



2026:DHC:5384



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IN THE HIGH COURT OF DELHI AT NEW DELHI*Reserved on: 7th May, 2026**Pronounced on: 6th July, 2026*

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RC.REV. 76/2026 & CM APPL. 16941/2026

SHALIMAR PAINTS LTD & ANR.Petitioners

Through: Mr. Rajesh Yadav, Senior Advocate with Mr. Mahir Malhotra, Ms. Purna Chaubey, Ms. Nagma Khan and Ms. Nitya Vig, Advocates.

versus

M/S PHELPS AND COMPANY PVT LTDRespondent

Through: Mr. Pawan S.B., Senior Advocate with Ms. Pavitra Kaur and Ms. Shreya Mishra, Advocates.

CORAM:**HON'BLE MR. JUSTICE AMIT SHARMA****JUDGMENT****AMIT SHARMA, J.**

1. The present petition under Section 25B(8) of the Delhi Rent Control Act, 1958¹, seeks the following prayers: -

A. Call for records in the Eviction Petition bearing No. RC/ARC/18/2024 titled as M/s Phelps and Company Pvt. Ltd vs M/S Shalimar Paints Ltd & Anr.

B. Set aside the impugned order dated 06.11.2025 passed by the Court of Sh. Ashwani Panwar, Ld. Senior Civil Judge cum Rent

¹ DRC Act



Controller, New Delhi District, Patiala House Courts and consequently allow the application of Leave to Defend of the Petitioners.

C. AND/OR pass any other order/directions in the present facts and circumstances of the case that the Hon'ble Court may deem fit in favour of the Petitioner.”

2. The present petition has been preferred on behalf of the Petitioners (tenant), assailing the judgment dated 06.11.2025² passed by the learned ACJM-04, RACC, New Delhi District, Rouse Avenue Courts, New Delhi³, in RC ARC No. 18/2024⁴, whereby an eviction order was passed against the present Petitioners *qua* the tenanted premises being property No. 9-A, First Floor, Inner Circle, Connaught Place, New Delhi-110001⁵, forming part of property No. 9A, Connaught Place, Delhi-110001⁶.

3. The Respondent (landlord) had preferred the eviction petition before the learned ARC *qua* the tenanted premises, on the ground of *bona fide* requirement under Section 14(1)(e) of the DRC Act. It was stated in the eviction petition that the Respondent is a family run private company and the tenanted premises were required for expansion of its new art business wing, operating under the trademark “The Biv”. It was stated that the said art business wing dealt with curating, managing and running art galleries for exhibition of art and further dealt in paintings, art products, artifacts and decorative arts. It was further stated that Ms.

² Impugned Judgment

³ Learned ARC

⁴ Eviction Petition/Eviction Proceedings

⁵ Tenanted Premises

⁶ Subject Premises



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Niamat Singh and Mr. Fateh Singh, being directors of the Respondent company, possessed necessary qualifications to expand the said art business wing. It was further stated that due to expansion of the said art business wing, the tenanted premises were required for display of paintings, meetings with buyers and artists, storage, and allied business activities. It was further stated that one of the directors of the Respondent company operated from a single-room office adjacent to the tenanted premises and considering the common wall between the said office and the tenanted premises, the Respondent intended to remove the said wall, so as to create a larger display and storage area along with smaller cabins, and thereafter, shift the director's office towards the rear portion of the premises. It was stated that a proposed site plan *qua* the said arrangement was also filed along with the eviction petition.

4. It was further stated in the eviction petition that the Respondent had been conducting exhibitions *qua* the said art business wing, from the third floor and terrace of the subject premises; however, the same had resulted in disruption and financial losses to the co-working business operating therefrom. It was stated that due to lack of adequate space for display, meetings, storage and business operations, the Respondent required a permanent commercial space for expansion of the said art business wing. *Qua* suitability of the tenanted premises, it was stated that the same had access from Connaught Place's inner circle, which enjoys higher commercial visibility and footfall, whereas the third floor and the terrace of the subject premises were accessible only from Connaught Place's middle circle. It was further stated that Petitioner No. 1 had



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ceased its business operations from the tenanted premises and had, without consent of the Respondent, sub-let and parted possession of the same in favour of Petitioner No. 2.

5. The Petitioners, in their leave to defend application filed in the eviction proceedings, had contended that the Respondent had concealed material facts *qua* availability of alternate accommodation available with it, and had approached the learned ARC with *mala fide* intentions. It was contended that the Respondent had itself admitted in the eviction petition that the said art business wing was already being operated from the third floor of the subject premises and as per the official website of the said venture, substantial commercial space comprising of reception area, library, camper area (workspace), tent area (cabin space) and board room was already available with the Respondent, which was sufficient for conducting the said business and organising exhibitions. It was further contended that the Respondent had intentionally not disclosed the exact area available with it in the subject premises, details of the other tenants occupying the building and the total commercial space already under its possession. The Petitioners had further alleged that the actual intention of the Respondent was to evict the Petitioners from the tenanted premises and thereafter re-let the same at a higher rent.

6. The Respondent, in its reply to the leave to defend application, had denied the aforesaid averments and had stated that no alternate commercial accommodation was available with it in Delhi NCR. It was further stated that the ground floor of the subject premises was occupied



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by ICICI Bank, whereas on the first floor only one room was in occupation of one of the directors of the Respondent company and the remaining portion was occupied by Petitioner No. 2. It was further stated that the first floor of the subject premises was the only portion accessible from Connaught Place's inner circle and the third floor and the terrace of the subject premises were accessible only from the middle circle. It was further stated that the said upper floors were already being utilised for co-working operations, and therefore, the same were not suitable for the *bona fide* requirement. The said leave to defend application was dismissed by the learned ARC and the impugned judgment came to be passed against the petitioners; hence, the present petition.

SUBMISSIONS OF BEHALF OF THE PETITIONERS:

7. At the outset, learned Senior Counsel appearing on behalf of the Petitioners submitted that the learned ARC had failed to appreciate the triable issues raised by the Petitioners in the leave to defend application. It was submitted that the learned ARC had failed to appreciate that the Respondent was already in possession of approximately 7,500 sq. fts. of commercial space, across the two floors of the subject premises, and the said fact had been specifically pleaded by the Petitioners in their leave to defend application. It was further submitted that as per the official website of the Respondent's art business venture, the Respondent was already operating from a substantial commercial space comprising of reception area, library, camper area (workspace), tent area (cabin space), board room and terrace garden, which clearly reflected that alternate



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suitable accommodation was already available with the Respondent for the alleged *bona fide* requirement.

8. Attention of this Court was drawn to the following paragraph of the leave to defend application, filed by Petitioners to contend that the *challans*, as filed by the Respondent in the eviction petition, were forged and fabricated, and the said contention was not dealt by the learned ARC while rendering the impugned judgment: -

“15. That it is submitted that the Petitioner has filed certain Challans from Pages 30 to 33 of the Petition. A bare perusal of the same would suggest that the said Challans appear to be bogus and fabricated, as can be clearly seen from the Serial Number and Dates mentioned on them. For instance, Challan No. 219 Is dated 12.01.2023 whereas Challan No. 216 is dated 17.01.2023.”

It was submitted that the learned ARC had failed to consider that the said *challans* were forged and fabricated, as the serial numbers and dates mentioned on them were inconsistent. It was submitted that *challan* No. 219 was dated 12.01.2023, whereas *challan* No. 216 was dated 17.01.2023, and thus, the *challans* did not mention any payment mode or GST details or mode of payment. The said *challans* are reproduced as under: -



30

CHALLAN

Southex Books And Prints Pvt. Ltd.

A-40, South Extension Part-II, New Delhi - 110 049
Ph. : 91-11-26257095, 26251795, 26250330

TIN No. 07960304136

No. 221

Date: 20/1/23

M/s The B.I.V

9A, 3rd Floor, Phelps building, Middle Circle, Connaught Place, New Delhi-1

S. No.	Particulars	Qty.	Remarks
27)	Large Coloured Aquatint of India by Daniell (Frammed)	1	27500/-
28)	Coloured lithograph of Delhi Durbar	1	8500/-
29)	Coloured Mughal Architectural drawings by Edmund Smith	8	@6000/- each
30)	B/W Mughal Architectural drawings by Edmund Smith (1893-4)	10	@5000/- each
31)	B/W Steel engravings of India by Dublin & Bacon	10	@4000/- each
32)	Small sepia & coloured aquatints of India by Daniell	4	@12000/- each
33)	Coloured lithographs by Fanny Parker	5	@9000/- each
34)	Hand coloured French Map of India	1	8000/-
35)	Coloured Map of Hindoostan	1	9500/-
36)	Northern India 1858	1	12000/-
37)	Peninsula India (South India)	1	11000/-
38)	Northern India, Oudh & Western Provinces	1	12000/-

E & O.E.

Receiver's Signature & Stamp

221
305

Subscribed

for Southex Books And Prints Pvt. Ltd.

Auth. Signatory

4,48,500



31

B-1

07AAFC59289K1ZJ CHALLAN

Southex Books And Prints Pvt. Ltd.

A-40, South Extension Part-II, New Delhi - 110 049
Ph. : 91-11-26257095, 26251795, 26250330

TIN No. 079660304136

No. 218

GST NO. 07AAFC59289K1ZJ 12/11/23

M/s The BIV

9A 3rd Floor Phelps building Middle Lane Connaught Place New Delhi

S. No.	Particulars	Qty.	Remarks
1)	Thomas Jeffery's large Coloured Map of East Indies 1768	1	115000/-
2)	Johnson Map (coloured) of India 1880 (C)	1	15000/-
3)	Hall Bury map of India (coloured) with line (1860 C)	1	16000/-
4)	Map of India French Cartography 18th	1	14000/-
5)	Tallis map of North India 18th India 1851	2	13500/each
6)	Tallis Map of South India	1	13500/-
7)	Copper Engraved map of India	1	9000/-
8)	Small coloured map of India	1	7000/-
9)	Tallis Cabool Punjab & Peshawar	1	13000/-
10)	Tallis Overland Route to India	1	14000/-
11)	Bombay Presidency	1	7500
12)	Bengal Presidency	1	7500
13)	India IV	1	7500
14)	India IX	1	7500

E & O.E.

for Southex Books And Prints Pvt. Ltd.

Receiver's Signature & Stamp

Sudh M
12/11/2023

Auth. Signatory

2,55,000

3/26



32

CHALLAN

Southex Books And Prints Pvt. Ltd.

A-40, South Extension Part-II, New Delhi - 110 049

Ph. : 91-11-26257095, 26251795, 26250330

TIN No-07680304136

07AAFCS92289K12J

Date 12/1/23

No. 219

M/s

The BIV

S. No.	Particulars	Qty.	Remarks
15)	Map of Delhi	1	28000/-
16)	Coloured Architectural Drawings of Mahal Monuments by Edmund Stone	8	@ 6000/- each
17)	B/W steel engravings by Bibbin & Pearson	5	@ 4000/- each
18)	B/W steel engravings of India by Danielle	6	@ 4000/- each
19)	Coloured engraving of King & Queen of Delhi	2	@ 6000/- each
20)	B/W Photographs of Delhi by Deendayal	5	@ 11000/- each
21)	B/W Photographs of Delhi by Wheeler	4	@ 6500/- each
22)	Coloured lithograph by Fanny Parker	6	@ 9000/- each
23)	Portrait of Buteek Singh	1	50000/-
24)	Delhi 1911	1	85000/-
Please add 12% GST on the above given price.			
The above items are ^{from} on consignment			
from bill - 15/4/23.			

E & O.E.

for Southex Books And Prints Pvt. Ltd.

Receiver's Signature & Stamp

Handwritten signature and stamp

8 May 2023

Auth. Signatory

1,99,500



33

CHALLAN

Southex Books And Prints Pvt. Ltd.

A-40, South Extension Part-II, New Delhi - 110 049

Ph. : 91-11-26257095, 26251795, 26250330

TIN No. 07960304136

No. 216

Date 17/1/23

M/s The BIV

9A, 2nd Floor, Phoenix Building, Middle Circle, Connaught Place New Delhi

S. No.	Particulars	Qty.	Remarks
25	Continuation from the last Serial Number.		
26	Coloured Architectural Drawings of Mughal Monuments by Edmund Smith	4	@ 6000/- each
26	B/W views of India by Danielle	3	@ 4000/- each

E & O.E.

for Southex Books And Prints Pvt. Ltd.

Receiver's Signature & Stamp

Auth. Signatory

257
371

10,800

9. Learned Senior Counsel further drew attention of this Court to the reply filed on behalf of the Respondent to the leave to defend application, and particularly on the following portion, to contend that the



Respondent had failed to rebut to the said allegation of the *challans* being forged and fabricated: -

“15. That the contents of paragraph no. 15 are false and hence denied. It is denied the said Challans are bogus or fabricated. The respondents have failed to peruse the said challans carefully. A bare perusal would reveal that the challan numbers are in fact irrelevant as the challan is a continuous document with articles added on two dates i.e 12.01.2023 and 17.01.2023. The three pages are one continuous invoice of 26 articles.”

It was further submitted that no findings were given by the learned ARC *qua* the said contention of the *challans* being forged and fabricated.

10. Learned Senior Counsel for the Petitioners further drew attention of this Court to the following portion of the leave to defend application to contend that the Respondent had admitted in the eviction petition that the said art business wing was already being operated from the third floor of the subject premises. It was further submitted that as per the official website of the Respondent’s said venture, namely “The Biv”, the Respondent was operating from a substantial commercial space on the third floor of the subject premises, which had ample area for conducting the said business activities. The relevant portion of the leave to defend application is reproduced as under: -

“8. That the Petitioner has filed the Eviction Petition with the malafide Intention to harass the Respondents. The need of the Petitioner is not bonafide as sufficient alternative accommodation is available with the Petitioner for running its alleged “new stream of operations”. The Petitioner has admitted in Para 18(a)(v) of the Petition that the Petitioner is conducting the said business from the Third Floor of Building No. 9-A, Connaught Place, New Delhi 110001. As per the Website of the new venture namely “The Biv” -



thebiv.co.in, the Petitioner is operating in a huge space on the Third Floor of Building No. 9-A, Connaught Place - which includes a Reception Area, a Library, a “Camper” area (Work Space), a “Tent area” (Cabin Space), a Board Room, which is more than sufficient for the Petitioner to expand its business and conduct the Art Exhibitions.”

11. Learned Senior Counsel for the Petitioners submitted that in view of the above, the alleged *bona fide* requirement set up by the Respondent was merely a sham and the Respondent already had sufficient alternate accommodation available with it for carrying out the said business activities. Learned Senior Counsel for the Petitioner further drew attention of this Court to the screenshots placed on record of the website of the Respondent’s venture, *i.e.*, “The Biv”, to demonstrate the Respondent is in possession of a full-fledged office space, which is being offered to general public for using the same for their office purposes. The same has been depicted in the following manner: -

“

THE SPACE

We have a solid 7,500 sq ft space spread across two floors that you can call your office. This includes a great terrace garden that looks straight on to an unfurling Indian flag dramatically set against an open sky.”

12. Learned Senior Counsel further submitted that there was no denial of the fact by the Respondent that the latter was not in possession of 7,500 sq. fts. of space in the subject premises. It was further argued by the learned Senior Counsel that the Respondent had taken contrary stands *qua bona fide* requirement of the tenanted premises, as the latter in the eviction petition had claimed that the tenanted premises were



required for expansion of its art business wing, and the Respondent in its reply to the leave to defend application had stated that the tenanted premises were required for making additional space for other directors of the Respondent company. The relevant portions of the eviction petition and the reply to the leave to defend application are reproduced as under:

-

“Eviction Petition:

vi. That since the Petitioner's business is expanding need for a permanent physical space becomes indispensable. Dealing in paintings, art products, artifacts, sculptures, and decorative arts, which are best appreciated in person, necessitates a dedicated area for display. Additionally, the Petitioner requires offices for meetings with buyers, artists, and vendors, along with adequate storage space for these goods.

Reply to Leave to Defend:

12. That the contents of paragraph no, 12 are false and hence denied. It is denied the Respondent No. 1 has not parted/sublet or assigned the possession of the subject premises to the Respondent No. 2. The Respondent No. 2 has duly reflected the subject premises as its registered office on the website of the Ministry of the Corporate Affairs and accordingly the Respondent are hereby falsely deposing that the Respondent No. 2 is not in possession of the subject premises. It is denied that the present petition is premises on false or flimsy grounds or the petition is without merit. The subject premises are bonafide required by the Petitioner for resolution of its need for the offices for the other two directors as well as the display rooms for its art business wing, accordingly the need of the subject premises is eminent, urgent and bonafide.”

13. Learned Senior Counsel for the Petitioners further submitted that the Respondent, in the eviction petition, had stated that it was the owner of the second and third floors of the subject premises; however, in its reply to the leave to defend application, the Respondent had stated that



the reference to the said second and third floors would actually mean the third floor and the terrace of the subject premises. It was submitted that the said inconsistent stand itself reflected that the Respondent was uncertain and unclear *qua* the exact portions/floors available in the subject premises. The relevant portions of the eviction petition and the reply to the leave to defend application are reproduced as under: -

“Eviction Petition:

xi. That the Petitioner also owns the Second Floor and the Third Floor, 9-A, Phelps Building, Connaught Place, New Delhi. However, the entrances to these premises are from the middle circle, contrasting with the said premises which benefits from an entrance in the inner circle. The inner circle enjoys significantly higher foot traffic compared to the middle circle, which is more suited for businesses not reliant on client engagement. There are no other commercial premises owned by the Petitioner. It is well settled law that a landlord is the best judge of his needs and requirements and the Petitioner requires the premises in question for its personal and bonafide use.

Reply to Leave to Defend:

17. That the contents of paragraph no. 17 are false and hence denied. It is submitted that the reference to second floor and third floor in paragraph 18 (a) (xi) is actually the third floor and terrace of the said building and the same is in occupation of the co-working business. The Floor above the subject premises and below the coworking space was sold on 23.12.1993, 18.04.2000 and on 14.02.2017. The said floor is the earliest floor which is accessible from the Middle Circle and the same is not in possession of the Petitioner. It is further submitted that as has been stated hereinabove the third floor and terrace of the said building is in use and occupation by the co-working space business of the Petitioner. The said business is generating good revenue and occupies the entire third floor as well as the terrace leaving no space for the office of the directors or the display area for art business. In regard to the formation of the middle circle and other businesses in the middle circle, it is submitted that the Petitioner has no space to use even in the middle circle and the law as has been laid down is clear on the fact that the Petitioner is the



best and only judge of its needs and the tenant cannot be permitted to dictate the terms.”

14. It was argued by the learned Senior Counsel for the Petitioners that the Respondent had failed to place anything on record to show how second and third floors of the subject premises were not being used by the Respondent for the purposes of art business wing.

15. Learned Senior Counsel further argued that no material whatsoever had been placed on record by the Respondent to demonstrate that any exhibition, as stated in the eviction petition, had ever been conducted from the subject premises. It was submitted that apart from making bald averments *qua* the art business activities, no document had been filed by the Respondent to substantiate the same and the entire plea of *bona fide* requirement was merely a false narrative projected before the learned ARC.

16. Learned Senior Counsel for the Petitioners had placed reliance upon the judgment passed by the Hon’ble Supreme Court in **Santosh Devi Soni Vs. Chand Kiran**⁷, to contend that where a landlord seeks eviction for additional accommodation, and the tenant raises a dispute *qua* availability of accommodation already in possession of the landlord, the same would give rise to a triable issue. The relevant portion of the said judgment is reproduced as under: -

“3 . The short question is whether in the light of the requirements put forward by the Respondent-landlady who is a widow and is in

⁷ MANU/SC/3621/2000



occupation of the first floor of the building in which the suit premises are situated leave to defend to the Defendant- Appellant could have been refused. As this is a case for additional accommodation and looking to the facts and circumstances of the case, especially in the light of the additional accommodation which is subsequently made available to the Respondent as mentioned by the Appellant, the question of Respondent's need was required to be thrashed out on merits by a full-fledged trial. This Court in the case of Dr. S.M. Misra v. D.D. Malik Civil Appeal No. 120 of 1990, decided on 11.1.1990 has ruled that in the cases where additional accommodation is asked for in proceedings under Delhi Rent Control Act, normally leave to defend should not be refused.

4 . Considering the facts and circumstances of this case, therefore, we deem it fit to grant leave to defend to the Appellant and consequently the judgment and order passed by the Rent Controller and as confirmed by the High Court are set aside and the proceedings are remanded to the Rent Controller's Court for deciding the proceedings on merits by treating the Appellant to have been granted leave to defend. In view of the pendency of the proceedings since years we direct the Rent Controller to decide the remanded proceedings at the earliest and preferably within four months from the receipt of a copy of this order at his end.”

17. Learned Senior Counsel had further placed reliance upon the judgment passed by the Hon’ble Supreme Court of India in **Charan Dass Duggal Vs. Brahma Nand**⁸, to contend that at the stage of deciding an application for leave to defend, the learned ARC shall only examine whether the tenant has *prima facie* raised a triable issue or not. The relevant portion of the said judgment is reproduced as under: -

“4. What should be the approach when leave to defend is sought? There appears to be a mistaken belief that unless the tenant at that stage makes out such a strong case as would non-suit the landlord leave to defend cannot be granted. This approach is wholly improper, When leave to defend is sought. The tenant must make out such a *prima facie* case

⁸ (1983) 1 SCC 301



raising such pleas that a triable issue would emerge and that in our opinion should be sufficient to grant leave. The test is the test of triable issue would emerge and that in our opinion should be sufficient to grant leave. The test is the test of a triable issue and not the final success in the action. At the State of granting the leave parties rely in support of their rival contentions on affidavits and assertions and counter-assertions on affidavits may not afford such incontrovertible evidence to lead to an affirmative conclusion one way or the other. Conceding that when possession is sought on the ground of personal requirement, an absolute need is not to be satisfied but a mere desire equally is not sufficient. It has to be something more than a mere desire. And being an enabling provision, the burden is on the landlord to establish his case affirmatively.

8 . It is not for a moment suggested that leave to defend must be granted on mere asking but it is equally improper to refuse to grant leave though triable evidence for concluding the point one way or the other. It is not for a moment suggested that leave to defend to grant leave though triable issues are raised and the controversy can be properly adjudicated after ascertainment of truth through cross-examination of witnesses who have filed their affidavits. Burden is on the landlord to prove his requirement and has ascertain is required to be tested more so when it is shown that for long he is staying outside Delhi, that he has a building albeit standing in the names of his sons and daughters where he is staying and at which place he receives his normal correspondence. If in a such a situation one can say that a triable issue is not raised, one is at a loss to find out where, when and in what circumstances such an issue would arise. We are, therefore, satisfied that this is a case in which triable issues were raised and both the learned Rent Controller and the High Court were in error in refusing to grant the leave.”

18. Attention of this Court was further drawn to the judgment passed by the Hon’ble Supreme Court in **Inderjeet Kaur vs. Nirpal Singh**⁹, and it was submitted that burden placed on a tenant is of a light nature and the latter is only required to show such facts as would disentitle the

⁹ 2000 INSC 605



landlord from obtaining an order of eviction. The relevant portions of the said judgment are reproduced as under: -

“11. As is evident from Section 25B(4) & (5) of the Act, burden placed on a tenant is light and limited in that if the affidavit filed by him discloses such facts as would disentitle the landlord from obtaining an order for the recovery of the possession of the premises on the ground specified in Clause (e) of the proviso to Section 14(1) of the Act, with which we are concerned in this case, are good enough to grant leave to defend.

13. We are of the considered view that at a stage when the tenant seeks leave to defend, it is enough if he prima facie makes out a case by disclosing such facts as would disentitle the landlord from obtaining an order of eviction. It would not be right approach to say that unless the tenant at that stage itself establishes a strong case as would non-suit the landlord leave to defend should not be granted when it is not the requirement of Section 25B(5). A leave to defend sought for cannot also be granted for mere asking or in a routine manner which will defeat the very object of the special provisions contained in Chapter IIIA of the Act, Leave to defend cannot be refused where an eviction petition is filed on a mere design or desire of a landlord to recover possession of the premises from a tenant under Clause (e) of the proviso to Sub-section (1) of Section 14, when as a matter of fact the requirement may not be bona fide. Refusing to grant leave in such a case leads to eviction of a tenant summarily resulting in great hardship to him and his family members, if any, although he could establish if only leave is granted that a landlord would be disentitled for an order of eviction. At the stage of granting leave to defend, parties rely on affidavits in support of the rival contentions. Assertions and counter-assertions made in affidavits may not afford safe and acceptable evidence so as to arrive at an affirmative conclusion one way or the other unless there is a strong and acceptable evidence available to show that the facts disclosed in the application filed by the tenant seeking leave to defend were either frivolous, untenable or most unreasonable. Take a case when a possession is sought on the ground of personal requirement, a landlord has to establish his need and not his mere desire. The ground under Clause (e) of the proviso to Sub-section (1) of Section 14 enables a landlord to recover possession of the



tenanted premises on the ground of his bona fide requirement. This being an enabling provision, essentially the burden is on the landlord to establish his case affirmatively. In short and substance wholly frivolous and totally untenable defence may not entitle a tenant to leave to defend but when a triable issue is raised a duty is placed on the Rent Controller by the statute itself to grant leave. At the stage of granting leave the real test should be whether facts disclosed in the affidavit filed seeking leave to defend prima facie show that the landlord would be disentitled from obtaining an order of eviction and not whether at the end defence may fail. It is well to remember that when a leave to defend is refused, serious consequences of eviction shall follow and the party seeking leave is denied an opportunity to test the truth of the averments made in the eviction petition by cross-examination. It may also be noted that even in cases where leave is granted provisions are made in this very Chapter for expeditious disposal of eviction petitions. Section 25B(6) states that where leave is granted to a tenant to contest the eviction application, the Controller shall commence the hearing of the application as early as practicable. Section 25B(7) speaks of the procedure to be followed in such cases. Section 25B(8) bars the appeals against an order of recovery of possession except a provision of revision to the High Court. Thus a combined effect of Section 25B(6), (7) and (8) would lead to expeditious disposal of eviction petitions so that a landlord need not wait and suffer for long time. On the other hand, when a tenant is denied leave to defend although he had fair chance to prove his defence, will suffer great hardship. In this view a balanced view is to be taken having regard to competing claims.”

19. Learned Senior Counsel further placed reliance upon the judgment passed by the learned Single Judge of this Court in **Khem Chand and Ors. Vs. Arjun Jain and Ors**¹⁰, and particularly on the following paragraphs: -

“39. It is not the thumb rule that in every case the landlord always is the best judge and the court is helpless by not scrutinizing the stand of the tenant while testing the reasonableness and suitability of the alternative accommodation. Actually it depends upon the case to case basis. The courts have otherwise also held consistently that even though the

¹⁰ 2013:DHC:4623



landlord is the best judge to decide his needs and he cannot be compelled by the tenant to accommodate at the place which is lesser in any way than the place which is sought to be evicted, still the court would examine the reasonableness and suitability of the existing accommodation by weighing what is available with the landlord vis-à-vis the plea of the tenant.

41. The Supreme Court in the case of MM. Quasim Vs. Manohar Lal, MANU/SC/0473/1981 : AIR 1981 SC 1113 which is a three bench decision passed by the court speaking through Hon'ble Desai, J. (as His Lordship then was) has categorically flawed this approach of mechanically stating that the landlord is the best judge without applying a judicious approach in the matter. In the words of Hon'ble Desai, J. it was observed thus:

Before turning to the next topic, a word about the judicial approach to the question of personal requirement of the landlord under the Rent Act would not be out of place. The learned judge of the first appellate court while upholding the claim of personal requirement of respondent 1 has observed as under:

It is for the plaintiffs to decide whatever they think fit and proper. It is not for the defendant to suggest as to what they should do. The defendant has led evidence to show that the plaintiffs have got some more houses at Girdih.... The defendant appellant has also filed certified copy of judgment of one suit No. 47/73 which is Ext. only to show that plaintiffs have got a decree for eviction with respect to the other house at Giridih. I have already pointed out earlier that it is for the plaintiffs to decide which of the houses is suitable for them. It is not for the defendant to suggest that the house which will fall vacant in the near future is most suitable house for the plaintiffs.

This approach betrays a woeful lack of consciousness relatable to circumstances leading to enactment of Rent Acts in almost all States in the country. The time honoured notion that the right of re-entry is unfettered and that the owner landlord is the sole judge of his requirement has been made to yield to the needs of the society



which had to enact the Rent Acts specifically devised to curb and fetter the unrestricted right of re-entry and to provide that only on proving some enabling grounds set out in the Rent Act the landlord can re-enter. One such ground is of personal requirement of landlord. When examining a case of personal requirement, if it is pointed out that there is some vacant premises with the landlord which he can conveniently occupy, the element of need in his requirement would be absent. To reject this aspect by saying that the landlord has an unfettered right to choose the premises is to negative the very *raison d'être* of the Rent Act. Undoubtedly, if it is shown by the tenant that the landlord has some other vacant premises in his possession, that by itself may not be sufficient to negative the landlord's claim but in such a situation the Court would expect the landlord to establish that the premises which is vacant is not suitable for the purpose of his occupation or for the purpose for which he requires the premises in respect of which the action is commenced in the Court. It would, however, be a bald statement unsupported by the Rent Act to say that the landlord has an unfettered right to choose whatever premises he wants and that too irrespective of the fact that he has some vacant premises in possession which he would not occupy and try to seek to remove the tenant. This approach would put a premium on the landlord's greed to throw out tenants paying lower rent in the name of personal occupation and rent out the premises in his possession at the market rate. To curb this very tendency the Rent Act was enacted and, therefore, it becomes the duty of the Court administering the Rent Act to bear in mind the object and intendment of the legislature in enacting the same. The Court must understand and appreciate the relationship between legal rules and one of necessities of life-shelter-and the way in which one part of the society exacts tribute from another for permission to inhabit a portion of the globe. In 'The Sociology of Law', edited by Pat Carlen, the author examines the rent and rent legislation in England and Wales and observes as under: "The prevailing paradigms of neo-classical economics and empiricist political theory have determined the conceptual insularity of law and legal institutions, with the result that they and other social events appear as random existences independent of their historical formation. The force of any theory of law must of course lie in its explanatory power, and this in turn depends on the wider image of social relations which produces it.



(Emphasis Supplied)

42. The aforesaid view of the Supreme Court in M.M. Quasim (supra) and other views quoted above are consistently followed by the courts in the country which make it clear that even the landlord is considered to be the best judge to decide his need, the same should be merely a weighing factor in order to decide the reasonableness and suitability of the alternative accommodation and ultimately the said question is to be decided by the rent controller on objective standards and not on the subjective will of the either party be it landlord or the tenant. As I have indicated, the reasonableness and suitability of the available accommodation is a question of fact, it has to be decided on case to case basis by controller by examining the tenability of the pleas of the parties rather than just believing the stand of either side. That is why, I have indicated that the reasonableness and suitability is to be decided from the glasses of man of ordinary prudence as what should be reasonable and suitable in the given circumstances.

44 . It has been argued that the first floor of the property is not suitable to the respondent No. 1 as the same has entry from the backside of the lane and thus the availability of the said space cannot be said to be reasonably convenient premises. I find that the said aspect of entry from the back lane and thus becoming a unreasonably suitable accommodation as a disputed question of fact on which the finding cannot be arrived at by giving a preference to the one set of facts over the other. It is to be tested in trial as to whether the entry from front side could be available to the respondent No. 1 for his convenience. Suffice it to say that in the area like Sunder Nagar where the property rates are touching the sky and the premise in the said area is almost beyond the purchasing power of common man, the availability of the first floor of the property where business can be conveniently carried out lawfully itself is a good ground to doubt the non availability of the reasonable sufficient accommodation when the respondent No. 1 is already carrying out jewellery business in the ground floor of property No. 9A Sunder Nagar. The finding as to entry from the back lane and it is inconvenient to the respondent No. 1 is also a matter of fact finding. The same is to be tested in trial as the tenant disputes the said position.”

20. In support of the aforesaid submissions, learned Senior Counsel



had further placed reliance upon the following judgments: -

- i. Deena Nath Vs. Pooran Lal¹¹, (Para 15);
- ii. Rajhans Realtors Pvt. Ltd. Vs. Rajinder Kumar Goyal and Ors.¹², (Para 5);
- iii. Devinder Kumar Choudhry Vs. Rambir Singh¹³, (Paras 13-16);
- iv. Sunil Kumar Jain Vs. Dinesh Bhatia¹⁴, (Para 13.3);
- v. Deepak Gupta Vs. Sushma Aggarwal¹⁵, (Paras 9, 13-19, 23 & 25);
- vi. Ashok Kumar Gupta Vs. Rajesh Kumar and Ors.¹⁶, (Paras 8-9).

SUBMISSIONS ON BEHALF OF THE RESPONDENT

21. Learned Senior Counsel for the Respondent, submitted the reference to the second and third floor of the subject premises in the eviction petition ought to have been read as third floor and the terrace of the subject premises. It was further submitted that the said portions are presently being run as a business of co-working space. It was further stated that the floor above the tenanted premises and below the third floor was sold by the Respondent. It was further submitted that the said fact was duly disclosed by the Respondent in the reply to the leave to defend application filed by the Petitioners before the learned ARC and the relevant portion of the said is reproduced as under: -

¹¹ AIR 2001 SC 2655

¹² 2024: DHC: 8477

¹³ 2025: DHC: 10802

¹⁴ 2024: DHC:7952

¹⁵ 2013: DHC:3580

¹⁶ 2016 (154) DRJ75



“That the contents of paragraph no. 17 are false and hence denied. It is submitted that the reference to second floor and third floor in paragraph 18 (a) (xi) is actually the third floor and terrace of the said building and the same is in occupation of the co-working business. The Floor above the subject premises and below the coworking space was sold on 23.12.1993, 18.04.2000 and on 14.02.2017. The said floor is the earliest floor which is accessible from the Middle Circle and the same is not in possession of the Petitioner. It is further submitted that as has been stated hereinabove the third floor and terrace of the said building is in use and occupation by the co-working space business of the Petitioner. The said business is generating good revenue and occupies the entire third floor as well as the terrace leaving no space for the office of the directors or the display area for art business. In regard to the formation of the middle circle and other businesses in the middle circle, it is submitted that the Petitioner has no space to use even in the middle circle and the law as has been laid down is clear on the fact that the Petitioner is the best and only judge of its needs and the tenant cannot be permitted to dictate the terms.”

22. Learned Senior Counsel appearing on behalf of the Respondent drew attention of this Court to the following portion of the eviction petition, as filed before the learned ARC: -

“(ii) The Petitioner is family run private company and the Petitioner is in urgent bona-fide requirement of the said premises for its Art Business Wing. The shareholding of the Petitioner is as under:

Name of shareholder	No. of shares
Mr. Vikramjit Singh	6500
Mrs. Soni Manjit Singh	7500
Mrs. Bhagwanti Singh	3000
Ms. Niamat Singh	1500
Mr. Fateh Singh	1500

(iii) The Petitioner Company through Ms. Niamat Singh and Mr. Fateh Singh who are also the shareholder, children of the Promoter Managing Director, Mr. Vikramjit Singh, as well as the employee of the Petitioner established a new stream of operations i.e. Art Business Wing of the - Petitioner Company under its trademark “the Biv” which is the business



of curating, managing and running art galleries for exhibition of art and deal in paintings, art produce, artifacts, sculpture, decorative arts, furniture, textiles, costume, drawings, pastels, watercolors, collages, prints, artist books, photographs, installation art for hosting and curating art galleries being the Art Business Wing of the Petitioner Company. The trademark registration of the Biv by the Petitioner is annexed hereto as Annexure 4.

(iv) That Ms. Niamat Singh and Mr. Fateh Singh, both shareholders and employees of the Petitioner Company, possess the necessary qualifications to expand the Art Business Wing and create supplementary revenue streams for the company. Ms. Niamat Singh holds a post-graduate degree in International Relations with a specialization in the History of Art, while Mr. Fateh Singh has graduated in Business Administration.”

It was submitted that the Respondent had specifically disclosed in the eviction petition that the tenanted premises were required for expansion of its new art business wing, which was being operated under the trademark “The Biv”. It was further submitted that the tenanted premises were required for establishing office space for two directors of the Respondent company, namely, Mr. Fateh Singh and Ms. Niamat Singh, along with display area for paintings, storage and allied business activities *qua* the said art business wing.

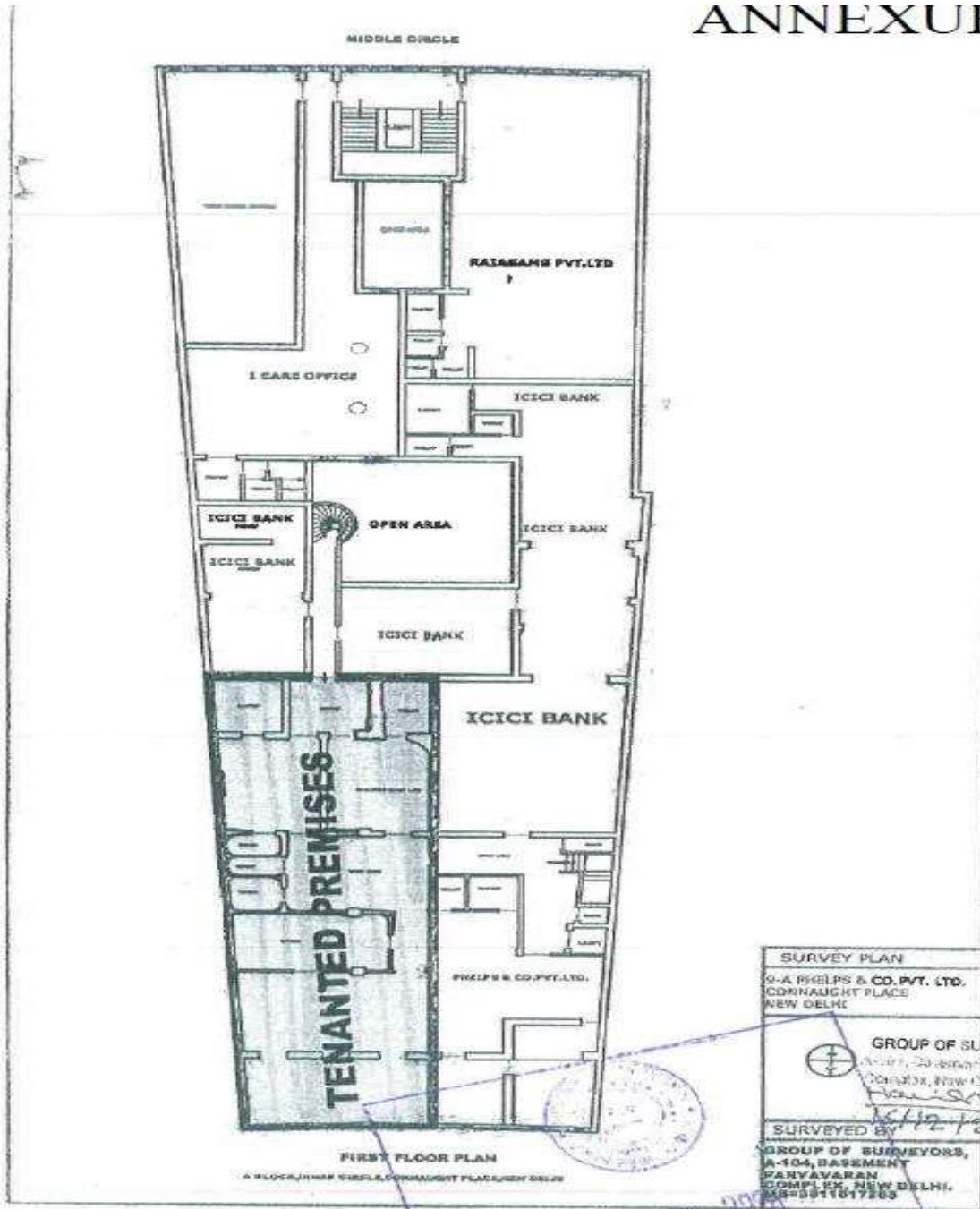
23. Learned Senior Counsel for the Respondent further drew attention of this Court to the site plan, as filed before the learned ARC, and the same is reproduced as under: -



2026:DHC:5384



ANNEXURE



It was contended that the tenanted premises are situated on the first floor of the subject premises and access thereto is only possible from Connaught Place’s inner circle. It was further submitted that the



2026:DHC:5384

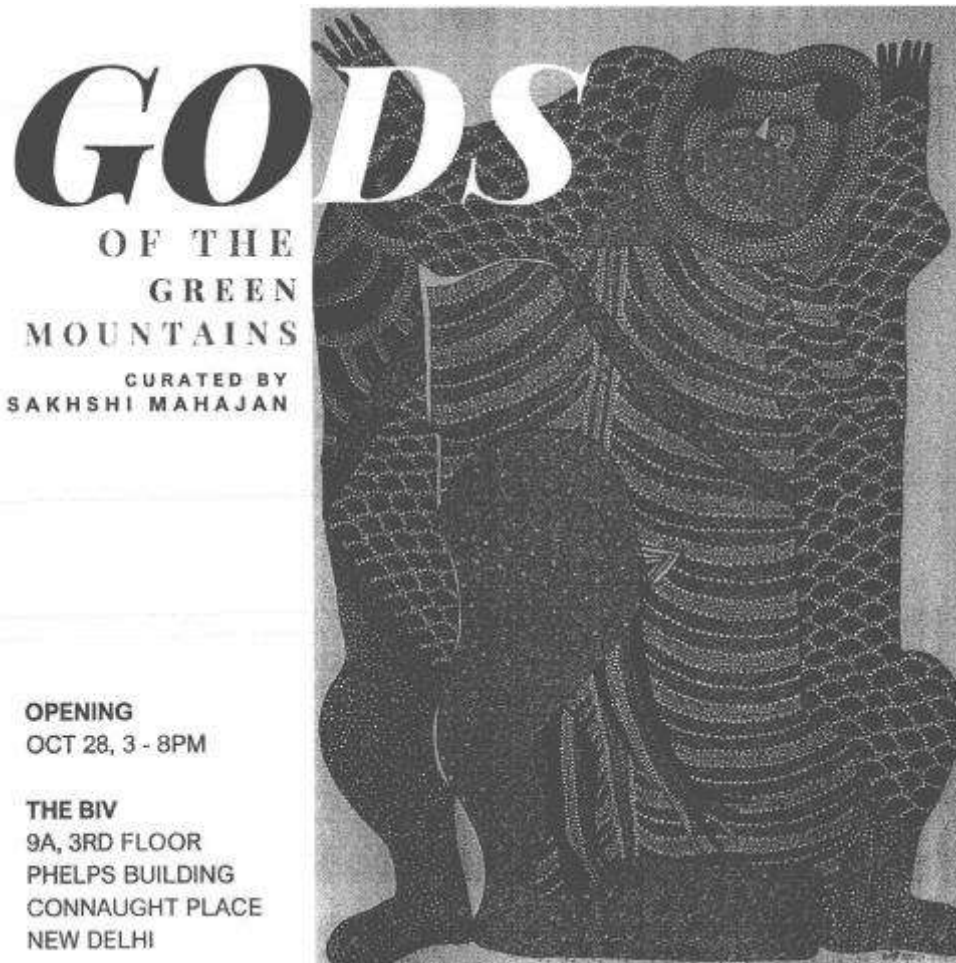


contention advanced on behalf of the Petitioners that the third floor and terrace of the subject premises were available with the Respondent and the latter was already operating the said art business wing therefrom, is unfounded. It was submitted that access to the third floor and the terrace of the subject premises is only from Connaught Place's middle circle and it is a matter of common knowledge that the inner circle enjoys substantially better commercial visibility and footfall as compared to the middle circle. Learned Senior Counsel further submitted that the first floor of the subject premises was best suited for the *bona fide* requirement of the Respondent, as access thereto was directly from Connaught Place's inner circle. It was further submitted that the third floor and the terrace of the subject premises were already occupied and being utilised for co-working operations and were not in possession of the Respondent, and therefore, the same could not have been utilised for satisfying the *bona fide* requirement of the Respondent.

24. Learned Senior Counsel further drew attention of this Court to the proposed site plan, trademark registration and brochure of the exhibition carried out by the Respondent, as filed before the learned ARC, and the same are reproduced as under: -



2026:DHC:5384



It was submitted that the argument advanced on behalf of the Petitioners that the Respondent did not intend to operate the said art business wing from the tenanted premises, is devoid of merit, inasmuch as the Respondent had already commenced operations *qua* the *bona fide* requirement and the same was not a mere desire or wish. It was further submitted that the trademark registration of the said venture had also not been disputed by the petitioners. *Qua* the proposed site plan, learned Senior Counsel appearing on behalf of the Respondent submitted that the Petitioners had merely denied the same in their leave to defend



application, and no substantive material had been placed on record to contradict the said proposed site plan.

25. Learned Senior Counsel for the Respondent further drew attention of this Court to the *challans*, as reproduced hereinbefore, and submitted that the plea of the said *challans* being forged and fabricated was never taken by the Petitioners before the learned ARC and the same has been raised for the first time before this Court. It was thus submitted that the Petitioners cannot be permitted to raise a fresh plea at this stage.

26. In support of the aforesaid submissions, learned Senior Counsel for the Respondent had placed reliance on **Sunder Singh Talwar v. Kamal Chand Dugar**¹⁷, in particular the following paragraphs: -

“22. Even otherwise, the plea is misplaced and misconceived. It is settled legal position in this regard that a landlord while filing an eviction petition for bona fide need, need not specify the exact business which is proposed to be carried out from the tenanted premises for which the eviction has been sought. In fact, even if in the eviction petition a particular purpose is stated, the landlord is not bound by the said purpose and after an eviction order, can change his mind and use the premises for a different kind of business. It is settled by a catena of judgments that the landlord has not to give an elaborate description of the business or the nature of business that he seeks to carry out in the premises. In this context reference may be had to the judgment of this court in **Puran Chand Aggarwal v. Lekh Raj, (2014) 1 RCR (Rent) 552 : (2014) 210 DLT 131**, wherein the court held as follows:—

“26. As far as business is concerned, it is not necessary that the landlord must show some evidence that he has experience of said business. That is not the requirement of law in order to file the eviction petition on the grounds of

¹⁷ 2018 SCC OnLine Del 8376



bonafide requirement.

27. The following judgments do help the case of the respondent:

Start new business/no experience required

(i) In ***Ram Babu Agarwal v. Jay Kishan Das***, (2009) 2 RCR (Rent) 455 : (2010) 1 SCC 164, it was observed that “A person can start a new business even if he has no experience in the new business that does not mean that his claim for starting new business must be rejected on the ground that it is a false claim. Many people start new businesses even if they do not have experience in the new business and sometimes they are successful in the new business also.”

(ii) In ***Tarsem Singh v. Gurvinder Singh***, (2010) 2 RCR (Rent) 604 : (2010) 173 DLT 379, it was observed that “If the landlord wants to start his own business in the premises owned by him then by no stretch of imagination, it can be said that the requirement of the landlord for the premises is neither bonafide nor genuine.”

(iii) In ***Balwant Singh Chowdhary v. Hindustan Petroleum Corporation Ltd.***, (2004) 1 RCR 487, it was held that “It is not necessary for the landlord to plead and prove the specific business he wants to set up, if the landlord wanted the premises for business purposes.”

(iv) In ***Gurcharan Lal Kumar v. Srimati Satyawati***, (2013) 2 RCR (Rent) 120 it was observed that “Merely because the exact nature of business has not been described would not take away their bonafide need to carry out a business (when admittedly both the sons are dependent upon petitioner for this need). It was observed that if the business need is not disclosed this would not wipe away the bonafide need of the landlord as has been pressed under Section 14(1)(e) of the DRCA, 1958.”

(v) In ***Raj Kumar Khaitan v. Bibi Zubaida Khatun***, (1995) 1 RCR (Rent) 495 : (1997) 11 SCC 411 : AIR 1995 SC 576, it was observed that “It was not necessary for the appellants-landlords to indicate the precise nature of the business which they intended to start in the premises. Even if the nature of business would have been indicated nobody would bind the landlords to start the same business in the premises after it was vacated.”



Hence, the legal position is quite clear. The landlord need not to show evidence that he has experience of said business that he proposes to start. In fact, it is not necessary for landlord to indicate the precise nature of business which he intends to start in the premises. Hence if for some reason there is an impediment in the way of the petitioner/petitioner's son from starting a computer shop from the tenanted premises, the said petitioners would be free to change the nature of business and use the suit property for carrying on business which confirms to the legal requirements. There is no merit in the contention of the petitioner that the need for starting a computer shop is not bonafide requirement.”

23. Hence, it is settled law that the landlord need not show evidence that he has experience of said business that he proposes to start. In fact, it is not necessary for the landlord to indicate the precise nature of business which he intends to start in the premises. There is hence no merit in the said contention of the petitioner.”

27. Learned Senior Counsel for the Respondent had further placed reliance on the judgment of Hon’ble Supreme Court in **Anil Bajaj & Anr. v. Vinod Ahuja**¹⁸, in particular on the following paragraph: -

“**6.** In the present case it is clear that while the landlord (Appellant 1) is carrying on his business from a shop premise located in a narrow lane, the tenant is in occupation of the premises located on the main road which the landlord considers to be more suitable for his own business. The materials on record, in fact, disclose that the landlord had offered to the tenant the premises located in the narrow lane in exchange for the tenanted premises which offer was declined by the tenant. It is not the tenant's case that the landlord, Appellant 1, does not propose to utilise the tenanted premises from which eviction is sought for the purposes of his business. It is also not the tenant's case that the landlord proposes to rent out/keep vacant the tenanted premises after obtaining possession thereof or to use the same in any way inconsistent with the need of the landlord. What the tenant contends is that the landlord has several other shop houses from which he is carrying on different businesses and further that the landlord has other premises from where the business proposed from

¹⁸ (2014) 15 SCC 610



the tenanted premises can be effectively carried out. It would hardly require any reiteration of the settled principle of law that it is not for the tenant to dictate to the landlord as to how the property belonging to the landlord should be utilised by him for the purpose of his business. Also, the fact that the landlord is doing business from various other premises cannot foreclose his right to seek eviction from the tenanted premises so long as he intends to use the said tenanted premises for his own business.”

28. Learned Senior Counsel for the Respondent further placed reliance on **Sarwan Dass Bange v. Ram Prakash**¹⁹, and particularly on the following paragraph: -

“17. The Senior Counsel for the petitioner/landlord has in this regard drawn attention to the judgment of the Supreme Court in *Baldev Singh Bajzva v. Monish Saini*, (2005) 12 SCC 778. Though that judgment was on the provisions of the East Punjab Rent Restriction Act, 1949 relating to NRI's but the law laid down therein is of general application. The Supreme Court took up for adjudication, the contentious issue relating to the standard of proof required by the NRI landlord to prove his requirement of the accommodation from which ejection is asked for and the factors to be considered at the stage of granting leave to defend. It was held that the legislative intent is of expeditious disposal of the application for ejection of tenant filed on the ground of requirement by the landlord of the premises for his own occupation; a special category of landlords requiring the premises for their own use has been created; if there is any breach by the landlord, the tenant is given a right of restoration of possession; the landlord who evicts a tenant on the ground of own requirement is not only prohibited from letting out the premises or disposing of the same but also required to use the same for his own residence only. It was held that these restrictions and conditions inculcate in built strong presumption that the need of the landlord is genuine; the conditions and restrictions imposed on the landlord make it virtually improbable for the landlord to approach the Court for ejection of tenant unless his need is *bona fide*—no unscrupulous landlord in all

¹⁹ 2010 SCC OnLine Del 351



probability, under this section, would approach the Court for ejection of the tenant considering the onerous conditions imposed on him. It was further held that this inbuilt protection in the Act for the tenants implies that whenever the landlord would approach the Court his requirement shall be presumed to be genuine and *bona fide*. It was further held that a heavy burden lies on the tenant to prove that the requirement is not genuine. The tenant is required to give all the necessary facts and particulars supported by documentary evidence if available to prove his plea in the affidavit itself so that the Controller will be in a position to adjudicate and decide the question of genuine or *bona fide* requirement of the landlord; a mere assertion on the part of the tenant would not be sufficient to rebut the strong presumption in the landlord's favour that his requirement of occupation of the premises is real and genuine.”

29. Learned Senior Counsel for the Respondent further placed reliance on the following portion of **M/s A.K. Woolen Industries & Ors. v. Shri Narain Gupta**²⁰: -

“19. The law to be applied in this regard has been laid down by the Supreme Court in *Ragavendra Kumar v. Firm Prem Machinery & Co.* (2000) 1 SCC 679, *Sait Nagjee Purushotham & Co. Ltd. v. Vimalabai Prabhulal* (2005) 8 SCC 252 and *Anil Bajaj v. Vinod Ahuja* (2014) 15 SCC 610. It has been held that even if the landlord has other commercial premises available to him and even if the landlord is carrying on other businesses, if it is found that the landlord intends to use the premises in occupation of the tenant for carrying on his business therefrom, the landlord is entitled to an order of eviction and the Courts cannot intervene in the same.”

30. Learned Senior Counsel for the Respondent further placed reliance on **A.M. Shah v. Pushpa Sood**²¹, in particular on the following paragraphs: -

²⁰ 2017 SCC OnLine Del 11363

²¹ 2001 SCC OnLine Del 553



“6. Mr. Kapur relied heavily on the decision of the Supreme Court in *Santosh Devi Soni v. Chand Kiran*, JT 2000 (3) SC 397 and *Inderjeet Kaur v. Nirpal Singh*, 89 (2001) Delhi Law Times 27 (SC) : 2001 (57) DRJ 182, for his submission that leave to contest the petition should have been granted. Even in *Santosh Devi's case* (supra), the Court has stated in its Order that normally leave should be granted; and that in ‘considering the facts and circumstances of this case, we deem it fit to grant leave to defend’. It did not lay down a proposition calling for universal application *per se*, that even if facts *prima facie* incredible in nature were pleaded, they should like a password result in leave to contest being granted. In *Inderjeet Kaur's case* (supra), a reading of the following paragraph makes it evident that leave to contest should be granted only where a *prima facie* case has been disclosed. In this event, the Additional Rent Controller should grant leave to contest and desist from entering into a final consideration of the grounds disclosed on their possible merits. The Additional Rent Controller should not obviate a trial at this stage, by giving into the merits of the grounds, if a final conclusion is available only after evidence is led in the Trial. The only possible exception may be where the grounds raised are strictly legal in character, not necessitating the holding of a trial. It should be borne in mind that a Trial is required for establishing facts, and not law. The Apex Court opined in *Inderjeet Kaur's case* (supra) as follows:—

“We are of the considered view that at a stage when the tenant seeks leave to defend, it is enough if he *prima facie* makes out a case by disclosing such facts as would disentitle the landlord from obtaining an order of eviction. It would not be a right approach to say that unless the tenant at that stage itself establishes a strong case as would non-suit the landlord leave to defend should not be granted when it is not the requirement of Section 25B(5). A leave to defend sought for cannot also be granted for mere asking or in a routine manner which will defeat the very object of the special provisions contained in Chapter IIIA of the Act. Leave to defend cannot be refused where an eviction petition is filed on a mere design or desire of a landlord to recover possession of the premises from a tenant under Clause (e) of the proviso to sub-section (1) of



Section 14, when as a matter of fact the requirement may not be *bona fide*. Refusing to grant leave in such a case leads to eviction of a tenant summarily resulting in great hardship to him and his family members, if any, although he could establish if only leave is granted that a landlord would be disentitled for an order of eviction. At the stage of granting leave to defend parties, rely on affidavits in support of the rival contentions. Assertions and counter assertions made in affidavits may not afford safe and acceptable evidence so as to arrive at an affirmative conclusion one way or the other unless there is a strong and acceptable evidence available to show that the facts disclosed in the application filed by the tenant seeking leave to defend were either frivolous, untenable or most unreasonable. Take a case when a possession is sought on the ground of personal requirement, a landlord has to establish his need and not his mere desire. The ground under Clause (e) of the proviso to sub-section (1) of Section 14 enables a landlord to recover possession of the tenanted premises on the ground of his *bona fide* requirement. This being an enabling provision, essentially the burden is on the landlord to establish his case affirmatively. In short and substance wholly frivolous and totally untenable defence may not entitle a tenant to leave to defend but when a triable issue is raised a duty is placed on the Rent Controller by the statute itself to grant leave. At the stage of granting leave the real test should be whether facts disclosed in the affidavit filed seeking leave to defend *prima facie* show that the landlord would be disentitled from obtaining an order of eviction and not whether at the end defence may fail. It is well to remember that when a leave to defend is refused, serious consequences of eviction shall follow and the party seeking leave is denied an opportunity to test the truth of the averments made in the eviction petition by cross-examination. It may also be noticed that even in cases where leave is granted provisions are made in this very Chapter for expeditious disposal of eviction petitions. Section 25B(6) states that where leave is granted to a tenant to contest the eviction application, the Controller shall commence the hearing of the application as early as



practicable. Section 25B(7) speaks of the procedure to be followed in such cases. Section 25B(8) bars the appeals against an order of recovery of possession except a provision of revision to the High Court. Thus a combined effect of Sections 25B(6), (7) and (8) would lead to expeditious disposal of eviction petitions so that a landlord need not wait and suffer for long time. On the other hand, when a tenant is denied leave to defend although he had fair chance to prove his defence, will suffer great hardship. In this view a balanced view is to be taken having regard to competing claims.”

7. In *Madan Lal Gupta v. Ravinder Kumar*, (2001) 1 SCC 252, the Apex Court declined to interfere in the concurrent refusal to grant leave to contest even after referring to the cases of *Santosh Devi* (supra) and *Liaq Ahmed v. Habeeb-Ur-Rehman*, (2000) 5 SCC 708 : 2000 (56) DRJ (Suppl) 217.

8. Returning to the case in hand, it is to be seen whether the Additional Rent Controller could have arrived at the conclusion that a *prima facie* case had not been made out by the Tenant. If his conclusion is possible and not perverse, this Court would not interfere even if it favoured a different view. The Additional Rent Controller has opined that no accommodation was available to the landlady on the 2nd Floor which was fit for her habitation. This view is based on several precedents of this Court. It is well entrenched that the landlord is the best Judge of his needs, and if the demand is not absurd, the Court should desist from scrutinising it minutely. The Additional Rent Controller was obviously and correctly influenced by the size and temporary character of the rooms, and that whilst the second floor may well be used for the ‘factory’ and as quarters for employees, it was not reasonably suitable for the Landlady's residential need. Keeping in perspective the accommodation disclosed by both parties, the version of letting to persons other than the present Tenant is mere moonshine. The finding that the landlady/widow required the premises *bona fide* is not open to revision as no jurisdictional error has been committed.”



31. Learned Senior Counsel for the Respondent further placed reliance on **Nirmala Kumari & Ors. v. Girish Kakkar & Anr.**²², in particular on the following paragraph: -

“69. The judgments relied upon by learned counsel for the petitioners are distinguishable.

i. *Deepak Gupta* (supra)- In this case, the Court was of the view that if the tenant filed a leave to defend application along with an affidavit questioning *bona fide* need of the landlord stating that he is the owner of other two shops, the Rent Controller simply could not have brushed aside these facts as inconsequential in nature, unless plausible explanation comes from the landlord as to how the same are not reasonably suitable accommodation. The Court also observed that the Controller has a statutory duty to grant leave to defend if the affidavit discloses such facts which could raise suspicion on the genuine need of the landlord. In the present case, the respondents have given a satisfactory explanation that the portion of the tenanted premises which is available with them is insufficient to meet their needs. I also have no doubts regarding the *bona fide* needs of the respondents. In *Deepak Gupta* (supra), the Court was also of the view that the proviso of section 14 of the DRC Act is an exception and the tenants need protection from unjust and unreasonable evictions. The said basic fulcrum of this judgment has undergone a drastic change. The Hon'ble Supreme Court has stated that much water has gone under the bridge with regard to the protection that were required to be given to the tenants⁵. I have also held that the DRC Act has somewhat outlived its utility⁶.

ii. *Arjun Uppal* (supra)- In this case, the learned ARC was of the view that triable issues have been raised by the tenants, while in the instant case, the learned ARC was of the view that no triable issue has been raised by the tenants. In addition, in *Sarla Ahuja* (supra), the Hon'ble Supreme Court has held that the need of the landlord is to be presumed to be *bona fide*.

iii. *Bharat Glass and Plywood Co.* (supra)- In this case, one of the reasons which weighed with the Court was that the need of the son of

²² 2024 SCC OnLine Del 3671



the landlord was not in *presenti*, but upon “likelihood and in future”. In present case, the need of the respondents and their family members is in *presenti*.

iv. *Khem Chand* (supra)- In this case, the Court was of the view that the need of the son and daughter of the landlord and their likelihood of joining the landlord's business was doubtful, which is not the case here. The need of the landlords in this case is in *presenti*. No doubts have been created regarding the *bona fide* need of the landlords.

v. *Kishan Chand Rathi* (supra)- This judgment is regarding the business needs of the landlords. The Court was of the view that there is no material to show that the business of the landlords had grown thereby requiring the tenanted premises. In present case, the tenanted premises are required by the landlords-respondents for their residential purposes.

vi. *Sanjay Chug* (supra) and *Vijay Nayyar* (supra)- These judgments also relate to business requirements of the landlords. In the present case, the landlords require the tenanted premises for residential purposes. The landlord is the best judge of his requirement and no fetters can be put in this regard.”

32. *Per contra*, learned Senior Counsel for the Respondent had sought to distinguish the judgments relied upon by the Petitioners. *Qua Santosh Devi (Supra)*, it was submitted that the observations contained therein, were rendered in the peculiar facts and circumstances of the said case, where additional residential accommodation had become available to the landlord during the pendency of the eviction proceedings.

33. *Qua* the judgment of **Charan Dass Duggal (Supra)**, it was submitted by the learned Senior Counsel for the Respondent that same was also distinguishable on facts, inasmuch as the landlord therein was residing at Pathankot, whereas the tenanted residential premises were situated in Delhi. Similarly, *qua Inderjeet Kaur (Supra)*, it was



submitted that the landlord therein was residing in the United Kingdom, and he had sought eviction of the tenant from the premises situated at Delhi.

34. *Qua Khem Chand (Supra)*, it was submitted by the learned Senior Counsel for the Respondent that the same was distinguishable on facts, as the entire first floor of the subject premises therein, was lying vacant and available with the landlord, and further, the sons for whose requirement the eviction was sought, were not dependent upon the landlord.

35. *Qua Deena Nath (Supra)*, learned Senior Counsel for the Respondent submitted that the said judgment is distinguishable on facts, inasmuch as the landlord therein had failed to explain the non-utilisation of a vacant showroom available with him. ***Qua Rajinder Kumar Goyal (Supra)***, it was submitted that the facts of the said case were entirely different, as the parties therein had consented to mediation and had agreed that execution proceedings would not be initiated during the pendency of the mediation proceedings.

36. *Qua Rajhans Realtors Pvt. Ltd. (Supra)*, learned Senior Counsel for the Respondent submitted that the said judgment, in fact, supports the case of the Respondent, as the eviction petition therein had been allowed on the ground of *bona fide* requirement.



37. *Qua Deepak Gupta (Supra)*, it was submitted that the landlord therein had already obtained possession of two other properties in the same vicinity through rent control proceedings and the said properties were available for the alleged requirement.

38. *Qua Ashok Kumar Gupta (Supra)*, learned Senior Counsel for the Respondent submitted that the said judgment is distinguishable on facts, as the landlord therein had taken contradictory stands with respect to the alleged requirement in the legal notice as well as in the eviction petition.

REJOINDER SUBMISSIONS

39. Learned Senior Counsel for the Petitioners submitted that the third floor of the subject premises is admittedly in occupation of “The Biv” and the said entity is already operating therefrom. It was thus submitted that the question whether approximately 7,500 sq. ft. of space available with the Respondent was sufficient or insufficient for the alleged *bona fide* requirement, itself raises a triable issue which could not have been decided without a trial.

40. Learned Senior Counsel for the Petitioners further submitted that objections *qua* the *challans* filed by the Respondent had already been raised by the Petitioners in their leave to defend application itself and the same formed part of the record before the learned ARC. It was submitted that despite the said objections having been specifically raised, the learned ARC had failed to deal with the same while rendering the impugned judgment.



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41. Learned Senior Counsel for the Petitioner had further argued that the learned ARC had failed to consider a substantial triable issue, as raised by the Petitioners *qua* applicability of Section 22 of the DRC Act in the present case. It was argued that the Petitioners had specifically contended that the issue of maintainability of the eviction petition required consideration in view of the order dated 17.03.2025 passed by the Hon'ble Supreme Court in **Rajinder Kumar Goyal v. Rajhans Realtors Private Limited** in SLP 4169/2025, wherein the Hon'ble Supreme Court had stayed the judgment passed by the learned Single Judge of this Court in **Rajhans Realtors Pvt. Ltd. (Supra)**. It was submitted that the issue regarding the applicability of Section 22 of the DRC Act to eviction petitions filed by a company, which was considered by the learned Single Judge of this Court in **Rajhans Realtors Pvt. Ltd. (Supra)**, is presently pending consideration before the Hon'ble Supreme Court. It was contended that the said issue has not attained finality, and therefore, constituted a substantial triable issue. It was further submitted that despite the aforesaid contention having a direct bearing on the maintainability of the eviction petition, no finding *qua* the same was returned by the learned ARC in the impugned judgment.

42. In response to the aforesaid submission, learned Senior Counsel for the Respondent had relied upon the judgment passed by the learned Division Bench of this Court in **K.S. Bhandari v. International**



Security Printers Private Limited²³, and had submitted that a company or any body corporate can file an eviction petition, invoking both Section 14 (1)(e) or Section 22 of the DRC Act. The relevant portion of the said judgment is reproduced as under: -

“Answer to the questions referred vide order dated 22-12-2017 (K.S. Bhandari v. International Security Printers (P) Ltd. [K.S. Bhandari v. International Security Printers (P) Ltd., 2017 SCC OnLine Del 12520J)

80. Under these circumstances, the reference is answered as under:

(i) *Where the landlord is a Company or other body corporate or any local authority or any public institution and the premises are required for the use of employees of such landlord, whether such landlord has a choice, whether to invoke Section 14(1)(e) or Section 22 of the Act.*

Answer — Yes, the landlord has a choice to invoke both Section 14(1)(e) and/or Section 22DRC Act, 1958 as may be applicable in the facts.

(ii) *Whether the Chairman, Directors, trustees, members of the governing body and office-bearers, of a Company or other body corporate or any local authority or any public institution qualify as ‘employees, within the meaning of Section 22 of the Act and if not whether such landlord for requirement of such persons is entitled to invoke Section 14(1)(e) of the Act.*

Answer — The question whether such persons would qualify as employees or not, would depend upon the terms of employment between the employer and the employee as also on the facts of each case. The landlord is free to avail of remedies either under Section 14(1)(e) or Section 22DRC Act, 1958 as may be applicable. Each case has to be decided on its own facts as it is possible that in some cases, the employer-employee relationship may or may not exist, depending upon the terms of employment.

(iii) *Whether the tenant of such a landlord can be construed as having acted in contravention of the terms under which he was authorized to occupy the premises or be construed as in*

²³ 2025 SCC OnLine Del 3438



unauthorized occupation of the premises, within the meaning of Sections 22(b) and (c) of the Act, on continuing in occupation after determination of his tenancy under Section 106 of the Transfer of property Act, 1882.

Answer — The question as to whether upon termination of a tenancy under Section 106 of the Transfer of Property Act, 1882 a tenant is under unauthorized occupation or not, or in contravention of the terms or not, would have to be determined on the basis of the contract or agreement between the parties. The question as to what the terms of the tenancy, whether there is a violation, whether there is termination, whether the termination is lawful and whether tenant is in unauthorized occupation, would have to be determined on the facts.

(iv) Whether the commercial or industrial or other requirement of a landlord, which/who is a Company or other body corporate or any local authority or any public institution, of premises, by allowing its employees to work or carry on its activities therein is within the ambit of Section 22 of the Act and if not, whether for such requirement such a landlord can invoke Section 14(1)(e) of the Act.

Answer — The purpose of the tenancy i.e. whether the premises is let for residential or non-residential purposes, would no longer be relevant under Section 14(1)(e) DRC Act, 1958 in view of the judgment, *Satyawati Sharma v. Union of India* [*Satyawati Sharma v. Union of India*, (2008) 5 SCC 287]. The said judgment would have equal applicability even in the case of Section 22 DRC Act, 1958.

(v) Whether a public charitable trust carrying on public activities qualifies as a public institution.

Answer — No to the extent that a public charitable trust carrying on public activities which is set up by private persons would not be covered under Section 22 DRC Act, 1958.

(vi) Whether a deity in a temple owning properties or a trust or a society managing a place of worship qualifies as a public institution.

Answer — Yes. So long as the trust or the society managing the place of worship is not a private trust. Insofar as a deity is concerned, if the society or trust or any other entity managing the temple is controlled by the Government, State or local authority, directly or indirectly, Section 22 DRC Act, 1958 would apply.



However, if the same is controlled by a private body/private trust, it would not fall under the ambit of Section 22DRC Act, 1958.

(vii) Whether the choice if any with such a landlord, to invoke either Section 14(1)(e) or Section 22 of the Act, is to the detriment of the tenant and if so to what effect.”

Answer— The remedies provided under the statute to a landlord or the protection extended to tenants under the statute, have to be presumed to be in balance with each other. So long as the remedies are availed by the landlord in terms of the provisions DRC Act, 1958 the same cannot be construed as being to the detriment of the tenant.”

43. Learned Senior Counsel for the Petitioners had further refuted the argument of the Respondent that the issue regarding the genuineness of the *challans* was never raised before the learned ARC and it is only before this Court that the said issue is being raised by the Petitioners for the first time. It was submitted that the said issue was raised before the learned ARC in the application seeking leave to defend, and despite the said contention, the learned ARC had failed to return any findings *qua* the same in the impugned judgment. The relevant portion of the said application is reproduced as under: -

“15. That it is submitted that the Petitioner has filed certain Challans from Pages 30 to 33 of the Petition. A bare perusal of the same would suggest that the said Challans appear to be bogus and fabricated, as can be clearly seen from the Serial Number and Dates mentioned on them. For instance, Challan No. 219 Is dated 12.01.2023 whereas Challan No. 216 is dated 17.01.2023.”



ANALYSIS

44. Heard the learned Senior Counsels for the parties and perused the record.

45. The relevant portion of the impugned judgment passed by the learned ARC reads as under: -

“16. The bona fide requirement as stated by the petitioner/landlord is that the tenanted premises are required by it for expanding its business under art wing. The petitioner averred that it is a family run private company comprising of five shareholders and the premises are required bonafidely for its art business wing which is a new stream of operation of the petitioner company under its trademark 'The Biv'. Ms. Niamat Singh and Mr. Fateh Singh, both shareholders and employees of the petitioner company possess the necessary qualifications to expand the said business and create, supplementary revenue streams for the company. The petitioner's claim is that as the art business wing is expanding, the lack of adequate business space for meeting, storage, and sale are becoming increasingly detrimental, resulting in significant work disruption. Due to expansion of the petitioner's art wing business, need for a permanent physical space becomes indispensable as a dedicated area is required for display of the painting art works and additionally space is also required for storage of goods as well as office meetings with buyers, artists and office vendors. Petitioner's requirement is adequately met from the premises since one of the directors of the petitioner operates from a single room office adjacent to the subject premises and considering the shared wall of the above said premises, the petitioner intends to expand by removing the wall, thereby creating a large space for display and storage, alongwith smaller cabins. Proposed site plan in support of the above said averment is also filed with the petition and the same is Annexure 6.



17. The petitioner has been categorical in its averment that the alternate accommodation in its possession is a third floor, which is now insufficient due to expanding of business and have resulted into financial losses for co-working space. Further, as the art business wing is expanding, the lack of adequate petitioner's business space for meeting, storage, and sale are becoming increasingly detrimental, resulting in significant work disruption. It is also the petitioner's averment that the access to third floor is through middle circle at Connaught place which has significantly less foot traffic than the inner circle which has direct access to first floor i.e., the tenanted premises. The petitioner has also shown that the first floor already has one room of director of the petitioner company and as per Annexure 6 same can very well be used alongwith proposed office space for the petitioner's business operation at the tenanted premises. The Hon'ble High Court of Delhi when faced with similar issue in **Lalta Prasad Gupta v. Sita Ram RC Rev. No.352/2017 dated 02.08.2017** held that petitioner cannot be expected to climb stairs for alternate accommodation when floors are ground or lower levels are available. Similar observation was also made in **M/s. Metropolitan Book Co Pvt. Ltd. v. Ahay Rastogi, RC Rev. 484/2014**, dated 13.07.2014.

18. Thus, the contention raised by the respondent that the petitioner's alternate accommodation at third floor or second floor is sufficient, does not hold much water. With respect to the issue under consideration, it is relevant to discuss the authority laid down that a landlord is the best judge of his requirement. In the case titled as **Sudesh Kumar Soni & Ors. Vs. Prabha Khanna & Ors. 153 (2008) DLT 652** it was observed that:-

"24. It is often said by courts that it is not for the tenant to dictate terms to the landlord as to how else he can adjust himself without getting possession of the tenanted premises. While deciding the question of bona fides of the requirement of the landlord it is quite unnecessary to make an endeavour as to how else the landlord could have adjusted himself.

25. Suitability has to be seen from the convenience of the landlord and his family members and on the basis of the circumstances including their profession, vocation style of



living, habits and background. Landlord is the best judge of his residential requirement"

18.1 Thus, it is an established position of law that a ***landlord is the best judge of his requirement*** and the court cannot direct the landlord as to how and in what manner he should live. It has been held that court must place itself in the shoes of the landlord and decide whether in the given facts the need of the landlord to occupy the premises can be said to be natural, real, sincere, honest and that if the answer is in the positive, the need is bona fide. Reliance has been placed upon the authority laid down in case titled **Shiv Swaroop Gupta Vs. Dr. Mahesh Chand Gupta, 1999, SCC 222.**

18.2 The tenant could not dictate as to how the landlord should be using and enjoying his property. If the landlord states that he seeks to use the tenanted premises for a particular purpose, the tenant could not question and put his own suggestions that the said premises could not reasonably be used for the purpose as sought by the landlord. Besides that, it is also the settled law that the petitioner is not required to state the exact business which is proposed to be carried out from the tenanted premises. Further, ***even if the purpose is stated in the petition, petitioner is not bound by the same and can later use the premises for some other purpose.*** Reliance has been placed upon the judgment of the Hon'ble High Court of Delhi in case titled **Sunder Singh Talwar v. Kamal Chand Dugar, 2018 SCC Online Del 8376.**

19. Accordingly, in light of the above discussion, no triable issue arises with respect to bona fide requirement of the petitioners.

20 It has been contended by the respondent that petitioner has not been true to aver the alternate accommodations available to it. It is also the case of the respondent that second floor and third floor above the tenanted premises are also available with the petitioner.

21. The petitioner has already stated that, at the first floor i.e., the tenanted premises, one room is already in its



possession where one director has his office. The Annexure 6 goes on to show as to how the petitioner proposes to use the said office with the rest of the premises once it is vacated. Further, the petitioner would have access to its business premises from the inner circle which has more footfall and better visibility. The respondent has not presented a single counter to said argument. The respondent has not denied that petitioner has an office for one of its directors adjacent to the premises in question. There is no counter from the respondent that first floor access from inner circle is unfavourable as compared to middle circle access to second floor accommodation available in alternative to petitioner.

21.1 As discussed already, tenant cannot dictate terms to the landlord as to how he should use the tenanted premises or other premises available with him. It was held by the Hon'ble Supreme Court in case titled **Shiv Sarup Gupta Vs. Dr. Mahesh Chand Gupta, AIR 1999 SC 2507** that "*convenience and safety of landlord and his family members would be relevant.*" And, it was held by the Hon'ble High Court of Delhi in case titled Metropolitan Book Company Ltd. Vs. Ajay Rastogi that-

"Even assuming other properties available, and which actually they are not as stated below, these other properties situated far from the present residence of the respondent no.1/landlord, and his family members, cannot be considered as alternative suitable accommodation."

21.2 Further, it was held by the Hon'ble Supreme Court in case titled "Sarla Ahuja Vs. United India Insurance Co. Ltd., AIR 1999 SC 100 that-

*"the crux of the ground envisages in clause (e) of Section 14(1) of the Act is that the requirement of the landlord for occupation of the tenanted premises must be Bonafide. **When a landlord asserts that he requires his building for his own occupation, the Rent Controller shall not proceed on presumption that requirement is not bona-fide.** When other conditions of the clause are satisfied and when landlord shows a prin-facie case, it is open to the Rent Controller to draw a presumption that requirement of the landlord is bona-fide. It is often said by the Courts that it is not for the tenant*



to dictate terms to the landlord as to how else he can adjust himself without getting possession of the tenanted premises. While deciding the question of bona-fides of requirement at the landlord, it is quite unnecessary to make an endeavour as to how else the landlord could have adjusted himself."

22. Thus, it is the established position of law that tenant cannot dictate terms as to how the landlord could use his property. Also, the convenience of the landlord is to be given due weightage. Moreover, the suitability of premises to be assessed on basis of requirement of the landlord. Further, availability of alternate space and its suitability are entirely two different things. Therefore, it also ***stands established that the petitioners do not have any reasonably suitable accommodation available with them for the stated purpose.***

46. Learned Senior Counsel appearing on behalf of the Petitioners had stressed on the availability of approximately 7,500 sq. ft. of commercial space across third floor and terrace of the subject premises being in possession of the Respondent. It was submitted that the said space is a suitable alternate accommodation already available with the Respondent for the alleged *bona fide* requirement and that the present petition is merely a sham in order to get the Petitioners to vacate the tenanted premises. It was further submitted that in view of the aforesaid existing commercial space, the alleged requirement of the Respondent for the tenanted premises becomes a triable issue, and the learned ARC had failed to appreciate the same.

47. At this stage, it would be apposite to refer to the averments made by the Respondent in the eviction petition, *qua* the *bona fide* requirement for the tenanted premises, and the same reads as under: -



“(iii) The Petitioner Company through Ms. Niamat Singh and Mr. Fateh Singh who are also the shareholder, children of the Promoter Managing Director, Mr. Vikramjit Singh, as well as the employee of the Petitioner established a new stream of operations i.e. Art Business Wing of the -Petitioner Company under its trademark “the Biv” which is the-business of curating, managing and running art galleries for exhibition of art and deal in paintings, art products, artifacts, sculpture, decorative arts, furniture, textiles, costume, drawings, pastels, watercolors, collages, prints, artist books, photographs, installation art for hosting and curating art galleries being the Art Business Wing of the Petitioner Company. The trademark registration of the Biv by the Petitioner is annexed hereto as Annexure 4.

(iv) That Ms. Niamat Singh and Mr. Fateh Singh, both shareholders and employees of the Petitioner Company, possess the necessary qualifications to expand the Art Business Wing and create supplementary revenue streams for the company. Ms. Niamat Singh holds a post-graduate degree in International Relations with a specialization in the History of Art, while Mr. Fateh Singh has graduated in Business Administration.

(v) That the Art Business Wing of the Petitioner Company has successfully organized numerous exhibitions. Initially, administrative operations were conducted from a small office room belonging to the Director of the company and the hosting of exhibitions at the other business premises situated on the 3rd floor of the Phelps building has resulted in demonstrable financial losses for the coworking space. These losses primarily stem from diminished foot traffic and hindered accessibility experienced by potential buyers due to inadequate parking facilities, compounded by limited visibility resulting from ingress via the rear entrance. However, as the Art Business Wing is expanding, the lack of adequate space for meetings, storage, and sales became increasingly detrimental, resulting in significant work disruptions. The invite of the exhibitions hosted by the Biv and the invoices



raised on it are annexed hereto as Annexure 5.

(vi) That since the Petitioner's business is expanding need for a permanent physical space becomes indispensable. Dealing in paintings, art products, artifacts, sculptures, and decorative arts, which are best appreciated in person, necessitates a dedicated area for display. Additionally, the Petitioner requires offices for meetings with buyers, artists, and vendors, along with adequate storage space for these goods.

vii) That presently, one of the Directors of the Petitioner operates from a single-room office adjacent to the subject premises. Considering the shared wall between the Director's Office and the premises, the Petitioner intends to expand by removing the wall, thereby creating a larger space for display and storage, along with smaller cabins. The plan also involves relocating the Director's office to the rear section of the premises. The proposed site plan for the Petitioner's office is annexed herewith as Annexure 6.

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XXX

XXX

(x) That the said Premises is the only suitable location for the Petitioner offering superior display potential due to its convenient accessibility from the Inner Circle of Connaught Place, a prime area in Delhi. Its strategic entrance ensures high visibility and easy access for the public making it an ideal location for the Petitioner. Additionally, the availability of parking further enhances its appeal as an ideal location for the Petitioner's business. Furthermore, there are no other premises of similar caliber available to the Petitioner, especially considering that the mentioned premises share a common wall with the Petitioner's existing office. While the Respondents in reply to the RC ARC 39 of 2020, has stated on oath that neither is the Respondent No.1 nor is its sub-tenant using the said premises. The Respondents have stated that they are operating out of its registered office and corporate office at Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram-122001, Haryana. The Petition filed by the Petitioner and Written Statement filed by the Respondent is annexed



herewith as **Annexure - 8**.

(xi) That the Petitioner also owns the Second Floor and the Third Floor, 9-A, Phelps Building, Connaught Place, New Delhi. However, the entrances to these premises are from the middle circle, contrasting with the said premises which benefits from an entrance in the inner circle. The inner circle enjoys significantly higher foot traffic compared to the middle circle, which is more suited for businesses not reliant on client engagement. There are no other commercial premises owned by the Petitioner. It is well settled law that a landlord is the best judge of his needs and requirements and the Petitioner requires the premises in question for its personal and bonafide use.”

(Emphasis Supplied)

48. From the above, it is apparent that the Respondent had fully disclosed the availability of the space on the third floor and terrace of the subject premises and had justified the need of their *bona fide* requirement for the tenanted premises, on the ground of it’s location as well as additional space required for expansion of the art business wing. In fact, in the reply to the leave to defend application filed on behalf of the Petitioners, the Respondent had stated that it was suffering loss of business on account of non-availability of adequate space for its art business wing. It was further stated that exhibitions had been held previously at the co-working space being operated on the third floor and terrace of the subject premises; however, the same was not adequate for such exhibitions. It was further pointed out that the said space is divided into smaller cabins and rooms, and therefore, the same was not appropriate for conducting art exhibitions.



49. Learned Senior Counsel appearing on behalf of the Petitioners had drawn the attention of this Court to a website pertaining to the aforesaid space, under the trademark “The Biv”, as to show that the said space was being utilised by the Respondent for offering “a place to camp out and work hard”. It was submitted that the said space is being offered by the Respondent for people to come and work in the following manner: -

“The space spread across two floors that you can call your office. This includes a great terrace garden that looks straight on to an unfurling Indian flag dramatically set against an open sky”

50. Learned Senior Counsel appearing on behalf of the Respondent had drawn the attention of this Court to the proposed site plan, trademark registration and brochures of the exhibitions carried out by the Respondent. A perusal of the aforesaid documents would reflect that the Respondent is running an Art Business under the trademark of “The Biv”. It is also a matter of record that the subject premises is located on the first floor and the same can be accessed from Connaught Place’s inner circle. It was rightly noted by the learned ARC that the tenanted premises was situated at a location affording greater footfall and enhanced visibility, owing to its access from the Connaught Place’s inner circle. In fact, the screenshots placed on record by the Petitioners with respect to property available with the Respondent itself shows that the same is more in a nature of working stations and offices. The co-working office being run by the Respondent is one it’s business venture and it cannot be said that the same should be shut-down so that the space utilised by it be then used for art exhibitions, while the Petitioners



continue to retain possession of the tenanted premises. It is a well-settled law that a tenant cannot dictate as to how the landlord has to utilise its premises. The contention of the Petitioners that the space in possession of the Respondent is sufficient to cater to the requirements of its expanding art business wing cannot be accepted.

51. Learned Senior Counsel for the Petitioners had submitted that the learned ARC while passing the impugned judgment, had mechanically applied the proposition that the landlord is the best judge to decide his needs, and did not appreciate that present case is of additional accommodation. In support of the said contention reliance was placed on judgment passed by the learned Single Judge of this Court in **Khem Chand and Ors. (*Supra*)** to argue that the question whether the accommodation available, comprising of 7500 sq. feet, was sufficient, suitable or reasonable for the Respondent to carry on its business had to be examined.

52. The aforesaid judgment relied upon by learned Senior Counsel for the Petitioners was rendered in the facts and circumstances of the said case. In the said case, the demised premises for which eviction was sought was located on ground floor of property No. 10, Sundar Nagar. However, it had come on record that the landlord therein was already running his office from ground floor of property No. 9A of Sundar Nagar, and was also in occupation of the first floor of property No. 10, Sundar Nagar, which was lying vacant. It was also noted by the learned Single Judge in the said case that the proposed need of the landlord therein, as stated in the eviction petition, was not a felt need, but one



which could have been said to be farfetched, based on desire and imagination. The relevant observation reads as under: -

“47. The learned Controller legally erred in the not testing the case of both the parties on the objective standards which is the requirement of the law for examining the reasonableness and suitability of the alternative accommodation. The learned controller ought not have just simply observed that the landlord is the best judge to decide his needs but should have considered his plea non availability of reasonable accommodation vis-À-vis the accommodation which the respondent is enjoying presently which is property No. 9 A Sunder Nagar and also coupled with his ownership of first floor of the property No. 10 Sunder Nagar where such business can be carried out in the event of any future eventuality considering the business at the first floor is permissible in the said area. The availability of the alternative accommodation at the first floor of the Sunder Nagar property should have been weighed with the proposed need of the respondent no. 1 as defined in the eviction which is explained in broad terms which by itself makes it apparent that the need as defined is not a felt need but is the one which can said to be far fetched or based on the desires and imagination. All these facts clearly casts doubts on the on the stands of the respondent no. 1, bonafides of the need of the respondent no. 1 and the conclusion that there is no availability of the alternative reasonably suitable accommodation which cannot be arrived atleast in the summarily manner warranting the leave to defend.”

53. Similarly, the contention of the learned Senior Counsel for the Petitioners, that the invoices placed on record are at variance with each other, with respect to the dates, and therefore, the same becomes a triable issue is again not tenable. A perusal of the *challans* placed on record by the Respondent along with the eviction petition shows their GST details, as well as further scrutiny of the said *challans* would indicate that the



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first two *challans* dated 12.01.2023 bearing serial nos. 218 and 219, pertain to items listed from serial no. 1 to 14 and 15 to 24, respectively. The next *challan* placed on record is dated 17.01.2023 bearing no. 216 but serial nos. of item contained therein start from serial no. 25 till 26, and the fourth *challan* placed on record dated 20.01.2023 bearing no. 221 pertains to items listed at serial nos. 27 to 38. These *challans* have been made separately on separate dates with separate items; however, the continuity of the item numbers shows that they were bought in the same time period, though on different dates. Merely because *challan* no. 216 is dated 17.01.2023 whereas *challan* nos. 218 and 219 are dated 12.01.2023 cannot by itself give rise to any triable issue. The Respondent, in the eviction petition, had also placed on record relevant materials to show the previous exhibitions organised by them in furtherance of their art business wing. Thus, even if the *challans* are ignored, the fact that the Respondent is running an art business wing had been brought on record.

54. In the considered opinion of this Court, as pointed out hereinbefore, the *bona fide* need of the Respondent herein can neither be stated to be one based on desire and imagination. Enough material had been placed on record to demonstrate that Respondent is indeed running an art business wing and had conducted exhibitions prior to the filing of the eviction petition. The Respondent had categorially explained in its eviction petition as to why the property in its possession is not sufficient and that the tenanted premises is an alternate suitable accommodation to run the art business wing. The other judgments relied upon by learned



Senior Counsel for the Petitioners were rendered on their own peculiar facts. The proposition of law in the said judgments is not in dispute; however, the same have been adequately distinguished on facts by the learned Senior Counsel for the Respondent, as noted hereinbefore.

55. It is noted that the location of the tenanted premises, having access from Connaught Place's inner circle, was not the only fact considered by the learned ARC, and the same was read in context with the requirement of tenanted premises for the Respondent to expand their art business wing. The aforesaid business is not a proposed plan, and the same is being run as demonstrated by the documents placed on record. It is not the case of proposed business plan for which the tenanted premises is required, but the same is required for expansion of an already running business for which the concerned tenanted premises is suitable for the Respondent.

56. In **Anil Bajaj & Anr. (Supra)**, the Hon'ble Supreme Court had categorically reiterated the settled principle of law that it was not for the tenant to dictate the landlord as to how the property belonging to the landlord should be utilised for the purposes of his business, and also the fact that the even if the landlord is doing business from various other premises, the same cannot foreclose his right to seek eviction from the tenanted premises, so long as he intends to use the same for his own business. The case of the Respondent is on the same footing.



57. With regard to the submission made on behalf of the learned Senior Counsel for the Petitioners *qua* the applicability of Section 22 of the DRC Act in the eviction petition, this Court finds no merits in the same. As pointed out hereinabove, the Hon'ble Division Bench of this Court in **K.S. Bhandari (Supra)**, had already answered the said question and has held that a company or a body corporate is not barred from invoking the provisions of Section 22 or Section 14(1)(e) of the DRC Act, as applicable to the facts of the said case. This Court further notes that challenge to the said judgment had been dismissed by the Hon'ble Supreme Court *vide* order dated 03.11.2025 passed in SLP(C) No. 32272/2025.

58. This Court has perused the record and considered the submissions advanced on behalf of the parties. It is well settled that the powers of this Court under Section 25B(8) of the DRC Act are limited and not as wide as those of an Appellate Court. The scope of interference is confined to examining whether the impugned order suffers from any illegality, material irregularity or jurisdictional error. In **Sarla Ahuja v. United India Insurance Co. Ltd.**²⁴, the Hon'ble Supreme Court had observed and held as under: -

“8. The satisfaction of the High Court when perusing the records of the case must be confined to the limited sphere that the order of the Rent Controller is “according to the law.” In other words, the High Court shall scrutinize the records to ascertain whether any illegality has been committed by the Rent Controller in passing the order under Section 25B. It is

²⁴ (1998) 8 SCC 119; AIR 1999 SC 100



not permissible for the High Court in that exercise to come to a different fact finding unless the finding arrived at by the Rent Controller on the facts is so unreasonable that no Rent Controller should have reached such a finding on the materials available.”

59. The Hon’ble Supreme Court, in **Abid-Ul-Islam v. Inder Sain Dua**²⁵, has held that this Court, while exercising revisional jurisdiction under Section 25B-(8) of the DRC Act, is not expected to substitute its own view for that of the learned ARC’s and the scope of interference is extremely limited. The relevant portion of the said judgment reads as under: -

“Scope of revision

22. We are, in fact, more concerned with the scope and ambit of the proviso to Section 25-B(8). The proviso creates a distinct and unequivocal embargo by not providing an appeal against the order passed by the learned Rent Controller over an application filed under sub-section (5). The intendment of the legislature is very clear, which is to remove the appellate remedy and thereafter, a further second appeal. It is a clear omission that is done by the legislature consciously through a covenant removing the right of two stages of appeals.

23. The proviso to Section 25-B(8) gives the High Court exclusive power of revision against an order of the learned Rent Controller, being in the nature of superintendence over an inferior court on the decision-making process, inclusive of procedural compliance. Thus, the High Court is not expected to substitute and supplant its views with that of the trial court by exercising the appellate jurisdiction. Its role is to satisfy itself on the process adopted. The scope of interference by the High Court is very restrictive and except in cases where there is an error apparent on the face of the record, which would only mean that in the absence of any adjudication per se, the

²⁵ (2022) 6 SCC 30 : (2022) 3 SCC (Civ) 287 : 2022 SCC OnLine SC 419



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High Court should not venture to disturb such a decision. There is no need for holding a roving inquiry in such matters which would otherwise amount to converting the power of superintendence into that of a regular first appeal, an act, totally forbidden by the legislature.”

60. Thus, in view of the aforesaid, this Court is of the opinion that no interference with the findings returned by the learned ARC in the impugned judgment is warranted and the same is upheld.

61. The Petitioners-Tenants are directed to vacate and hand over vacant, peaceful and physical possession of **property bearing No. 9-A, First Floor, Inner Circle, Connaught Place, New Delhi-110001**, to the Respondent-Landlord, *forthwith*, as the benefit of *six months*’ period as per Section 14(7) of the DRC Act has already lapsed.

62. The present petition is dismissed and disposed of accordingly, in the aforesaid terms.

63. Pending application(s), if any, also stands disposed of.

64. Judgment be uploaded on the website of this Court, *forthwith*.

**AMIT SHARMA
(JUDGE)**

JULY 06, 2026/sn/db