

# Rickshaw and tenant

[Business](#), [Accounting](#)



Relationship between an owner of the asset and his tenant. Introduction:

This case study revolves around a man who is working as an auto rickshaw driver in the city of Lahore, Pakistan. He belongs to a poor family. So he has chosen to drive auto rickshaw in the suburbs of the city. He is actually working as a tenant for his owner. His owner has given him his asset and requires a fixed amount of money in return on daily basis. The name of the auto rickshaw driver is Mohammad Slam. He is 38 years old. He is basically a driver by profession. He has been driving an auto rickshaw from the last two years.

Before coming into this field, he was working as a chauffeur for a family. He was quite happy working there but unfortunately he had to dismiss that job as that family had moved abroad. Since he had no other work related to his field, so he decided to drive auto rickshaw in the main city. He lives in a rented house in the area of Model town, Lahore. He is married and has three children. He has to feed four persons in his family. Problems/Challenges of the tenant: According to M. Slam, he is surviving from hand to mouth.

Whatever he earns, he spends it too quickly. He doesn't have any savings with him.

He has four dependents that he has to look after. He said that his family is happy with him but he is not satisfied with his job. He earns quite less as far as his expectations are concerned. He wants to start his own business. He believes that he can stay happy and earn more only if he does his own business. By working under this profession, he earns less. Sometimes he can't pay off his children's school fees. So this also creates a lot of problems for the tenant. He also complained that he has to bear all the expenses of

the vehicle. All the repairing and maintenance charges are borne by the tenant.

In case of any loss or accident, the tenant has to pay for those expenses. The petrol and C. N. G costs are also borne by the tenant. If expenses exceed RSI. 500 then the owner has to pay for that. There is also no written agreement or contract between the tenant and his owner. The owner trusted this guy and handed over his vehicle to him. There is only a verbal agreement between the two parties. Opinion of the owner: The owner of the asset is quite satisfied with the tenant because he gets RSI. 300 on daily basis. He earns RSI. 9000 from his auto rickshaw on monthly basis.

He doesn't have to worry much because he has to get his fixed amount from his tenant whether he has earned or not. Business outcomes: The tenant is not happy with this contract as he earns less. The owner is happy because he gets paid whether there is any earning or not. There is also no written contract between the two parties. There is no evidence available of this contract. There can be many learning outcomes derived out of this case study. In order to make this owner-tenant relationship better and strong, there should be a proper written agreement or a contract between the two parties.

Both the parties should have evidence in writing. In case of any mishap or loss, they could show the written evidence to the respective authorities. Also, the owner should understand the nature of work of the tenant. He should show some leniency towards his tenant. The fixed amount of money should be less and it should be agreed upon the two parties. The tenant should be

happy with the agreed amount as well the owner. Both the parties should be happy with this contract. The relationship between the two parties can be improved more if the owner takes the security of the tenant. He should minimize the rental amount.

He should understand the problems faced by the tenant. He should support his tenant in every possible way. Finance facilities should be provided to the tenant so that he faces less problems in his life. Banks and specialized institutions should provide micro financing facilities to such tenants so that they can enjoy working in their profession. Owners are happy in this relationship but the tenants are not happy. They can remain happy if their financial burden is minimized. So the government should really consider this point as the number of tenants are increasing day by day in our country.

Case Study no. 2 Relationship between an owner and a female tenant. This case study is about a woman, Near Bibb, who is working as a tenant. She is of 50 years of age. She has been working as a tenant for about six years. Her work is to sit on a permitted ground and sell roasted grams and beards. She is authorized to sit on that area and the permission is granted by her owner. She is married and has six children, four daughters and two sons. Two of her elder daughters and a son is married. She has to feed her three younger children. Her husband doesn't cooperate with her and doesn't give her any money.

He is involved in drugs so she has left him. She works independently and feed hers three children. Her married son also doesn't give her any money. She is the sole earner in her house at the moment. She comes from the Karol

Road and lives in a rented house. Problems/Challenges faced by the tenant: She has to travel from her home to her work daily and gives RSI. 40 for one trip. That means she has to bear a total of RSI. 80 of the traveling expenses on a daily basis. She pays her owner RSI. 200 per day which makes RSI. 6000 a month. She is surviving from hand to mouth.

She is the only person who is earning for her family. Her husband doesn't support her at all as he is involved in drugs and bad vices. Her husband is not well physically. She had undergone a surgery. She said that all the medicines expenditure is also borne by her. She spends RSI. 2500 monthly on her medicines. Woman. She comes at 9 o'clock in the morning and goes back around at 6 pm in the evening. Her job is really tough but still she has to do it as there is no other source of income. She also said that the workers working in her nearby are all good people and they've never teased or disturbed her ever.

She also said that she wanted to go abroad and live there happily as she earned less here in Pakistan. The owner is quite happy with this contract because he gets paid on a fixed amount on a daily basis. He earns RSI. 6000 from this agreement in a month. He is satisfied with his tenant because she is an honest working woman. He is very lenient with his tenant. Even if she has not earned much, he agrees to take less amount as well. He is very cooperative. Business Outcomes: The owner is happy with this relationship but the tenant is not happy. She faces a lot of financial problems. Her expenses exceed her income.

She has to pay for her medical expenses as well. She feed three of her children. She has no one to support in her family. But she is satisfied with her owner because even if she doesn't earn Upton the agreed amount, her owner doesn't say her anything and agrees to take whatever she has earned in a day. Learning Outcomes: There should be a written contract between the owner and his tenant. There should be written evidence. The owner should understand the problems of his tenant. Both the parties should agree upon a fixed amount which is accepted by the tenant. There should be no work load on the tenant.

The tenant has chosen to work in a busy area here she can get more customers. So this could also be a learning point. She did not work near her residential area but she chose to work in a more commercial area in order to get more customers. She hardly manages to pay RSI. 80 as her traveling expense daily so that she can work in an area where she could earn more.

Case Study no. 3: The relationship between owner of the asset and his tenant. This case study is about a young tenant who is twenty four years old. His name is Shaded. He is driving an auto rickshaw on rental basis. He has been into this profession since the last six months.

He is Just a starter. When we interviewed him, we came to know that he has come from a very poor background. His parent couldn't afford education for him. That's why he had no other choice left and he thought of is into a contract with his owner since the last six months. He lives with his family and is not married yet. Thus he has to take responsibility of his parent's and siblings only. Problems faced by the tenant: Shaded said that he earns

around more than RSI. 8000 in a month. His owner acquires a rent of RSI. 300 daily from him. That means he has to pay his owner a total of around RSI. 9000 per month whether he earns or not.

The owner will acquire this amount from him at any cost. The tenant also claimed that if he fails to pay him the required amount, his owner wouldn't show any leniency. Rather he might throw him out of this contract. The tenant complained that his earnings were less according to his salary expectations. He doesn't earn much. He has to feed six members of his family and has to look after their wants and needs as well. It is really difficult to even provide two meals per day to his family members. He is surviving in his life from hand to mouth. The tenant protested that his job is really tough.

He works more than ten hours in a day. He also said that there are no fixed timings in this job. Sometimes he has to drive the auto rickshaw day and night. But still he is not happy with his job. He has to bear all the repairs and maintenance cost of the vehicle as well. He also has to bear all the petrol and gasoline expenses. The owner of the asset is happy and satisfied as long as he is receiving the rent on time. The owner doesn't have any problems with his tenant. He says that his tenant's behavior is quite good. His relationship can improve with his tenant only if he gives rent to him on time.

If we give a deep insight into this contract, we come to see that the owner is quite happy with this relationship but the tenant is not happy at all. The tenant is earning less according to his expectations. He doesn't have any savings at all. Whatever he earns spends it. Thus we can say that the tenant is not happy with this contract. He is not at all excited when he goes to work. This

Job serves as a compulsion for him as he has no other option. The owner of the asset is happy because he is earning good. But the tenant is not happy. The basic learning outcome that comes out be is that the owner should show mom leniency to the tenant.

If the tenant cannot pay the required amount to his owner on time due to some problem, the owner shouldn't threaten him that he would fire him from the Job. Instead the owner should understand the problems of the tenant. If the tenant asks for some leniency from his owner's side, he should show it. If the tenant cannot pay the required rent or if he earns less in a day, the owner should take whatever he gets from him. He shouldn't argue with his tenant in this matter. The government also shouldn't charge any amount from the rickshaw drivers charges should be borne by the owner himself.

There should be a written agreement between the two parties so that they possess some evidence of this contract. Case Study no. 4: The relationship between an owner of the asset and a tenant. This case study revolves around a man named Hosannas who is working as a tenant and drives wagon on rental basis. He is thirty three years old. He has been into this profession from the last two years. His monthly earnings vary from time to time. Sometimes he earn more and sometimes less. He doesn't have a fixed salary. But he said that he earns more than eight thousand rupees in a month. He is a citizen of

Lahore and has a house of himself. He is happily married and has one kid. He said that he has only two dependents in his family. He doesn't have much burden on his shoulders as he has to feed only two family members. This



case study was a bit different and interesting as the tenant was quite satisfied with his job. He earned well and said that his earnings matched up to his expectations. He has to work for more than ten hours in a day. He also said that his job is tough but he still finds it interesting. He said that this job is the only source of earnings for him so he has to work with full interest.

He is very excited when he goes to work daily. The only problem he faced in his profession was the toughness of his job. His relationship with his owner is also good. His owner treats him fairly. His owner is happy with him if he pays the rent on time. The tenant is happy sometimes with the way his job is going. He also manages easily with his current salary. The owner of the asset is satisfied with the tenant. The tenant behaves with him in a very polite manner. They never argue with each other. The owner is happy with this. Both the owner and the tenant are quite satisfied with this contract.

Their needs and wants are being fulfilled to an extent. They can improvise this relationship even more if they remain in good terms and behave with each other properly. Both the parties should understand each other's problems and support in business matters. The owner should remain lenient with his tenant. He should understand his nature of job and its related problems as well. He shouldn't put a burden on him. He shouldn't be strict with him. He should let his tenant work with ease. This case study order to strengthen this relationship, both the parties should sign a written agreement of this contract.