



IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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CR-5081-2023 (O&M)

Date of Decision: 19.12.2025

Amrita Sehgal

....Petitioner

Versus

M/s Lloyds Electric & Engineering Limited & Another

.... Respondent

CORAM: HON'BLE MS. JUSTICE NIDHI GUPTA

Present: - Mr. Ajaivir Singh, Advocate
for the petitioner.

Mr. Gurmohan Singh Bedi, Advocate
Mr. Varinder Singh, Advocate
Mr. Anand V. Khanna, Advocate
for respondent No.2.

NIDHI GUPTA, J.

Present Revision Petition has been filed by the plaintiff under Article 227 of the Constitution of India for setting aside impugned order dated 03.07.2023 (Annexure P-14) passed by the learned Civil Judge (Junior Division), Derabassi in CS-388-2020 vide which application under Order 1 Rule 10(2) CPC filed by the respondents/defendants for deleting their name in the array of respondents/defendants in Civil Suit No.388 of 2020, has been allowed.

2. Brief facts of the case are that the petitioner/plaintiff is the owner and landlady of the suit premises which had been rented out to the respondent/defendant No.1 vide Lease Agreement dated 14.08.2013 (Annexure P1), at monthly rent of Rs.33,500/- per month for the period



from 14.08.2013 till 31.03.2018 along with 5% increase in rent per annum. The respondent no.1 had written a letter dated 01.12.2015 (Annexure P2) to the petitioner tendering two months' notice of termination of lease with effect from 01.12.2015. Petitioner had accepted the above-said letter of termination and issued Notice dated 03.01.2016 (Annexure P3) to the respondents for payment of rent for the months of December 2015, January 2016 and 10 days of February 2016 after adjusting security amount of Rs.67,000/-. Furthermore, as per letter dated 01.12.2015, respondent No.1 was to vacate the premises on or before 31.01.2016. However, as respondent No.1 failed to do so, the petitioner had again issued Notice dated 11.03.2016 (Annexure P4) in this regard. The petitioner had again sent Legal Notice dated 02.04.2016. Ultimately, petitioner was constrained to approach the learned Rent Controller by way of Rent Petition, which was allowed by the learned Rent Controller, Derabassi vide order dated 19.01.2019 (Annexure P5).

3. In the meantime, the petitioner discovered that respondent No.1 has merged with respondent/defendant No.2 and is now known by the name of M/s Havells India Limited. Accordingly, to claim arrears of rent, the petitioner had filed the instant Civil Suit No.388 of 2020 dated 07.07.2020 (Annexure P6) for recovery of Rs.16,88,400/- along with interest thereupon. It is in the said Suit that respondent/defendant No.2 moved instant application under Order 1 Rule 10(2) read with Section 151 CPC dated July 2022 (Annexure P7) for deletion of name of the defendant No.2 from the array of defendants. Vide impugned order dated



03.07.2023 (Annexure P14), said application of respondent No.2 has been allowed.

4. It is inter alia submitted by learned counsel for the petitioner that the ground on which Id. trial Court has allowed the application of respondent No.2 is that the respondent No.2 had bought only “Consumer Durable Business” of the defendant No.1; and that it had not acquired the defendant No.1 in totality; and had not merged with the defendant No.1. Learned counsel for the petitioner contends that the correctness of the said facts as to whether the defendant No.2 has merged with defendant No.1 in totality or has only taken limited acquisition of the defendant No.1, is a fact which can only be proven upon leading of evidence.

5. It is submitted moreover, the Ld. Trial Court has ignored the fact that warehouse in question was used for storing consumer durables; and admittedly respondent no. 2 only bought consumer durable business of respondent no. 1. Thus, respondent no. 2 is equally responsible for the liabilities of respondent no. 1.

6. It is reiterated that it is a matter of trial and evidence as to whether the petitioner's case was covered in the business, other than the consumer durables business and the version as propounded by the respondent no. 2 at this stage should not have been taken as gospel truth. The stand taken by the respondent no. 2 and the fact that the respondent no. 1 had not put in appearance only goes to show that both the respondents are avoiding the liability by one means or the other and the passing of such order at initial stage has caused prejudice to the petitioner.



7. Per contra, learned counsel for respondent No.2 opposes the submissions of the petitioner and contends that the respondent No.2 had placed on record sufficient documents to prove that it had only acquired limited interest in the defendant No.1. It is accordingly stated that the impugned order suffers from no error and deserves to be set aside.

8. No other argument is made on behalf of the parties. I have heard learned counsel and perused the case file in great detail. I find merit in the submissions advanced on behalf of the petitioner.

9. It is the case of the respondent No.2 that respondent No.2 has not merged with the defendant No.1; and only a limited acquisition to the extent of buying only “Consumer Durable Business” of defendant No.1 has been affected. However, at initial stage, such a determination as to the exact extent of acquisition by the respondent No.2 on the basis of limited documents produced by the respondent, cannot be made. Needless to say, any documentary and other evidence led by respondent no.2 to prove his said contention will have to be proved in accordance with law. Merely on a preliminary production of documents, claim of the respondent no.2 cannot be held to be correct. Learned counsel for the petitioner is correct in stating that word of the respondent No.2 of production of limited documents, cannot be taken as gospel truth by the learned trial Court. Moreover, any documents produced by the respondent cannot be taken at face value without affording an opportunity to the petitioner to examine the said documents and to cross-examine the respondent No.2 on the said documents/evidence.



Furthermore, it cannot be ignored that defendant/respondent No.1 has failed to put an appearance. Thus, in these facts and circumstances, such an interpretation as given by the trial Court would amount to defeating the claim of the petitioner on both the sides at the initial stage itself.

10. In view of the above, the present revision petition is **allowed;** and the impugned order dated 03.07.2023 (Annexure P14) passed by the learned trial Court stands set aside.

11. Pending application(s), if any, shall stands disposed of.

19.12.2025
Sunena

(NIDHI GUPTA)
JUDGE

Whether speaking/reasoned	Yes/No
Whether Reportable	Yes/No