



COMMERCIAL/CORPORATE

# Kerala High Court Rules for Tata Tea in Munnar Property Dispute: Upholds its Right to Reclaim Possession

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## Introduction

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The Kerala High Court put an end to a decades-long property battle in Munnar, ruling in favour of Tata Tea Ltd. in its effort to reclaim a company-owned building from a former licensee. The Court dismissed an appeal filed by the occupant, who had stayed on the premises for years without renewing the agreement or paying the licence fee. In doing so, the Court confirmed two important legal principles: first, that changing a company's name does not erase its legal rights or disrupt ongoing court cases; and second, that disputes over private property in Munnar do not fall under the jurisdiction of the now-abolished Munnar Special Tribunal, which was set up mainly for cases involving government land.

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## Background

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The case originated in 2002 when Tata Tea Ltd., a public limited company with its regional office in Munnar, filed a civil suit (O.S. No. 77/2002) before the Munsiff Court, Devikulam. The suit sought a declaration of title, recovery of possession of a building, and damages. The defendant, Antony, had entered into a license agreement with the company in 1986, which required annual renewal.

The company alleged that from May 2000, Antony defaulted on license fee payments and failed to renew the agreement. Repeated demands, including a lawyer's notice issued on 18 September 2000, went unanswered. Consequently, the company initiated legal proceedings.

The defendant contested the suit, claiming the plaintiff company no longer existed, having been succeeded by Tata Global Beverage Holdings Pvt. Ltd. (correcting entity name; earlier "Tata Global Beverage Holdings Private Limited" appears inaccurate), and that the building was originally leased to his father by the Kannan Devan Hills Produce Company. He also argued that the civil court lacked jurisdiction after the enactment of the Munnar Special Tribunal Act, 2010.

Both the trial court and the II Additional District Court, Thodupuzha (in A.S. No. 122/2011), found in favour of the plaintiff, noting the admitted default in license fee payment and the lack of renewal. Antony then filed a second appeal before the High Court, raising new legal contentions.

## Arguments in the High Court

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In the High Court, the appellant's counsel raised two key legal objections. First, he contended that the decree obtained by Tata Tea Ltd. was a nullity because the company had undergone a name change during the pendency of the suit, first to Tata Global Beverages Ltd. and later to Tata Consumer Products Ltd. He argued that the decree, having been passed in favour of a company that no longer existed under its original name, was legally unenforceable. Second, he challenged the jurisdiction of the civil court, relying on the Munnar Special Tribunal Act, 2010. According to him, the Act vested exclusive authority with the Special Tribunal over all disputes relating to land and property in the Munnar region, and therefore the civil suit itself was not maintainable.

In response, the counsel for the respondent countered that the company's name changes were carried out strictly in accordance with the procedures laid down under the Companies Act, first under Section 23 of the 1956 Act (now omitted) and later under Section 13 of the 2013 Act. He emphasized that a change in name does not dissolve the legal entity or affect its rights, liabilities, or the continuity of legal proceedings. As for the jurisdictional objection, he submitted that the Munnar Special Tribunal Act was limited in scope and applied only to disputes concerning government land or unauthorized constructions in Munnar. Since the present case involved a private contractual dispute over licensed occupation of a building, it fell outside the Tribunal's purview,

and the civil court's jurisdiction remained unaffected.

## Court's Observations

On the question of company identity, the Court observed that a mere change in the name of a company, registered under Section 23 of the Companies Act, 1956, and Section 13 of the Companies Act, 2013, does not alter its legal rights or obligations. Citing sub-section (3) of Section 23, the Court held that all proceedings commenced under the old name could continue under the new name, as the change does not affect the constitution of the company. The Court distinguished the present case from the decisions relied upon by the appellant, including the Calcutta High Court's ruling in *Malhati Tea Syndicate Ltd. v. Revenue Officer* and the Supreme Court's ruling in *Pr. Commissioner of Income Tax v. Maruti Suzuki India Ltd.*, noting that both involved extinguished corporate entities which were struck off or amalgamated, unlike the current case where the company merely underwent a name change.

On the issue of jurisdiction, the Court examined the scope of the Munnar Special Tribunal Act, 2010. It noted that the Act was enacted to resolve disputes related to ownership, possession, and use of land in Munnar, primarily concerning government lands and unauthorized construction. As the present case dealt with the eviction of a licensee from private property, it did not fall within the scope of Section 2(d) of the Act. The Court also referenced the State of Kerala's own clarification in *W.P.(C) No. 3487 of 2011*, where it had submitted that the Tribunal was meant only for disputes involving government land.

Crucially, the Court highlighted that the Munnar Special Tribunal was later abolished by the State Government. Therefore, even assuming jurisdiction once lay with the Tribunal, its abolition rendered the appellant's argument unsustainable.

Finally, the Court noted that the appellant continued in possession without executing a fresh license agreement after defaulting on payments. This fact, along with the lack of any substantial question of law in the appeal, justified the dismissal.

## Statutory Provisions

Statute	Key Provisions
Section 23(3), Companies Act, 1956	A change in name does not affect a company's rights, obligations, or legal proceedings. (Provision now omitted under the 1956 Act; replaced by Section 13 of 2013 Act)
Section 13(2)-(3), Companies Act, 2013	Governs the procedure for a name change; legal identity remains unaffected.
Section 2(d), Munnar Special Tribunal Act, 2010	Defines "dispute" as relating to government land or unauthorized construction.

## Conclusion

The Kerala High Court affirmed the concurrent findings of the trial and first appellate courts, holding that Tata Tea Ltd. was entitled to recover possession of the property and seek damages. The Court found no illegality or error in the lower court judgments and dismissed the appeal, bringing the decades-long litigation to a close in favour of the company. This judgment reaffirms the principle that a corporate name change does not disrupt ongoing litigation and clarifies the limited scope of the Munnar Special Tribunal Act, 2010.

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