



2026:DHC:8194



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

% **Reserved on: 13th July, 2026**
Pronounced on: 23rd September, 2026
Uploaded on: 23rd September, 2026

CNR No. DLHC010131262019

+ **RSA 48/2019**

M/S RONUK INDUSTRIES LTD

Through its Director/President,
11-A, Abdul Ghaffar Khan Road,
Mumbai -400025

.... Appellant

Through: Mr. Rajesh Baweja, Ms. Anjali Gupta
and Ms. Poonam Kandari, Advocates

versus

MANJU KHANNA

W/o Sh. Uma Shankar Khanna
R/o A-1/62, Safdarjung Enclave,
New Delhi

.....Respondent

Through: Mr. Gaurav Chauhan, Advocate

CORAM:

HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T

NEENA BANSAL KRISHNA, J.

1. **Regular Second Appeal** under Section 100 read with Section 115 and 151 of the Code of Civil Procedure, 1908 (CPC) has been filed against the judgment dated 07.11.2016 whereby the learned Additional District *Judge has upheld the decree of possession granted by the learned Civil*



Judge, under Order XII Rule 6 CPC.

2. **The Plaintiff/Respondent, Smt. Manju Khanna**, had instituted a Suit, subsequently numbered as **Civil Suit No. 1534/2016 (Old No. 157/2016)**, seeking Possession, Damages/*Mesne* Profits for use and occupation of premises bearing **No. 4405/2, Kothi No. 5, First Floor, Ansari Road, Daryaganj, New Delhi**, admeasuring about **1,000 square feet** (hereinafter referred to as the “suit property”) and interest.

3. The case of the Plaintiff as the owner of the suit property, had inducted **Defendant, M/s Ronuk Industries Ltd.**, as a tenant in the suit property at a monthly rent of **Rs.9,000/-**, vide a Lease Agreement dated **29.07.1986**.

4. According to the Plaintiff, she had been desirous of recovering possession of the suit property since 1992 and had addressed a Letter dated 17.01.1992 seeking enhancement of rent. However, the Defendant continued to pay Rs.9,000/- per month, as rent. The Plaintiff thereafter, served a Legal Notice dated 07.08.2003, terminating the tenancy and calling upon the Defendant to hand over possession of the suit property.

5. *Thereafter, the Suit was instituted seeking Possession and Damages at the rate of Rs.1,000/- per day with effect from 01.09.2003, till handing over of possession, along with interest @ 18% per annum.*

6. The Defendant, in its **Written Statement**, raised *preliminary objections* that the Suit had not been instituted by a duly authorised person; that the Court lacked jurisdiction; that the plaint did not disclose any cause of action; and that material facts had allegedly been concealed.

7. The Defendant also specifically denied having been served with the



Notice of termination of tenancy, prior to the institution of the Suit and asserted that the averments made in the plaint were false and frivolous.

8. **On merits**, it was asserted that the description of the suit property did not correspond with the description in the Sale Deed or with the premises in actual possession of the Defendant. The ownership of the Plaintiff was also disputed and a plea was taken that the Suit was barred under the **Benami Transactions (Prohibition) Act, 1988** and that the Plaintiff had no *locus standi* to maintain the Suit.

9. The Defendant further asserted that the Lease Agreement dated **29.07.1986** was unregistered and insufficiently stamped and therefore, could not be read in evidence for the purpose of establishing the terms sought to be created thereunder.

10. Without prejudice to the aforesaid contentions, the Defendant asserted that it had initially been inducted as a **tenant** in the suit property, on the basis of an oral agreement with Sh. Uma Shankar Khanna, husband of the Plaintiff, who had represented himself to be the owner of the property and the rent was regularly paid to him. Sh. Uma Shankar Khanna received the so-called rent and margin money, etc., through his wife, the Plaintiff, in order to save income tax, house tax, etc.

11. Having regard to the long-standing commercial venture of the Defendant, it was mutually agreed that the Defendant would remain in possession of the suit property, *on a permanent basis*. Accordingly, an exorbitant amount was allegedly charged by Sh. Uma Shankar Khanna through the Plaintiff, *towards premium/security in consideration of such permanent possession*. It was further asserted that the uninterrupted



extension and renewal of the Defendant's possession on a permanent basis, had been specifically agreed upon and recorded in the unregistered Agreement as well as in subsequent Agreements. The Defendant, thus, denied that the tenancy had been created in terms of the Rent Agreement and asserted that its possession was intended to be permanent. According to the Defendant, the terms of the unregistered Agreement dated 29.07.1986, were self-explanatory and contemplated an unlimited and perpetual tenancy.

12. The Defendant further denied that the Plaintiff had been desirous of recovering possession of the suit property, in the year 1992. It was explained *that upon expiry of the initial period of five years on 28.07.1991*, Sh. Uma Shankar Khanna and the representatives of the Plaintiff held a series of meetings wherein, according to the Defendant, its requirement of permanent possession was mutually agreed. It was asserted that the so-called rent of Rs.9,000/- per month, though exorbitant considering the location and condition of the property, had been fixed in consideration of the Defendant being granted permanent possession of the suit property.

13. It was further agreed that the said amount of Rs.9,000/- per month, would continue to be paid for the next 20 years, as a guarantee/security for the permanent possession of the Defendant. Thus, according to the Defendant, *the alleged rent also included a component towards refundable security, in addition to the amount already paid*. The Defendant claimed that it had been regularly paying the said amount of Rs.9,000/- per month to Sh. Uma Shankar Khanna through the Plaintiff, which had been accepted without any protest.

14. It was further asserted that the said understanding and other related



matters agreed upon in the said meetings, were also put in writing in various forms to corroborate and substantiate the oral agreement between the Defendant and Mr. Uma Shankar and these facts had been deliberately and intentionally concealed by the Plaintiff.

15. The Defendant stated that the Plaintiff be directed to produce the said writings, as the same are most important documents to adjudicate upon this frivolous Suit. It was thus, submitted that the Suit is without merits and was liable to be dismissed.

16. The **issues were framed on 05.04.2004, as under:-**

- “1. Whether the defendant was tenant under the plaintiff as alleged in the plaint? OPP*
- 2. Whether the tenancy of the defendant has been duly terminated vide legal notice dated 07-08-2003 as alleged in the plaint? OPP.*
- 3. Whether the plaintiff is entitled to decree for recovery of possession of the suit property as sought in the plaint ? OPP*
- 4. Whether the plaintiff is entitled to recovery of damages/ mesne profits, if so, at what rate and for which period ? OPP*
- 5. Whether the plaintiff is entitled to any interest on the amount of damages I mesne profits, if so at what rate and for which period ? OPP .*
- 6. Relief.”*

17. Additional issues were further framed on 14.12.2007 are as under:-

- “1. Whether the Plaintiff has valued the suit for the purpose of proper court fees? OPD.*



2. *Whether the Court has no jurisdiction to try and entertain the present suit? OPD.*
3. *Whether the suit is barred by Benami Transaction Act? OPD.”*
18. *The evidence was then commenced to be led by the parties.*
19. At this stage, **Application under Order XII Rule 6 CPC dated 03.05.2016 was filed on behalf of the Plaintiff seeking a decree of possession on admissions.**
20. The Application was contested by the Defendant wherein similar defence as in the Written Statement were taken, in reply thereof.
21. It was explained that an exorbitantly high rate of rent @ Rs.9,000/- per month was fixed, even though the similarly located property in the same area could have been taken for Rs.1,000/- to Rs.1,250/- per month, in the 1980s. Since the possession was sought to be of permanent nature, the Defendant had agreed to pay an amount of Rs.9,000/- per month as EMI for the next 20 years for possession in perpetuity in the suit premise. It was thus, submitted that there was no categorical admission in regard to the relation of landlord and tenant between the parties and the Suit cannot be decreed under Order XII Rule 6 CPC.
22. The learned Civil Judge, *vide Judgment/Order dated 07.11.2016*, upon considering the rival contentions of the parties, observed that the admissions contained in the Written Statement, were sufficient to disentitle the Defendant from resisting the Plaintiff's claim for possession of the suit property. It was observed that the manner in which the Written Statement had been drafted, sought to create a semblance of a legitimate defence; however, when tested on the touchstone of the applicable law, such defence



could not be sustained. It was further concluded that the Defendant had admitted in the Written Statement the payment of **Rs.9,000/- per month as rent**, which was admittedly in excess of **Rs.3,500/- per month**.

23. The challenge raised by the Defendant to the title of the Plaintiff was held to be unavailable, in view of **Section 116 of the Indian Evidence Act, 1872** and the principles governing estoppel against a tenant. Reliance was also placed upon *Sky Land International Pvt. Ltd. v. Kavita P. Lalwani*, 191 (2012) DLT 594.

24. The learned Civil Judge further considered the objection that an earlier Application under Order XII Rule 6 CPC had already been decided. It was further observed that first Application under **Order XII Rule 6 CPC read with Order 39 Rule 10 CPC** had been filed by the Plaintiff for arrears of rent in the sum of Rs.72,000/-, and did not contain any prayer for possession, which was allowed. Thereafter, the second Application under Order XII Rule 6 CPC was filed for seeking possession. *It was held that the first Application was only in respect of rent and it cannot be said that the second Application for possession, was barred under law.*

25. The alleged understanding between the husband of the Plaintiff and the representatives of the Defendant, whereby Rs.9,000/- was allegedly agreed to be paid for 20 years to secure permanent possession, was also considered. It was observed that a right to continue in possession in perpetuity or for a term exceeding one year, *could not be created in the manner asserted, in the absence of a registered instrument as contemplated under the Registration Act, 1908 and the Transfer of Property Act, 1882.*

26. Furthermore, according to the Defendant, it was mutually agreed that



the initial unregistered Agreement of tenancy for 05 years, gradually having paid substantial amount for more than 20 years as EMIs towards the sale consideration, the Defendant has acquired a right/lien over the suit property. However, such averments of the Defendant were held to be against the Transfer of Property Act and Registration Act, and were not tenable.

27. The Defendant had further claimed that Sh. Uma Shankar, husband of the Plaintiff had presented himself as owner and decision maker in respect of the suit property, and that the suit property may have been purchased benami by him, in the name of his wife. Furthermore, it was claimed that the Sale Deed relied upon by the Plaintiff showing the ownership was not complete, as it did not specify the portion of the suit property in which the Plaintiff was claiming his ownership.

28. According to the Defendant, the issue of ownership was required to be tested on the touchstone of trial. However, this contention was rejected on the ground that the Defendant, who was a tenant from month to month, had no legal competency to challenge the Sale Deed in favour of the Plaintiff or to raise the defence of Benami Transaction Act.

29. It was held that there was a Lease Agreement dated 29.07.1986, executed between the parties, which has not been denied in the Written Statement. The only defence is of there being an understanding inter se the parties, for which there was no basis.

30. The Defendant itself stated the Written Statement that after the expiring of period of 05 years on a 28.07.1991, Sh. Uma Shankar and the representative of the Defendant, held a series of meetings in regard to the need of the Defendant for permanent possession of suit property.



31. The 05 years referred to in the Written Statement, could only be from the Lease Agreement dated 29.07.1986, which indicates that the Defendant himself was relying on the Lease Deed. It was thus, concluded that the two versions about the Defendant coming into possession of the suit property, first being given by the Plaintiff, and thereafter, the possession being pursuant to an oral Agreement between the representative of the Defendant and Mr. Uma Shankar, was thus, contradictory.

32. Moreover, any alleged transaction between Defendant and Sh. Uma Shankar, was of no consequence, in regard to the creation of right, title, interest in the suit property, which was owned by the Plaintiff.

33. It was thus, concluded that on the basis of the admissions made in the pleadings, the Plaintiff was entitled to the Suit for possession while the claim for relief of Damages, *Mesne Profits*, was held to be determinable only after recording of evidence. **Accordingly, the Application under Order XII Rule 6 CPC was allowed, for the decree of possession.**

34. Aggrieved, the Defendant/Appellant preferred **RCA No. 61994/2016 challenging the judgment on possession dated 07.11.2016.**

35. The **learned ADJ, on independent appreciation of the record** held *that there existed a relationship of landlord-tenant between the parties*. The Defendant had admitted in the Written Statement that he had been regularly paying the rent to the Plaintiff, who had been accepting it. The challenge to the ownership of the Plaintiff was not sustainable, since it was not the subject matter of the Suit.

36. As reflected from the pleadings, Plaintiff was the owner of the suit property and the family members of the Plaintiff, could not deal with the



property, without necessary authorisation. In case there was any such Agreement, it was voidable under **Section 19 of Indian Contract Act, 1872** and could be repudiated by the Plaintiff.

37. The Defendants having admitted paying rent to the Plaintiff, could not deflect from his admissions. Moreover, the defence of there being an Agreement for perpetual Lease Deed, the same was held to be barred under **Section 17 Registration Act**. Consequently, it was held that the Suit of the Plaintiff for possession, **has been rightly granted under Order XII Rule 6 CPC. The Appeal was accordingly, dismissed.**

38. The **Regular Second Appeal has been filed under Section 100 read with Order XLII CPC by the Defendant/Appellant.**

39. The **grounds of challenge** are that it has been erroneously held by the learned ADJ that there were admissions when there were none which existed. The Defendant had never admitted execution of the Lease Deed dated 1981-1986 with the Plaintiff or with her husband. There was no clear, unambiguous or specific admission on record, on which the decree under Order XII Rule 6 CPC, could be passed.

40. The relation between the Plaintiff and her husband were presumed to be good or that the Plaintiff had given consent to her husband that she had not withdrawn her consent, was held to be admitted even though there being challenge to the same. The same assumption is made when admittedly there was no authorization by the Plaintiff to her husband, for entering into any Agreement or to receive the rent.

41. The tenancy was required to be proved beyond doubt by the Plaintiff. Despite there being no registered document showing an alleged tenancy of



05 years, and despite no month-to-month tenancy admitted by the Defendant, *the judgment has been passed on baseless assumptions of assumed admissions.*

42. The documents of perpetual rights of the Defendant in the suit property, have been concealed by the Plaintiff in the first Application under Order XII Rule 6 of CPC. The said Application was kept pending despite arguments being heard, but the second Application under Order XII Rule 6 CPC, had been decided.

43. The evidence of the Plaintiff had been partly concluded and none of the prior learned Judges had treated the issue No. 1 as preliminary issue, due to the very nature of the objections and the facts of the present matter.

44. Further, *the learned Civil Judge committed an error in treating the issue No. 1 as preliminary issue* and thereafter, heard the arguments to decide the issues No. 4 and 5, as well. However, no arguments were heard by learned Civil Judge on Issues no. 4 and 5. The learned ADJ failed to consider this aspect.

45. The judgment under Order XII Rule 6 CPC has been passed in undue haste and against the legal principles. Once the evidence is commenced, the Appellant should have been given an opportunity to lead its evidence. Without giving any reasons, the course of decision, had been changed.

46. It was further asserted that instead of deciding the Application under Order XII Rule 6 CPC, the Suit has been decided on merits, as if evidence has been led and documents are proved. It has also not been appreciated for the fair decision, the evidence of the parties was required, since the Plaintiff was herself ready to return the consideration accepted by the Defendant in



the form of bank draft. It has not been considered that the bank draft dated 08.02.2016 drawn on HDFC Bank dated 08.02.2016 for Rs.19,50,000/-, had been prepared by the Plaintiff in favour of the Defendant with a promise to pay it to the Defendant upon its surrendering the possession to the Plaintiff or her husband. In fact, *Rs.19,50,000/- was the actual amount of premium accepted and utilised by the Plaintiff, from the Defendant.*

47. The contentions of the Defendant/Appellant have not been appreciated in the correct perspective; while on the one hand, it has been observed that unregistered Lease Deeds are not maintainable, but on the other hand, these observations have been contradicted by gathering vague admissions of the Defendant from the duly denied Lease Deeds.

48. Furthermore, the service of Legal Notice dated 07.08.2003 had been specifically denied by the Plaintiff, which was a disputed fact and could be adjudicated only after recording of evidence.

49. Moreover, by filing an Application under Order XI Rule 12 CPC along with Application under Order XII Rule 6 CPC, the Plaintiff herself was asking for decision on the Application under Order XII Rule 6 CPC after the disposal of the Application under Order XI Rule 12 CPC.

50. *It is asserted that the impugned judgment is liable to be set aside.*

Submissions heard and record perused.

51. This is a Second Regular Appeal and the most pertinent question, which arises is *whether any substantial question of law arises in the present Appeal.*

52. The Plaintiff had filed a Suit for Possession and *Mesne* Profits wherein it was specifically averred that the Defendant Company had been



inducted as a for 11 months, *vide* Rent Agreement dated 29.07.1986.

53. The Defendant in the Written Statement, had claimed that the Defendant had taken the premises initially as a tenant on the basis of oral Agreement with Mr. Uma Shankar, husband of the Plaintiff, who had represented himself as the owner of the property and the rent was being regularly paid to him. The relevant extract of the Written Statement reads as under:

“...initially inducted as a tenant in the suit premises on the basis of oral agreement wherein Uma Shankar Khanna, husband of Plaintiff, represented himself as the owner of the property and demanded the rent, which was regularly paid to him.”

54. Therefore, the Defendant had admitted in his Written Statement about his induction in the suit property, being in the capacity of a tenant. Pertinently, *it fails to give the date on which he entered into the premises as a tenant.*

55. Even though the Plaintiff had relied on a Lease Agreement dated 29.07.1986, the execution of which was denied by the Defendant, but the Defendant himself has admitted his induction in the suit premises, as a tenant.

56. He has also admitted that *‘he had also been paying the monthly rent of Rs.9,000/- to Mr. Uma Shankar through the Plaintiff’*. Therefore, there are clear admissions in the Written Statement that the rent of Rs.9,000/- per month being paid to the Plaintiff, though asserted to be intended for the husband.

57. The Plaintiff had acquired the ownership by virtue of a Sale Deed and



the Defendant has entered into the property owned by the Plaintiff. Even if it is accepted that the defendant was dealing with the husband of the Plaintiff, that does not take away the ownership of the Plaintiff in the suit premises or her right to claim possession from the Defendant, who is admittedly a tenant in the suit premises.

58. The sole defence taken was that there was an Agreement between the husband of the Plaintiff and the representatives of the Defendant, *that the tenancy would be on permanent basis and for this reason, the exorbitant rent of Rs.9,000/- per month was agreed to be paid*, even though similarly situated properties in the area could be taken on rent for Rs.1,500/- per month.

59. This contention raised by the Defendant had been duly considered by the two Courts and it was observed *that any such creation of possession on permanent basis, could have been done only through registered document, which admittedly did not exist and thus, such contention was patently barred under Section 17 Registration Act.*

60. The Appellant in the present Appeal, had also contended that the Plaintiff had got prepared a draft of Rs.19,50,000/- in the name of the Defendant to return the money taken over the number of years, for getting the possession of the suit property. This in fact, establishes that the Plaintiff who has been out of possession since 1981, was keen to get back the possession on whatever terms and was even willing to pay the money received till date, by way of the demand draft in lieu thereof. This in no way reflects that the suit premises had been taken by the Defendant, on permanent basis.



61. The last contention raised by the Appellant was that there was no service of Legal Notice dated 07.08.2003 and it had been specifically denied by him.

62. However, even if this contention is accepted, it is well settled that the filing of a Suit for eviction under the general law, itself amounts to a notice to quit, upon the tenant. The Supreme Court in M/s Nopany Investments (P) Ltd. v. Santokh Singh (HUF), (2008) 2 SCC 728, has observed that even in the absence of a Notice under **Section 106 of the Transfer of Property Act**, the institution of the Suit itself constitutes a notice to quit upon the tenant. Thus, there can be no infirmity in the finding that the tenancy of the Defendants, stood validly terminated.

63. It may be hereby noted that in the impugned order, it has been clearly observed that the question of *Mesne* Profits required evidence, which was kept pending. There is also a mention of Application under Order XI Rule 12 CPC filed by the Plaintiff, but that in any case, may be relevant for deciding the *Mesne* Profits, but in the light of admissions of the Defendant in the Written Statement, the decree of possession was not required to be deferred, as it has been rightly passed under Order XII Rule 6 CPC.

64. The two Courts have rightly appreciated the facts of this case to conclude that Defendant was a tenant @ Rs.9,000/- per month and was liable for eviction and **have rightly decreed the Suit of the Plaintiff for possession.**

Conclusion:

65. In the light of aforesaid discussion, it is held that there is no



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substantial question of law that has arisen, in the present Appeal. There is **no merit** in the present Appeal, which is hereby, **dismissed**.

66. Pending Applications, if any, are disposed of accordingly.

(NEENA BANSAL KRISHNA)
JUDGE

SEPTEMBER 23, 2026
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