

## Karam Chand Thapar and Brothers (CS) Ltd. Vs Prem Kumar Khullar and Others

**Court:** Delhi High Court

**Date of Decision:** May 3, 1985

**Citation:** (1985) 28 DLT 159 : (1986) 10 DRJ 64

**Hon'ble Judges:** Gian Chand Jain, J

**Bench:** Single Bench

**Advocate:** Arun Kumar, R.K. Makhija and Alakh Kumar, for the Appellant;

### Judgement

G.C. Jain, J.

(1) This second appeal is directed against the order dated August 19, 1980 passed by the Rent Control Tribunal. By the impugned order made u/s

15(1) of the Delhi Rent Control Act (for short "the Act") the appellant, M/s. Karam Chand Thapar & Bros (CS) Ltd., was Prem Kumar Khullar

& Ors. directed to deposit arrears of rent at the rate of Rs. 1000.00 per month with effect from December 1, 1977 up-to-date within one month

of the order and also to deposit future rent month by month by the 15th of each following month.

(2) The respondent No. 1, Prem Kumar Khullar, brought an application for eviction of the appellant from the premises in dispute, namely, property

No. E-38, Panchshila Park, New Delhi. The eviction was claimed under clauses (a) and (b) of the proviso to Sub-section (1) of Section 14 of the

Act. The appellant resisted the application and pleaded, inter alia, that there was no relationship of landlord and tenant between the parties.

According to the appellant Sh.V.K. Gupta was in occupation of the disputed premises as a tenant under Khullar. It may be mentioned that later on

V.K. Gupta was also added as a party-respondent.

(3) After examining the pleas and the documents on record learned Addl. Controller came to the conclusion that there was no sufficient material on

record to come to any prima facie conclusion about the existence of relationship of landlord and tenant between the appellant and Khullar and

consequently passing of an order u/s 15(1) of the Act was deferred. The Tribunal in appeal, however, came to the conclusion that prima facie there

was relationship of landlord and tenant between the appellant (M/s Karam Chand Thapar & Bros. (CS) Ltd.) and Khullar and rent at the rate of

Rs. 1000.00 was due with effect from December 1, 1977. He consequently passed the impugned order.

(4) Mr. Arun Kumar, learned counsel for the appellant relied on various documents. The first document is a letter dated October 4, 1975

addressed by Gupta to Khullar enclosing a cheque of Rs. 1000.00 towards rent for the month of October, 1975. This cheque was acknowledged

by Khullar by his letter dated October 11, 1975. In this letter addressed to Gupta, he used the words "your cheque for the rent for the month of

October 1975". The next document referred to is a receipt issued by Khullar in favor of Gupta for the rent for the month of October, 1975.

Khullar wrote a letter dated November 15, 1975 to Gupta informing him that he (Khullar) has not received his cheque for the month of November.

1975. Letter dated December 31, 1975 is addressed by Khullar to one Bakhtawar Singh. The first sentence of the second para of the letter reads:

Last month when I met Sh. V.K. Gupta, my tenant at E-38 Panch Shila Park....." On the basis of these documents and several similar documents

it was contended that it was Gupta who was in occupation of the premises in dispute as a tenant and there was no relationship of landlord and

tenant between the appellant and respondent No 1 and no order u/s 15(1) of the Act could be made in these circumstances at this stage.

(5) These documents read by themselves, no doubt, give an impression that Gupta was in occupation of the premises in dispute as a tenant.

However these documents have to be read along with the registered lease deed dated March 11, 1975 whereby the tenancy was created. The

lease deed shows that the premises had been let out to the appellant-Company and not to Gupta. The appellant has not produced any document

showing that the lease created by this lease deed was ever surrendered to the landlord.

(6) The next important circumstance is that these premises had been taken for the residence of Gupta, General Manager of the appellant

Company. This has been specifically provided in para 6 of the lease deed. This lease deed Therefore, prima facie, shows that the tenant was the

appellant company and the premises had been taken for the residence of Gupta. In these circumstances if the landlord addressed letters to Gupta

and issued receipt to him, it cannot be said that the earlier tenancy had been terminated or in fact the tenancy had been granted in favor of Gupta.

(7) Paced with this difficulty Mr. Arun Kumar contends that Gupta had no power to execute the lease deed on behalf of the appellant Company.

(8) The learned Tribunal has quoted clause (2) of the power of attorney in his judgment. Under clause (2) Gupta, the attorney, was authorised to

hire on lent such lands, houses, offices etc. which he thought necessary or expedient for the business purposes of the company. Providing

accommodation to the employees of the company prima facie is in furtherance of the business activities.

(9) In conclusion, I find no merit in the appeal and dismiss the same.

(10) As the operation of the impugned order had been stayed I allow the appellant one month's time from today for depositing the arrears of rent

as directed by the learned Tribunal. Future rent would be deposited month by month by the 15th of each following month. Parties are left to bear

their own costs,