdiction under Article 226. The dispute ought to have been left open for adjudication in appropriate proceedings, particularly in view of the existence of disputed

questions of fact. The inconsistent stands of the lessor, though not commendable, cannot confer jurisdiction upon the writ court to adjudicate private disputes or override the legal consequences of the subsisting lease framework. Such conduct also cannot be construed as a waiver of the legal consequences flowing from the terms of the lease or the order of cancellation.

76. Accordingly, Issue (iii) is answered by holding that the

adjudication of inter se disputes between co-lessees, including determination of liability towards misuse charges, falls outside the limited scope of writ jurisdiction and must be left to be decided in appropriate civil or other competent proceedings.

CONCLUSION

77. In view of the aforesaid discussion and findings on all the issues, this Court is of the considered opinion that the Impugned Orders passed by the learned Single Judge cannot be sustained in their entirety.

78. It is clarified that the rights and disputes inter se between the

co-lessees, including liability towards misuse charges, shall remain open and may be agitated by the parties before the appropriate forum in accordance with law.

79. It is clarified that nothing contained in the present judgment

shall preclude the GNCTD/L&DO from taking a decision, in accordance with law and applicable policy, to revoke the cancellation of the lease upon receipt of misuse charges along with applicable Signing Date:22.05.2026 Page 38 of 39 interest, if otherwise permissible.

80. Insofar as the objection regarding limitation in the appeal

preferred by the GNCTD/L&DO is concerned, this Court is of the view that, having regard to the fact that the Impugned Orders are under

challenge in the present batch of Appeals and are being examined on merits, it would not be appropriate to non-suit the said appellant solely on the ground of delay. The delay in filing the Appeal is, accordingly, condoned in the peculiar facts and circumstances of the case.

81. The present batch of Letters Patent Appeals, along with all pending applications, is accordingly disposed of in the above terms.

ANIL KSHETARPAL, J.

HARISH VAIDYANATHAN SHANKAR, J.

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