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

% *Date of Decision : 15.04.2026*

\+ RFA(COMM) 308/2023

ASHWANI DEWAN & ANR. .....APPELLANTS

Through: Mr. Shreshtha Kumar and Mr. Rahul Ranjan Verma, Advs.

versus

M/S MINISO LIFE STYLE PRIVATE LIMITED .....RESPONDENT

Through: Mr. Varun Sharma, Adv.

CORAM:
HON'BLE MR. JUSTICE V. KAMESWAR RAO
HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

MANMEET PRITAM SINGH ARORA, J. (*ORAL*)

1. The present Regular First Appeal ['RFA'] has been filed against the judgment and decree dated 05.10.2023 ['impugned order'] passed by the District Judge, Commercial Court–05[1], in CS(COMM) 363/2020 titled **Ashwani Dewan and Anr. V. M/s Miniso Life Style Pvt. Ltd.**

Factual Matrix

2. Appellant nos. 1 and 2 are joint owners and landlord of property bearing no. J-II/25, AB Lajpat Nagar II, New Delhi-11 0024 ['property'].

2.1 It is stated that the ground floor and basement of the said property was let out to the Respondent *vide* registered lease deed dated 14.12.2017 for a monthly rent of Rs. 13 lakhs.

2.2 It is stated that the rent for the said property, until the month of March, 2020 was duly paid by the Respondent, and admittedly received by the Appellants.

2.3 It is stated that disputes arose between the parties from April, 2020, onwards.

2.4 It is stated that the Respondent vide email dated 18.06.2020 agreed to pay 50% rent for April 2020 and May 2020 however, paid 50% rent for the month of April, 2020 only and did not pay for the month of May. Therefore, when the Respondent defaulted in making payments of rent, Appellants filled the suit for recovery of arrears of rent on 24.08.2020.

2.5 It is stated that even though, there was a lock-in period as per the lease deed until 05.01.2021, during the subsistence of the suit proceedings the Respondent unilaterally terminated the lease deed on 15.10.2020 and vacated the premises on 05.11.2020.

2.6 It is stated that, upon an application filed by the Appellant under Order XXXIX Rule 10 of the Code of Civil Procedure ['CPC'], the Trial Court vide order dated 27.10.2020 directed the Respondent to deposit a sum of Rs. 50 lakhs provisionally towards arrears of rent with the Trial Court in the form of Fixed Deposit Receipt ['FDR'].

2.7 The Respondent assailed the aforesaid order dated 27.10.2020 in FAO(COMM) 45/2023 and the High Court vide order dated 07.12.2020 directed the Respondent to deposit part-sum or Rs. 30 lakhs with the Trial Court and directed the parties to explore settlement. However, the settlement

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[1] South-East District, Saket Court

talks failed and the said appeal was dismissed by the High Court on 13.04.2023 with a direction to the Respondent to further deposit the remaining sum of Rs. 20 lakhs with the Trial Court.

2.8 Respondent states that in compliance of the aforesaid orders it deposited a sum of Rs. 30 lakhs on 27.01.2021 and a further sum of Rs. 20 lakhs on 13.04.2023. It is stated that the said amounts were deposited with the Trial Court.

2.9 Appellants contend that the aforesaid amount of Rs. 30 lakhs and of Rs. 20 lakhs, deposited with the Trial Court, was received by the Appellants on 10.07.2023. It is clarified that along with Rs. 50 lakhs, the Appellants also received a nominal amount of Rs. 68,972 as interest earned on the FDR.

2.10 Appellants filed an application under Order XIII – A Rule 3 read with section 151 CPC before the Trial Court seeking recovery of rent for the period of May, 2020 till 05.01.2021 [i.e., expiry of the lock-in period]. The Appellants sought recovery of rent, GST and 18% interest on the delayed payment. The total amount due for this period was calculated at Rs. 1,33,36,430. In this application, the Appellants after adjusting the security deposit of Rs. 50 lakhs sought recovery of balance Rs. 83,36,430 inclusive of 18% interest on late payment.

2.11 The Trial Court vide impugned order partially allowed the claim and returned the following findings: -

i. The Appellants were held entitled to rental for the period May, 2020 to 07.11.2020. The Trial Court rejected the claim for the period 08.11.2020 to 05.01.2021.

ii. The Trial Court calculated arrears of rent, GST and due interest w.e.f.

May, 2020 till October, 2020 at Rs. 99,52,927. The Trial Court calculated the arrears of rent, GST and due interest for the seven (7) days of November, 2020 at Rs. 3,70,670.

iii. The Trial Court calculated the sum total of arrears of rent, GST and interest at 18% for the period May, 2020 till 07.11.2020 at Rs. 1,03,23,597.

iv. The Trial Court took into account the security deposit of Rs. 50 lakhs, held by the Appellants, as well as the payment of Rs. 50 lakhs received by the Appellants on 10.07.2023 from the Trial Court and concluded that only an amount of Rs. 3,23,597 is outstanding.

v. Accordingly, the Trial Court decreed the suit for the outstanding amount of Rs. 3,23,597 along with 18% interest w.e.f. 07.11.2020.

3. Learned counsel for the Appellant states on instructions from the Appellants that in this appeal, they are seeking limited relief that the amount of Rs. 50 lakhs, which was directed to be paid to the Appellants on 27.10.2020, but was received belatedly on 10.07.2023, should also carry interest at 18% per annum. He has handed over a sheet[2] of the calculation of interest. The Appellant has limited its claim to a sum of Rs. 24,06,028 shown in the calculation.

3.1 He states that the Appellants are not pressing the other grounds raised in the appeal, including its claim for rent, for the period of 07.11.2020 to 04.01.2021, when the Respondent vacated the premises prior to expiry or lock-in period.

3.2 He states that as per the terms of the registered lease deed dated

[2] The calculation sheet is directed to be taken on record

14.12.2017, it was agreed between the parties that any arrears of rent would carry interest of 18% per annum.

3.3 He states that, admittedly the amount of Rs. 50 lakhs were due and payable even as on 27.10.2020 and therefore the Appellants are entitled to interest for the intervening period until 10.07.2023.

3.4 He states that after the last hearing, the Respondent herein has since paid the decretal amount of Rs. 3,23,597 along with interest and to that extent the decree has been satisfied.

4. In reply, Mr. Varun Sharma, learned counsel for the Respondent is present in Court.

4.1 He does not dispute that, though the Trial Court had directed for the payment of Rs. 50 lakhs on 27.10.2020, the said amount was deposited with the Trial Court in two tranches of Rs. 30 lakhs (on 27.01.2021) and Rs. 20 lakhs (on 13.04.2023).

4.2 He also fairly states that it is a matter of record, that the agreed rate of interest as per the lease deed is at 18% per annum.

4.3 He further submits that he is unable to assist the Court with the amount of interest, which may or may not have accrued, on the deposit of Rs. 30 lakhs made by the Respondent with the Trial Court on 27.01.2021.

5. We have heard the learned counsel for the parties and perused the record.

6. Thus, the only issue which arises for consideration in this appeal is with regard to claim of interest at 18% on an amount of Rs. 50,00,000, which was directed to be deposited by the Trial Court on 27.10.2020, however, paid to the Appellants herein only on 10.07.2023.

7. The direction of the Trial Court to the Respondent to pay a sum of Rs. 50 lakhs on 27.10.2020, was towards admitted arrears of rent. The appeal filed against the said order was dismissed by the High Court on 13.04.2023. The High Court while dismissing the appeal did not condone the delay in deposit of Rs. 50 lakhs. However, the said amount was received by the Appellants only on 10.07.2023 i.e., after three (3) years.

8. The Appellant was paid Rs. 50 lakhs on 10.07.2023 and this payment has been adjusted by the Trial Court while passing the final impugned judgment. The submission of the Appellants that they are entitled to interest on Rs. 50 lakhs for the intervening period of 07.11.2020 to 10.07.2023 is therefore meritorious.

9. Since, it was an agreed term between the parties that the arrears of rent would carry an interest of 18% per annum, we hereby direct that the Respondent will be liable to pay interest to the Appellants on a sum of Rs. 50 lakhs at 18% for the period 07.11.2020 to 10.07.2023 within four (4) weeks.

While making this payment towards interest, the Respondent will be entitled to adjust the amount of Rs. 68,972 which has already been received by the Appellants as interest from the Trial Court.

The interest calculation on the amount of Rs. 50,00,000 at 18%, as provided by the Appellant is as follows:

S. No.	**Period**	**Amount (Rs.)**
1.	7.11.2020 to 6.11.2021	9,00,000
2.	7.11.2021 to 6.11.2022	9,00,000
3.	7.11.2022 to 10.07.2023	6,75,000

	Total	24,75,000
	Received Interest on F.D.	68,972
	Remaining Balance Amount	24,06,028

10. The Respondent is directed to pay the remaining balance amount of Rs. 24,06,028 (Twenty-four lakh six thousand and twenty-eight only) to the Appellant within six (6) weeks. It is clarified that if the Respondent fails to make this payment within six (6) weeks, it will be liable to pay further interest of 18% on this amount until payment.

11. The impugned judgment and decree stands modified to the extent of the direction of payment of Rs. 24,06,028 above in six (6) weeks and in default at 18% interest thereon.

12. The appeal is accordingly, partly allowed. Pending applications are disposed of. No order as to costs.

MANMEET PRITAM SINGH ARORA, J

V. KAMESWAR RAO, J

APRIL 15, 2026/mt/IB