Supreme Court of India
Keshav Kumar Swarup vs Flowmore Private Limitedj.) on 18 January, 1994
Equivalent citations: 1994 SCR (1) 148, 1994 SCC (2) 10
Author: M M.K.
Bench: Mukherjee M.K. (J)

PETITIONER:
KESHAV KUMAR SWARUP

Vs.

RESPONDENT:
FLOWMORE PRIVATE LIMITEDJ.)

DATE OF JUDGMENT18/01/1994

BENCH:
MUKHERJEE M.K. (J)
BENCH:
MUKHERJEE M.K. (J)
MOHAN, S. (J)

CITATION:
1994 SCR (1) 148 1994 SCC (2) 10
JT 1994 (1) 137 1994 SCALE (1)118

ACT:

HEADNOTE:

JUDGMENT:

The Judgment of the Court was delivered by MUKHERJEE, J.- The appellant-landlord filed an application Linder Section 14(1)(e) of the Delhi Rent Control Act, 1958 before the Rent Controller seeking eviction of the respondent-tenant (Company) from the premises in question on the ground of bona fide requirement. After obtaining leave to contest the application, the tenant contended, relying upon clause 5 of the deed of lease which reads as under: "That the lessee shall use the premises for the residence and personal use of Directors and/or their relatives and for the purpose of the Company."

that the premises were let out both for residential as also commercial purposes and the composite purpose of the tenancy took the premises out of the purview of the residential accommodation. The other ground on which the application was resisted was that the claim of the landlord that the premises were required for his own occupation was not a bona fide one. The Controller rejected both the contentions of the tenant and passed an order for eviction. Aggrieved thereby, the tenant filed a

revisional application in the Delhi High Court and reiterated both its contentions. The High Court, while affirming the finding recorded by the Controller about the bona fide requirement of the landlord upset the finding of the Controller that clause 5 of the deed mistakably proved that the premises were let out for residential purpose only. In interpreting clause 5, the High Court first observed:

"Clause 5 is not ambiguous. There is no confusion in the word used in this clause. The words 'personal use of Directors and/or their relatives and for the purpose of the Company' were used after mentioning that the premises can be used for residence meaning thereby that the other users were also permissible besides residence and that the user was for the purpose of the Company, i.e., for the business of the Company and the Directors and their relatives also could use does not mean that Directors and their relatives are to use the premises for residence only. The personal use could be of many nature. It could be that Director or their relatives can have their office in particular rooms for their personal work beyond the work of the Company." And ultimately concluded by saying:

"The words 'for the purpose of the Company' are very significant and cannot be given a go by. They do clearly show that the premises can be used for the purpose of Company which is obviously business of the Company. Hence it has to be held that the premises have been let out not only for residential purpose but also for commercial purpose. The interpretation of the Rent Controller with regard to the particular clause does not appear to be sound. So, I set aside the finding of the Rent Controller in this regard."

On such conclusion, the High Court reversed the order of the Controller and rejected the application of the landlord. Hence, this appeal by special leave.

2. In view of the concurrent finding recorded by the Controller and the High Court regarding bona fide requirement of the premises by the landlord, the only point that survives for consideration in this appeal is as to the true meaning of clause 5 of the lease deed. In other words, we have to find an answer to the question whether the premises were let out for residential purpose only or for a composite purpose.

3. In interpreting a document the intention of the parties has to be ascertained, if possible from the expressions used therein. More often than not, this causes no difficulty, but if difficulty is felt owing to inarticulate drafting or inadvertence or other causes, the intention may be gathered reading the entire document and, if so necessary, from other attending circumstances also. If through such a process the intention of the parties can be culled out consistently with the rule of law, the courts are required to take that course. Keeping these principles in mind, we may proceed to consider the facts of the instant case.

4. On a plain reading of clause 5 it is patently clear to us that the landlord authorised the tenant to use the premises in dispute only for residential purpose and for no other purpose. The words 'for the purpose of the Company' ought to be read in conjunction with 'residence' and when so read there is no escape from the conclusion that what the parties intended was that the premises were to be used for residence of the Directors, their relatives and also others who may have to be accommodated 'for

the purpose of the Company'. The interpretation given by the High Court to the above quoted words cannot be accepted for if the landlord was to permit the tenant to use the premises for any other purpose the whole exercise of prescribing the purpose and circumscribing the category of persons who can use it for that purpose would have been futile.

5. Even if it is assumed, for arguments' sake, that the words 'for the purpose of the Company' in clause 5 created some confusion about the intention of the parties, it stood completely dispelled by the other clauses of the agreement as also by the other materials appearing on record. Reference in this connection may first be made to clauses II and 13 of the agreement which read as under: "11. That the lessee shall not carry out any structural additions or alterations to the said premises, Jay-out, fittings or fixtures but can install air conditioners, cooking range etc.

13. That the lessee shall abide by all rules and regulations of the Municipal Corporation, DDA and other authorities and shall be responsible for any loss or damages suffered by the lessor on account of lessee's failure to do so."

Besides, the above clauses reference may be made to the certificate dated February 10, 1975 issued by the Managing Director of the tenant (Ext. AX) whereby he confirmed that the premises had been let out to him for his residence at a monthly rent of Rs 2000 and the report dated April 17, 1975 prepared by the officers of the Municipal Corporation of Delhi (Ext. AW3/1), after inspection of the premises for assessment of property tax wherein it has been specifically mentioned that the user of the premises was residential. Materials on record further show that under the master plan and the zonal plan of the Municipal Corporation of Delhi the colony in which the premises in question are situated is exclusively residential and that it cannot be used for any purpose other than residential.

6. From clause II quoted above, we find that under the agreement only installation of air conditioners and cooking ranges were permitted and there is no mention of any kind of office equipment. Further, clause 13, when read in the context of the master and zonal plans referred to earlier, clearly indicates that the residential user of the premises was only contemplated.

7. For the foregoing discussion, we are of the opinion that the High Court erred in law in reversing the decision of the Rent Controller allowing the eviction. We, therefore, allow this appeal, set aside the order of the High Court and restore that of the Controller. However, there will be no order as to costs.

8. Before we part with this judgment we may record that after the hearing of this appeal was concluded we requested the learned counsel for the parties to effect a settlement, if possible. Pursuant thereto the parties negotiated but could not arrive at a settlement. The learned counsel for the respondent, however, submitted before us, on the basis of the negotiations that took place that the claim of the landlord regarding requirement of the premises was not a bona fide one and therefore the appeal should be dismissed on that score alone. Needless to say, the landlord agreed to negotiate for the settlement only in deference to our suggestion and without prejudice to his rights and contentions in the appeal. Therefore, no cognizance could be, and should be, taken of the terms offered or exchanged during negotiations, far less, relied upon to dispose of the appeal.

CMP No. 16601 of 1989:

9. Since the appeal is disposed of, no orders are necessary on the CMP.

10. After the delivery of the judgment, a prayer on behalf of the respondent-tenant has been made to seek some time to vacate the premises. Accordingly, we direct that the appellant shall not levy execution for a period of six months. The respondent-tenant will file an undertaking within two weeks from today agreeing to the delivery of vacant possession on the expiry of said six months, i.e. July 31, 1994.