



**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

107

**RSA-23-1999 (O&M)
Date of decision:07.04.2026**

CHARANJIT SINGH COMPANY

...APPELLANT

VERSUS

MUNICIPAL COMMITTEE BHIWANI

...RESPONDENT

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Mani Ram Verma, Advocate and
Mr. Nipun Verma, Advocate
for appellant.

Mr. Jagdish Manchanda, Senior Advocate with
Mr. Nischal Chetanya Manchanda, Advocate and
Mr. Akash Choudhary, Advocate
Ms. Marvi Singh, Advocate and
Mr. Devyansh, Advocate
for respondent.

PARMOD GOYAL, J. (ORAL)**CM No.12286-C of 2025**

Respondent had preferred an application, during the pendency of present appeal, for fixing and payment of the mesne profit as both the Courts had held appellant-plaintiff to be a trespasser. Since appellant-plaintiff is continuing in possession of demised property and has not paid any rent, appellant-plaintiff is liable to pay mesne profit for illegal occupation. I find merit in the case of respondent. It is the case of appellant-plaintiff itself that it has not paid any rent after February 1997 as respondent had refused to receive the same during the pendency of present case. Once it is held that appellant-plaintiff was trespasser and not tenant then appellant-plaintiff is liable to pay mesne profit for the illegal occupation of the

demised premises from the date of its occupation without payment till it vacates the shop or the respondent gets the shop vacated. Accordingly, taking in consideration fact that shop was given on rent @ Rs.500/- per month, the mesne profit is determined as Rs.500/- plus rate of inflation every year. Appellant-plaintiff shall be liable to pay mesne profit for the year 1997 @ Rs.500/-. For the year 1998, appellant-plaintiff shall pay mesne profit @ Rs.500/- plus rate of inflation during the year 1997. If inflation was 6% during the year 1997, the mesne profit would be Rs.530/- per month for the year 1998. In similar manner by taking rent payable for the year 1998 as base with addition of inflation during the year 1998, mesne profit for the year 1999 be calculated. For subsequent years, mesne profit shall be calculated year-wise in abovementioned method by adding rate of inflation to base mesne profit payable in previous year by appellant-plaintiff. Arrear shall be payable with 6% interest from date when it became due till realisation. In case mesne profit are not paid within two months, respondent shall be entitled to recover it in accordance with law.

RSA No.23 of 1999 (O&M)

2. Present regular second appeal has been preferred by unsuccessful appellant-plaintiff being aggrieved by impugned judgment and decree dated 10.09.1997 passed by learned Additional Civil Judge (Senior Division), Bhiwani vide which suit for permanent injunction filed by appellant-plaintiff, was dismissed as well as by judgment and decree dated 06.10.1998 passed by learned District Judge Bhiwani, whereby first appeal preferred by appellant-plaintiff against dismissal of its suit was also dismissed.

3. Appellant-plaintiff, in its suit for permanent injunction, had claimed that Purushotam Kumar is proprietor of M/s. Charanjit Singh Company and had taken shop bearing No.2, described in plaint and shown in site map attached with plaint, on rent. However, respondent was trying to forcibly evict appellant-plaintiff from suit property by throwing out its articles and accordingly appellant-plaintiff had sought permanent injunction and restraint against interference with its peaceful possession over suit property as a tenant. It was asserted that appellant-plaintiff is a tenant over the suit property belonging to respondent at the rent of Rs.500/- per month including tax and had paid rent up to 15.12.1992. It was also asserted that electricity connection No.J-733 is also in the name of Purushotam Kumar, proprietor of appellant-plaintiff and one week before the institution of the suit, 4-5 employees of respondent tried to encroach and dispossess appellant-plaintiff from the demised premises. It was further asserted that prior to that also, respondent had issued notice bearing No.2113-LO dated 24.12.1992 vide which respondent had asked appellant-plaintiff to hand over possession of demised premises after vacating the same. It was the case of appellant-plaintiff that notice is not binding upon its rights and it had accordingly sought permanent injunction against respondent.

4. Suit was contested by respondent by filing detailed written statement wherein preliminary objections as regards to maintainability of suit was taken. On merits, it was asserted that demised premises was taken on rent by Charanjit Singh, being the highest bidder, at the rate of Rs.500/- per month in a public auction for three years. It was further asserted that the highest bid was confirmed in favor of Charanjit Singh after duly disclosing

conditions and the demised premises was given on rent for three years from 16.01.1989 to 15.01.1992. Accordingly, after expiry of three years, notice regarding vacation of premises had been duly served and accordingly it was further asserted that Purushotam Kumar has no interest in the demised premises as same was never let out to him but was let out to Charanjit Singh. Dismissal of suit preferred by appellant-plaintiff was accordingly sought.

5. From the pleadings of the parties following issues were framed:-

- i. Whether plaintiff is in possession of the suit property as tenant ? OPP.
- ii. Whether plaintiff has no locus-standi to file the suit? OPD.
- iii. Whether plaintiff is estopped by his own act and conduct to file the suit ? OPD.
- iv. Whether plaintiff has no cause of action to file the present suit ? OPD.
- v. Whether suit is bad for want of notice U/S 80 CPC and 52 of Haryana Municipal Act? OPD.
- vi. Whether suit of the plaintiff is false, frivolous and vexatious to his knowledge? If so to what effect ? OPD.
- vii. Whether suit has been filed on behalf of one Purshottam ? OPD.
- viii. Relief.

6. Appellant-plaintiff in order to prove its case had examined its proprietor as PW1, who had reiterated its case as stated in plaint. Appellant-plaintiff denied that the suit property was given on rent only for three years by way of auction and an agreement was also executed in that regard.

Appellant-plaintiff also denied that it had not paid the rent regularly. Apart from his oral statement, appellant-plaintiff had relied upon receipts (Ex.P1 to Ex.P6) issued in its name regarding receipt of Rs.500/- towards payment of rent to the respondent, electricity bill (Ex. P7) and notice dated 24.12.1992 vide which appellant-plaintiff was asked to vacate the demised premises on expiry of three years' time.

7. To counter-claim the claim appellant-plaintiff, respondent had duly produced Satish Kumar, Land Officer, Bhiwani as DW1, who had duly placed auction proceedings (Ex.D1) showing that Charanjit Singh was the highest bidder for the shop and same was given on rent to him at the rate Rs.500/- per month. Reliance had also been placed upon agreement (Mark A) between respondent and Charanjit Singh, showing the terms of tenancy.

8. Both the learned Courts below, after appreciating above-noted evidence led by parties and their pleadings, after referring to paragraph No.11 of replication, wherein appellant-plaintiff had claimed to have taken the suit property on rent after being the highest bidder and that there was no condition that suit property was given only for three years concluded that appellant-plaintiff has failed to prove tenancy in its favour. Appellant-plaintiff had not placed auction notice or conditions of tenancy and on the basis of rent receipts (Ex.P1 to Ex.P6) and electricity bill (Ex.P7), is simply claiming tenancy of demised premises in its favour, specially when he is claiming tenancy on the basis of auction being highest bidder.

9. The learned Courts below have rightly taken into consideration

auction proceedings Ex.D1, duly proved on record by evidence of DW1, which goes to show that demised premises was given on rent by way of auction. The fact that demised premises was given on auction is duly admitted by appellant-plaintiff. As per auction proceedings, the highest bidder of demises premises property was Charanjit Singh in individual capacity and bid was not given in the name of appellant-plaintiff-Firm. The name of Purushotam Kumar, the proprietor of appellant-plaintiff, does not appear in the auction proceedings (Ex.D1).

10. Learned counsel for respondent has argued that respondent was deceived by ploy adopted by appellant-plaintiff, wherein it got receipts in name of Charanjit Singh Company. Perusal of testimony of DW1 also goes to show that up to February 1997 rent was received by respondent and thereafter no rent had been paid by appellant-plaintiff and it is still continuing to occupy the suit property. On one hand, the sole claim of appellant-plaintiff is based upon oral evidence and rent receipts though it is claiming that it had taken demises premises after giving the highest bid of Rs.500/-. On the other hand, respondent had succeeded in proving auction proceedings (Ex.D1) showing that it was not appellant-plaintiff who was the highest bidder, rather it was Charanjit Singh who was the highest bidder, however, by deploying ploy of M/s. Charanjit Singh Company through Purshotam Kumar, appellant-plaintiff had succeeded in occupying the suit property without any authority. Rent in the name of Charanjit Singh Company was paid only to show that it is being paid by successful bidder. Appellant-plaintiff is simply a trespasser.

11. On consideration, I find that learned Courts below have rightly considered the respective pleadings, evidence and has rightly relied upon auction proceedings (Ex.D1). No material has been led by appellant-plaintiff to show that auction proceedings were not conducted. In fact, appellant-plaintiff itself is admitting that it had taken the suit property on rent in the year 1989 after being the highest bidder which corroborates the auction proceedings (Ex.D1) in favour of Charanjit Singh and not appellant-plaintiff.

12. In view of above discussion, I do not find any error in the concurrent finding of facts recorded by both the Courts below. It has rightly been held that appellant-plaintiff is not entitled to possession of shop as a tenant. The status of appellant-plaintiff is not more than that of a trespasser. The findings of learned Courts below is accordingly upheld. Respondent shall also be free to take possession of demised premises in accordance with law treating appellant-plaintiff to be a trespasser.

13. In view of above, present appeal is dismissed being without any merit.

14. Pending application(s), if any, stand disposed of.

(PARMOD GOYAL)
JUDGE

07.04.2026
Sunil Chander

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No