

Supreme Court - Daily Orders

Jaspal Kaur Cheema vs M/S. Industrial Trade Links And ... on 3 July, 2017

REPORTABLE

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NOS. 8384-8386 OF 2017
[Arising out of SLP (C) Nos. 22183-22185 of 2015]

JASPAL KAUR CHEEMA AND ANR.

APPELLANTS

VERSUS

M/S INDUSTRIAL TRADE LINKS
AND ORS. ETC.

RESPONDENTS

JUDGMENT

S.ABDUL NAZEE, J.

1. Leave granted.
2. The appellants herein filed eviction petition against the respondents for their eviction from an area of 200 sq. ft. on the ground floor of Industrial Shed No. 93, Industrial Area, Ram Darbar, PhaseII, Chandigarh (hereinafter referred to as the premises) under Section 13 of the East Punjab Urban Rent Restriction Act, 1949 (for short the Act), on the ground of personal necessity. The respondents filed the written statement opposing the eviction petition. After conclusion of the evidence of the appellants, the respondents led their evidence. At this stage, respondents moved an application seeking amendment of the written statement for adding the plea that the appellants are Signature Not Verified Digitally signed by DEEPAK MANSUKHANI Date: 2017.07.04 10:21:52 IST Reason:

not the owners of the premises and that the sole proprietor of the premises was Smt. Raj Nanda and that the eviction is not sought for the bona fide necessity of Smt. Raj Nanda. The appellants are mere attorneys and that they have projected their own necessity to get the premises vacated from the respondents.

3. The Rent Controller dismissed the application vide order dated 25.07.2013. The respondents challenged the said order by filing Civil Revision Petition Nos. 3684/2014, 6638/2013 and 7299/2013 in the High Court of Punjab and Haryana. The High Court vide common order dated 21.02.2015 set aside the order of the Additional Rent Controller and allowed the amendment application. The appellants have challenged the legality and correctness of the said order of the High Court in these appeals.

4. Mr. Nidhesh Gupta, learned senior counsel, appearing for the appellants, submits that the appellants are the owners of the premises. They had let out the said premises to the respondents under a deed of lease dated 16.05.2006. The respondents in their written statement have not traversed the petition averment that the appellants are the owners of the premises. After cross-examination of the tenant (RW-1), the respondents filed the application for amendment of the written statement denying the ownership of the appellants in relation to the premises. In the cross-examination of the tenants, they have admitted the ownership of the appellants. They have also admitted the execution of the deed of lease dated 16.05.2006. Therefore, the plea of the appellants that they are the owners of the property must be taken to be admitted. The respondents are estopped from disputing the title of the appellants having regard to Section 116 of the Indian Evidence Act, 1872 (for short the Evidence Act). It was argued that the application for amendment of the written statement was rightly dismissed by the Rent Controller and the High Court was not justified in permitting the respondents to amend the written statement.

5. Ms. Nirmata Shergill, learned advocate, appearing for the respondents, submits that the appellants are not the owners of the premises. The sole proprietor of the premises is Smt. Raj Nanda and that the appellants are the attorney holders of Smt. Raj Nanda. The appellants cannot seek eviction of the respondents on the ground of their personal necessity. Therefore, the High Court was justified in allowing the application of the respondents for amendment of their written statement.

6. We have carefully considered the submissions of the learned counsel for the parties.

7. It is not in dispute that the respondents were put in possession of the premises by the appellants under the lease deed at Annexure P-1 dated 16.05.2006. The appellants in paragraph (1) of the eviction petition averred that they are the owners and landlords of the premises and that the premises was let out to the respondents through a lease deed dated 16.05.2006. In their written statement, the respondents have not raised a specific plea denying or disputing the ownership of the appellants. However, there is a general denial of the averments made in paragraph (1) of the eviction petition.

8. In terms of Order 8 Rule 3 of the Code of Civil Procedure, 1908 (for short the Code), a defendant is required to deny or dispute the statements made in the plaint categorically, as evasive denial would amount to an admission of the allegation made in the plaint in terms of Order 8 Rule 5 of the Code. In other words, the written statement must specifically deal with each of the allegations of fact made in the plaint. The failure to make specific denial amounts to an admission. This position is clear from the decisions of this Court in Badat and Company v. East India Trading Company (1964) 4 SCR 19, Sushil Kumar v. Rakesh Kumar (2003) 8 SCC 673, and M. Venkataramana Hebbar (dead by LRs) v. M. Rajagopal Hebbar (2007) 6 SCC 401.

9. Apart from the above, the tenant in his cross-examination admitted as under:

I have seen lease agreement dated 16.05.2006 executed between petitioner and me which bears my signatures. It is correct to state that I have not disputed the ownership of petitioner of Plot No. 93, Industrial Area, Phase II, Chandigarh in my

written statement. It is correct to suggest that petitioners are the owners of industrial plot in question.

10. Now, the question is whether it is permissible for the respondent-tenant to deny his landlords title having regard to Section 116 of the Evidence Act. Section 116 of the Evidence Act reads as under:

116 No tenant of immovable property, or person claiming through such tenant, shall, during the continuance of the tenancy, be permitted to deny that the landlord of such tenant had, at the beginning of the tenancy, a title to such immovable property; and no person who came upon any immovable property by the license of the person in possession thereof, shall be permitted to deny that such person had a title to such possession at the time when such license was given.

11. This Section deals with estoppel of a tenant founded upon contract between the tenant and his landlord. It enumerates the principle of estoppel which is merely an extension of principle that no person is allowed to approbate and reprobate at the same time. The tenant who has been let into possession cannot deny his landlords title. In Mt. Bilas Kunwar v. Desraj Ranjit Singh & Ors. AIR 1915 Privy Council 96, it was held that a tenant who has been let into possession cannot deny his landlords title, however, defective it may be, so long as he has not openly restored possession by surrender to his landlord.

12. The principle of estoppel arising from contract of tenancy is based upon the principle of law and justice that a tenant who could not have got possession but for a contract of tenancy admitting the right of the landlord, should not be allowed to put his landlord in some inequitable situation taking undue advantage of the position that he got and any probable defect in the title of his landlord. This Court in Bansraj Laltaprasad Mishra v. Stanley Parker Jones (2006) 3 SCC 91 has enumerated the policy underlying Section 116 as follows:

The underlying policy of Section 116 is that where a person has been brought into possession as a tenant by the landlord and if that tenant is permitted to question the title of the landlord at the time of the settlement then that will give rise to extreme confusion in the matter of relationship of the landlord and tenant and so the equitable principle of estoppel has been incorporated by the legislature in the said section. The principle of estoppel arising from the contract of tenancy is based upon a healthy and salutary principle of law and justice that a tenant who could not have got possession but for his contract of tenancy admitting the right of the landlord should not be allowed to launch his landlord in some inequitable situation taking undue advantage of the possession that he got and any probable defect in the title of his landlord. It is on account of such a contract of tenancy and as a result of the tenants entry into possession on the admission of the landlords title that the principle of estoppel is attracted. Section 116 enumerates the principle of estoppel which is merely an extension of the principle that no person is allowed to approbate and reprobate at the same time. 13 In S. Thangappan v. P. Padmavathy (1999) 7 SCC 474,

this Court has held that Section 116 puts an embargo on a tenant of an immovable property, during the continuance of his tenancy to deny the title of his landlord at the beginning of his tenancy, however defective the title of such landlord could be.

In Keshar Bai v. Chhunulal (2014) 11 SCC 438, this Court has held that a tenant is precluded from denying the title of the landlady on the general principle of estoppel between the landlord and the tenant and this principle in its basic foundation, means no more than that under certain circumstances law considers it unjust to allow a person to approbate and reprobate. It was further held that even if a landlady was not entitled to inherit the properties in question, she could still maintain an application for eviction.

14. Learned counsel for the respondents submits that the appellants are the power of attorney holders of Smt. Raj Nanda in relation to the premises. Therefore, they cannot maintain an eviction petition for self occupation. In this connection, she has relied on the decisions of this Court in Estralla Rubber v. Dass Estate (P) Ltd. (2001) 8 SCC 97 and Suraj Lamp & Industries (P) Ltd. (2) v. State of Haryana & Anr. (2012) 1 SCC 656.

15. In Estralla Rubber (supra), it was held that amendment ought to be allowed where the purpose of amendment is to elaborate the defence and take additional pleas in support of the case. In the instant case, the proposed plea is not for the elaboration of the existing plea. Further, in Estralla Rubber (supra), this Court was not considering the application of Section 116 of the Evidence Act. In Suraj Lamp (supra), this Court has held that immovable property can be legally transferred/conveyed only by a registered deed of conveyance. Transactions of the nature of GPA sales or SA/GPA/will transfers do not convey title and do not amount to transfer, nor can they be recognized or valid mode of transfer of immovable property. The courts will not treat such transactions as completed or concluded transfers or conveyances as they neither convey title nor create any interest in an immovable property. This decision also does not deal with the effect of Section 116 of the Evidence Act. Therefore, these decisions have no application to the facts of the present case.

16. In the instant case, it is not disputed by the respondents that they were put in possession of the premises as tenants thereof by the appellants. In the circumstances, they cannot dispute the title of the landlord in respect of the said premises. The said plea was not raised by them in the written statement. They cannot be permitted to introduce the said plea by way of amendment, that too, at this belated stage. The Rent Controller was, therefore, right in rejecting their application for amendment. In our view, the High Court was not justified in allowing the application of the respondent-tenants to amend their written statement. Hence, these appeals are allowed and the order of the High Court dated 21.02.2015 in CR Nos.3684/2014, 6638/2013 and 7299/2013 is set aside and the order of the Rent Controller dated 25.07.2013 is restored. There will, however be no order as to costs.

J.

(J. CHELAMESWAR) J.

Jaspal Kaur Cheema vs M/S. Industrial Trade Links And ... on 3 July, 2017
(S. ABDUL NAZEER)

New Delhi
July 03, 2017

ITEM NO.1502
(For judgment)

COURT NO.3
S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

SECTION IV-B

Civil Appeal Nos.8384-8386/2017

(Arising out of SLP (C) No(s).22183-22185/2015) JASPAL KAUR CHEEMA Appellant(s) VERSUS M/S. INDUSTRIAL TRADE LINKS AND ORS. ETC. Respondent(s) (HEARD BY - HON'BLE MR. JUSTICE J. CHELAMESWAR AND HON'BLE MR.JUSTICE S. ABDUL NAZEER) Date : 03-07-2017 These petitions were called on for pronouncement of judgment today.

For Petitioner(s) Mr. Nidhesh Gupta,Sr.Adv.

Ms. Tarannum, Cheema,Adv.

Mr. Tarun Gupta,Adv.

Ms. Hiral gupta,Adv.

Ms. Vriti gujral,Adv.

Mr. Sanjay Jain, AOR

For Respondent(s) Mr. Mohan Pandey, AOR

Hon'ble Mr. Justice S. Abdul Nazeer pronounced the judgment of the Bench comprising of Hon'ble Mr. Justice J. Chelameswar and His Lordship.

Leave granted. The appeals are allowed in terms of the signed reportable judgment.

(OM PARKASH SHARMA)
AR CUM PS

(RAJINDER KAUR)
COURT MASTER

(Signed reportable judgment is placed on the file)