

Treat your rented property as your own

The terms of contract for renting property should benefit both the lessor and the lessee

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htestates LEGAL REMEDIES

This is the second part of a two-piece series on the numerous rights and responsibilities that lessors (landlords) and lessees (tenants) have towards each other. Knowing some basic covenants of law can help parties negotiate and finalise terms and conditions of the lease better, and prevent disputes. The following covenants are implied in nature — in other words, they apply in the absence of a contract to the contrary between the landlord and the tenant.

Rights and responsibilities

- A lessee is required to pay his rent on time to the lessor, in the proper method as specified in the lease deed.
- A tenant is required to maintain the property in a good, habitable condition throughout his term of occupying the property. Upon expiry or termination of the lease, as the case may

be, the tenant is required to peacefully hand over the property in the state in which he had first received it, except reasonable wear and tear.

- A tenant is required to use the property as a person of ordinary prudence would. Also, without the lessor's consent, s/he is prohibited from allowing any other person from using the property for purposes other than what it was originally leased for. Further, a tenant will not allow anyone to do anything that may damage the property.
- A tenant does not have the right to construct or erect any permanent structure on the property, without first obtaining the landlord's permission to do so.
- A lessee cannot deny the lessor entry to the property at all reasonable times for



the purpose of inspection of the property.

- A lessee must fully disclose all property-related facts to the lessor that the lessee knows but the lessor may not necessarily be aware of. In the event of any harm being caused to the lessor due to lessee's non-disclosure of vital property-related information, the lessor may claim damages and compensation from the lessee.
- If a lessee becomes aware of any proceeding to recover the property or encroachment being made upon the property, or experiences any interference with respect to the right of the lessor concerning such property, the lessee is bound to inform the lessor of such encroachment/interference at the earliest.
- Unless otherwise stated by the parties in the lease

deed, it is the lessee's responsibility to pay stamp duty on the lease deed. Inadequate/non-payment of stamp duty can lead to competent authorities' impounding such lease document, along with a hefty penalty of up to ten times of the applicable stamp duty. Moreover, lease agreements that are not adequately stamped and/or registered qualify

as being month-to-month tenancy arrangements. A month-to-month tenancy can be terminated anytime, irrespective of the duration prescribed in the lease, after giving the lessee a termination notice.

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