



FACULTY OF JURIDICAL SCIENCES

COURSE: BALLB &BBALLB

SEMESTER: VI

SUBJECT: Law of Property

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Lecture-30



Determination of lease:

Section 111 states about the determination of the lease, which lays down the ways in which lease is terminated:

1. **Lapse of time** – When the prescribed time of the lease expires, the lease is terminated.

Specified event – When there is a condition on time of lease depending upon a happening of an event.
2. **Interest** – Lessor's interest to lease the property may cease, hence resulting in the termination of the lease.
3. **Same owner** – When the interest of both lessor and lessee are transferred or vested in the same person.
4. **Express Surrender** – This happens when the lessee ceases to have an interest in the property and comes into a mutual agreement with the lessor.
5. **Implied Surrender** – When the lessee enters into a contract with another for the lease of property, this is an implied surrender of the existing lease.
6. **Forfeiture** – There are three ways by which a lease can be terminated:
 - When there is a **breach of an express condition** by the lessee. The lessor may get the possession of the property back.
 - When lessee **renounces his character** or gives the title of the property to a third person.
 - When the lessee is termed as **insolvent** by the banks, and if the conditions provide for it, the lease will stand terminated.
8. **Expiry of Notice to Quit** – When the notice to quit by the lessor to the lessee expires, the lease will also expire.

What is notice to quit and what happens after it?

Notice to quit is a formal written statement that is issued to the lessee if the lessor desires to end the lease agreement, whether on the expiry of the duration as stated under Section 106 or on grounds specified in Section 111.

Any lease can be forfeited as mentioned in the sub-clause (g) of Section 111, by acceptance of the notice to quit.

But **Section 112**, states that if the lessor after initiating the process of termination of the lease on the grounds of forfeiture accepts any rent from the lessee, it will be understood that the lease will still exist and the termination and notice to quit has been waived.

Section 113 provides **two ways** in which the notice can be waived, that is expressly or impliedly.

1. **Express Waiver of notice to quit** – When a lessor accepts the rent from the lessee after the notice to quit has been served, this is called express waiver of notice to quit.
2. **Implied Waiver of notice to quit** – When a lessor issues notice to quit to the lessee, and upon expiry of that notice, lesser issues another notice to quit to the lessee. The first notice to quit is impliedly waived.

Waiver of notice also shows the intention to continue the existing lease.

Effect of Holding over:

Section 116 states about the **effect of holding overlays** down that if there has been a waiver of notice to quit, it will not be called a new lease instead it will be called as a lease on sufferance or tolerance without objecting against it. The term ‘Holding over’ stands for retained possession of a property which has been leased. After this, the lease is renewable as any normal lease and in the way prescribed in Section 106.

This section provides that if the lessor agrees to the holding over of the property by the lessee, it will be renewed. But if the lessor does not entertain the retained possession

by the lessee, he can initiate suit proceedings against him on grounds of trespass or tenant at sufferance.

MCQ

1. The lease of immovable property may be canceled:

- (a) by oral information
- (b) by written information
- (c) to send agent
- (d) by telephone

2. Lease of immovable property determines :

- (a) by efflux of time, limited thereby
- (b) by implied surrender
- (c) by the happening of such event, where the interest of the lessor in the property, terminates on the happening of that event
- (d) when the lessee becomes insolvent which of the above statement is incorrect?

3. In which of the following cases, a lease of immovable property does not determine?

- (a) By efflux of time limited there
- (b) By express surrender
- (c) On the service of a notice to quit
- (d) By forfeiture

4. Which of the following is a ground for determination of a lease by forfeiture

- (a) on breach of express condition
- (b) on expiry of lease period
- (c) on surrender by lessee
- (d) on vesting of lessors interest in the lessee.

5. The effect of holding overlays down

- (a) 114
- (b) 115
- (c) 116
- (d) 117

