

Narain Khamman

Vs

Parduman Kumar Jain

Civil Appeal No. 626 of 1982

(D. P. Madon, D. A. Desai JJ)

19.10.1984

JUDGMENT

MADON, J. -

1. This appeal by special leave granted by this Court is directed against the judgment and order of the High Court of Delhi dismissing the revision petition under Section 25-B(8) of the Delhi Rent Control Act, 1958 (Act 59 of 1958) (hereinafter for the sake of brevity referred to as 'the Act'), filed by the appellant against an order of eviction passed against him by the Rent Controller, Delhi, on an application filed by the respondent on the ground specified in Section 14-A(1) of the Act.

2. The appellant was the tenant of the respondent in respect of premises situate at 3474, Gali Kartar Singh, Subzi Mandi, Delhi, consisting of one room and two tin sheds at a rent of Rs. 10.50 per month excluding water, electricity and other charges. Prior to January 1975, the respondent was an employee in the Posts and Telegraphs, Audit and Accounts Department of the Government of India, and in January 1975 he was sent on deputation to the Union Public Service Commission. He retired on May 1, 1978. During the course of his service, in October 1972, the respondent was allotted Government residential accommodation at Timarpur, Delhi, by the Directorate of Estates, Government of India. The respondent occupied the said accommodation from November 1, 1972. By a general order issued by the Ministry of Works and Housing in the form of an office memorandum, namely, O.M. No. 12031 (1) /74-Pol.II dated September 9, 1975, and subsequently clarified by another order, namely, O.M. No. 12031(1)/74-Pol.II dated December 12, 1975, the Government of India directed that all Government servants who had their own dwelling houses at the place of posting within the limits of any local or adjoining municipality should vacate the Government accommodation allotted to them within three months from October 1, 1975, or in default to pay market rent in respect thereof. Consequently the respondent was required to vacate the Government accommodation allotted to him by December 31, 1975, or to pay the market rent in respect thereof with effect from January 1, 1976. The respondent, therefore, vacated the Government accommodation in his occupation on December 27, 1975, and went to reside in other premises belonging to him adjoining the premises let to the appellant. Thereafter, on May 17, 1976, the respondent filed an application under Section 25-B of the Act on the ground specified in Section 14-A(1) thereof, being Suit E-798 of 1976. During the pendency of the said eviction application, by a special order dated December 24, 1975, but signed on September 25, 1976, the respondent was given notice that if he failed to vacate the said Government accommodation in his occupation by December 31, 1975, he would be charged market rent with effect from January 1, 1976, at the rate fixed by the Government from time to time. After the summons had been duly served on him, the appellant filed an affidavit stating the grounds on which he sought to contest the said eviction application had obtained leave from the Rent Controller, Delhi, to contest the said application. A

number of defences were taken by the appellant, all of which were negated by the Rent Controller. The Rent Controller considered the accommodation in the respective occupation of the parties and held that the respondent's family consisted of himself, his wife, his married sons and their wives, eight grandchildren and two married daughters with their children and that it could not be said that the premises occupied by the respondent constituted reasonably suitable residential accommodation. The Rent Controller further held that Section 14-A(1) of the Act did not contain a condition that the Government servant who made an application under Section 14-A(1) should not be in possession of reasonably suitable alternative accommodation as was the case under clause (e) of the proviso to sub-section (1) of Section 14 of the Act and that even if such a factor were to be taken into consideration, it could not be said that the respondent was in occupation of reasonably suitable alternative accommodation. Accordingly, on August 1, 1981, the Rent Controller passed an order of eviction against the appellant and directed it not to be executed for a period of two months. The Rent Controller directed the parties to bear their own costs of the said eviction application.

3. The appellant thereupon filed in the High Court of Delhi a revision petition under Section 25-B(8) of the Act. The said revision petition was dismissed on November 24, 1981. It is against this judgment and order of the Delhi High Court that the present appeal by special leave has been filed by the appellant.

4. The first contention raised on behalf of the appellant at the hearing of this appeal was that the respondent was not entitled to rely upon the said special order dated December 24, 1975, inasmuch as it was signed on September 25, 1976, and the fact that it was signed nine months later than the date it bears clearly showed that the respondent had maneuvered to obtain this order. In our opinion, the said special order dated December 24, 1975, is irrelevant inasmuch as the foundation of the respondent's said eviction application was not the said special order but the said general order dated September 9, 1975, as clarified by the said order dated December 12, 1975. We may also mention here that the Government policy as embodied in the said general order and its clarification has been modified from time to time. We are, however, not concerned in this appeal with any of the subsequent modifications of the said policy.

5. The next point which was urged before us and which requires our serious consideration is that the respondent's said eviction application was not maintainable. The maintainability of the said eviction application was impugned on two grounds : (1) the respondent was not in occupation of the Government accommodation allotted to him on the date when he filed his application, and (2) on the date when he filed his application, the respondent was already residing in premises belonging to him.

6. In order to test the correctness of these contentions, it is necessary to refer to the relevant provisions of the Act. As the long title of the Act shows that it is "An Act to provide for the control of rents and evictions and of rates of hotels and lodging houses, and for the lease of vacant premises to Government, in certain areas in the Union Territory of Delhi". Under Section 14(1) of the Act, a landlord is disentitled from obtaining possession of any premises let out by him except on one of the grounds set out in the proviso to that sub-section. The relevant provisions of the said Section 14(1) are as follows :

14. Protection of tenant against eviction. - (1) Notwithstanding anything to the contrary contained in any other law or contract, no order or decree for the recovery of possession of any premises shall be made by any court or Controller in favour of the landlord against a tenant :

Provided that the Controller may, on an application made to him in the prescribed manner, make an order for the recovery of possession of the premises on one or more of the following grounds only, namely :

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(e) that the premises let for residential purposes are required bona fide by the landlord for occupation as a residence for himself or for any member of his family dependent on him, if he is the owner thereof, or for any person for whose benefit the premises are held and that the landlord or such person has no other reasonably suitable residential accommodation;

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(6) Where a landlord has acquired any premises by transfer, no application for the recovery of possession of such premises shall lie under sub-section (1) on the ground specified in clause (e) of the proviso thereto, unless a period of five years has elapsed from the date of the acquisition.

(7) Where an order for the recovery of possession of any premises is made on the ground specified in clause (e) of the proviso to sub-section (1), the landlord shall not be entitled to obtain possession thereof before the expiration of a period of six months from the date of the order.

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7. The right of a landlord to recover possession on the ground specified in clause (e) of the proviso to Section 14(1) of the Act is thus circumscribed by three restrictions : (1) the landlord or the person for whose benefit the premises are held should not have other reasonably suitably residential accommodation; (2) if the premises of which the landlord desires to recover possession have been acquired by him by transfer, no application for the recovery of such premises can be filed unless a period of five years has elapsed from the date of the acquisition of such premises; and (3) if the landlord obtains an order for the recovery of possession of the premises, he is not entitled to obtain possession of such premises before the expiration of a period of six months from the date of the order or, in other words, the tenant is statutorily given a period of six months to vacate the premises.

8. Section 35 of the Act provides for appointment of Controllers and Additional Controllers. Section 37 of the Act prescribes the procedure to be followed by the Controller which expression, under clause (b) of Section 2, includes an Additional Controller. Under Section 37 no order which prejudicially affects any person is to be made by the Controller without giving him a reasonable opportunity of showing cause against the order proposed to be made and until his objections, if any, and any evidence he may produce in support of the same have been considered by the Controller. The Controller is to follow as far as may be the practice and procedure of a Court of Small Causes, including the recording of evidence, while holding an inquiry in any proceeding before him. Under Section 38 an appeal lies to the Rent Control Tribunal from every order made by the Controller under the Act, and a second appeal from an order made by the Tribunal lies to the High Court if the appeal involves a substantial question of law.

9. On December 1, 1975, the President of India promulgated the Delhi Rent Control (Amendment) Ordinance, 1975 (Ordinance 24 of 1975). The said Ordinance was repealed and replaced by the

Delhi Rent Control (Amendment) Act, 1976 (Act 18 of 1976). The said Amendment Act came into force with retrospective effect from December 1, 1975, being the date of the said Ordinance. By the said Ordinance and the said Amendment Act which replaced it, the definition of 'tenant' in clause (1) of Section 2 was substituted and a new section, namely, Section 14-A, and a new Chapter, namely, Chapter III-A, were inserted in the Act. Section 14-A(1) provides as follows :

14-A. Right to recover immediate possession of premises to accrue to certain persons. - (1) Where a landlord who, being a person in occupation of any residential premises allotted to him by the Central Government or any local authority is required, by, or in pursuance of, any general or special order made by that Government or authority, to vacate such residential accommodation, or in default, to incur certain obligations, on the ground that he owns, in the Union Territory of Delhi, a residential accommodation either in his own name or in the name of his wife or dependent child, there shall accrue, on and from the date of such order, to such landlord, notwithstanding anything contained elsewhere in this Act or in any other law for the time being in force or in any contract (whether express or implied), custom or usage to the contrary, a right to recover immediately possession of any premises let out by him :

Provided that nothing in this section shall be construed as conferring a right on a landlord owning, in the Union Territory of Delhi, two or more dwelling houses, whether in his own name or in the name of his wife or dependent child, to recover the possession of more than one dwelling house and it shall be lawful for such landlord to indicate the dwelling house, possession of which he intends to recover.

10. Chapter III-A is entitled 'Summary Trial of Certain Applications'. It consists of three sections, namely, Sections 25-A, 25-B and 25-C. Section 25-A provides that the provisions of Chapter III-A or any rule made thereunder shall have effect notwithstanding anything inconsistent therewith contained elsewhere in the Act or in any other law for the time being in force. Section 25-B prescribes, as its marginal heading shows, a "special procedure for the disposal of application for eviction on the ground of bona fide requirement". Under Section 25-B every application by a landlord for the recovery of possession of any premises on the ground specified in clause (e) of the proviso to Section 14(1), or under Section 14-A, is to be dealt with in accordance with the special procedure prescribed by that section. The special procedure which has been prescribed for these cases is that on an application being filed on either of these two grounds, the Controller is to issue a summons in the form specified in the Third Schedule to the Act. This summons is to call upon the tenant to appear before the Controller within fifteen days of the service of the summons and to obtain leave of the Controller to contest the application for eviction, and it intimates to him that in default of his doing so, the applicant would be entitled after the expiry of the said period of fifteen days to obtain an order for his eviction. Leave to appear and to contest the application is to be obtained by the tenant on an application made to the Controller supported by an affidavit. This affidavit is to disclose such facts as would disentitle the landlord from obtaining an order for the recovery of possession of the premises on the ground specified in clause (e) of the proviso to Section 14(1) or under Section 14-A. When leave is granted to the tenant to contest the application, the Controller is to commence the hearing of the application as early as practicable. In holding such an inquiry, the Controller is to follow the practice and procedure of a Court of Small Causes, including the recording of evidence. No appeal or second appeal is to lie against an order for the recovery of possession of any premises made by the Controller in accordance with this special procedure. The High Court is, however, given the right to call for the records of the case for the

purpose of satisfying itself that an order made by the Controller under this section is according to law and to pass such order in respect thereto as it thinks fit.

11. Section 25-C provides as follows :

25-C. Act to have effect in a modified form in relation to certain persons. - (1) Nothing contained in sub-section (6) of Section 14 shall apply to a landlord who, being a person in occupation of any residential premises allotted to him by the Central Government or any local authority is required by, or in pursuance of, an order made by that Government or authority to vacate such residential accommodation, or, in default, to incur certain obligations, on the ground that he owns a residential accommodation either in his own name or in the name of his wife or dependent child in the Union Territory of Delhi.

(2) In the case of a landlord who, being a person of the category specified in sub-section (1), has obtained, on the ground specified in clause (e) of the proviso to sub-section (1) of Section 14, or under Section 14-A, an order for the eviction of a tenant from any premises, the provisions of sub-section (7) of Section 14 shall have effect as if for the words "six months", occurring therein, the words "two months" were substituted.

12. It is now well settled that though the Statement of Objects and Reasons accompanying a legislative Bill cannot be used to determine the true meaning and effect of the substantive provisions or a statute, it is permissible to refer to the Statement of Objects and Reasons accompanying a Bill for the purpose of understanding the background, the antecedent state of affairs, the surrounding circumstances in relation to the statute, and the evil which the statute sought to remedy. It will, therefore, be convenient to reproduce at this stage the Statement of Objects and Reasons accompanying Bill XII of 1976 (Gazette of India Extraordinary, Part II, Section 2, dated January 19, 1976, p. 410) which when enacted became the Delhi Rent Control (Amendment) Act, 1976. The said Statement of Objects and Reasons is as follows :

There has been a persistent demand for amendments to the Delhi Rent Control Act, 1958 with a view to conferring a right of tenancy on certain heirs/successors of a deceased statutory tenant so that they may be protected from eviction by landlords and also for simplifying the procedure for eviction of tenants in case the landlord requires the premises bona fide for his personal occupation. Further, Government decided on September 9, 1975 that a person who owns his own house in his place of work should vacate the Government accommodation allotted to him before December 31, 1975. Government considered that in the circumstances, the Act required to be amended urgently.

2. As the Parliament was not in session, the Delhi Rent Control (Amendment) Ordinance, 1975 was promulgated on December 1, 1975. The Bill seeks to replace the said Ordinance.

13. The aforesaid general order of the Government was issued on September 9, 1975. The said Ordinance was promulgated on December 1, 1975. This proximity of dates and the provisions of Section 14-A(1) make it clear that a new ground of eviction was provided by Section 14-A(1) in order to enable a person who has to vacate the Government accommodation allotted to him by

December 31, 1975, to recover possession of premises let by him. The fact that Section 14-A was inserted in view of the said Government order dated September 9, 1975, has also been expressly stated in the Statement of Objects and Reasons accompanying the said Bill XII of 1976. This object is further brought out by the provisions of Section 25-B which was inserted in the Act by the said Ordinance and re-enacted by the said Amendment Act. As mentioned earlier, by Section 25-B a special procedure has been prescribed for applications made on the ground specified in clause (e) of the proviso to Section 14(1) or under Section 14-A. By the special procedure provided in Section 25-B the delay normally involved in following the procedure in Section 25-B the delay normally involved in following the procedure under Section 37 of the Act, is sought to be cut down and the tenant is made to apply and obtain leave to contest the eviction application. Further, the tenant's right of appeal and second appeal have been taken away and the only remedy left to him against an order of eviction passed by the Controller under Section 25-B is to approach the High Court in revision. Thus, the object underlying Section 14-A is that a person who is compelled to vacate residential accommodation allotted to him on the ground that he owns other residential premises in the Union Territory of Delhi either in his own names or in the names of his wife or dependent child should not be left without a roof over his head or should not be made to incur heavy financial obligation by continuing to reside in the accommodation allotted to him by paying market rent in respect thereof to the Central Government or the local authority, as the case may be.

14. Turning now to the merits of the present appeal, it is not disputed that the premises let to the appellant and the premises belonging to the respondent which the respondent occupied after giving up the Government accommodation allotted to him are separate premises and that each constitutes a dwelling house under the proviso to Section 14-A(1). It is also not disputed that the Central Government issued the said general order dated September 9, 1975, and subsequently clarified it by another order dated December 12, 1975. It is equally not in dispute that on the date when the respondent filed his said eviction application he was residing in premises belonging to him. It is in the light of these admitted facts and the statutory provisions referred to above that we must now consider the question of maintainability of the eviction application filed by the respondent.

15. The first ground of challenge to the maintainability of the said eviction application is that a landlord who is not in occupation of the residential accommodation allotted to him either by the Central Government or a local authority on the date when he files an application under Section 14-A(1) is not entitled to maintain it. It was submitted on behalf of the appellant that though such a condition was not expressly provided in Section 14-A, it should be read into that section as being implicit in it. We find no merit in this submission. Admittedly, the section does not contain any such condition. The object of Section 14-A(1) is to provide an additional ground of eviction to a landlord who had been allotted residential accommodation by a general or special order of that Government or authority to vacate that accommodation or in default, too incur certain obligations, for example, payment of market rent, on the ground that he owns in the Union Territory of Delhi a residential accommodation either in his own name or in the name of his wife or dependent child. Being asked to vacate on the ground that he owns his own residential accommodation, he must be in a position to move into such accommodation. It is for this reason that the section expressly states that "there shall accrue, on and from the date of such order, to such landlord.... a right to recover immediately possession of any premises let out by him". To accept the contention of the appellant would be to postpone the accrual of the right given by Section 14-A to the date of the filing of the application. In order to recover possession of residential accommodation let out by him, a landlord to whom residential accommodation had been allotted by the Central Government or any local authority cannot be obliged to continue to reside in such accommodation by paying market rent in respect thereof. On the passing of a general or special order of the nature specified in Section 14-A (1) the

landlord may vacate the accommodation allotted to him and find accommodation for himself elsewhere, either by renting premises or in a hostel, hotel, lodging house, boarding house or with a relative. He is not thereby debarred from filing an application under Section 14-A(1).

16. Does the same position, however, prevail when on the passing of such general or special order the landlord vacates the accommodation allotted to him and moves into other premises owned by him either in his own name or in the of his wife or dependent child ? The consideration of this question brings us to the second ground of challenge to the maintainability of the respondent's said eviction application. This is a more formidable challenge and in our opinion, it must succeed. It was urged by Mr. R. K. Jain on behalf of the respondent that there was no such restriction provided in Section 14-A(1). We are unable to accept this submission. The object underlying the Act and the subsequent enactment of Section 14-A would be defeated, if this contention were to be accepted. The Act, like other Rent Acts, has been passed to secure tenants in their accommodation at a reasonable rent. This is apparent from the long title and the provisions of the Act. Various States had enacted Rent Acts in order to prevent landlords from profiteering from the situation brought about as a result of increase in population and shortage of accommodation. By these Rent Acts, the right which a landlord has under the Transfer of Property Act, 1882, to recover possession of the property let by him to a tenant on the expiry of the lease or on determination of the tenancy has been taken away and the landlord can recover possession of such premises only on one of the grounds provided by the particular Rent Act. To permit an allottee of residential accommodation belong to the Central Government or a local authority who owns a residential accommodation either in his own name or in the name of his wife or dependent child to file an application to evict a tenant from other premises belonging to him which he has let out would be to permit him to move into one of the premises owned by him and to let out the other premises and thus to profiteer from the general or special order mentioned in Section 14-A(1). That he cannot do so is clear from the proviso too Section 14-A (1). Under the said proviso, if an allottee of such accommodation owns in the Union Territory of Delhi two or more dwelling houses, either in his own name or in the name of his wife or dependent child, which he has let out, he cannot recover possession of more than one of these dwelling houses but he has to select one of them and file an application under Section 14-A(1) in respect thereof only. If such a landlord cannot file an application under Section 14-A(1) when he owns two dwelling houses which have been let out by him, to recover possession of both these dwelling houses but can do so only in respect of one of them, he equally cannot file an application under Section 14-A (1) when he has let out one of such dwelling houses and the other dwelling house is available to him for his residence or when he has already moved into the other dwelling house.

17. Can such a person, however, file an application under Section 14-A(1) on the ground that a dwelling house owned by him either in his own name or in the name of his wife or dependent child and available for his residence is not reasonably suitable for his residential accommodation ? The answer to this question must also be in the negative. Section 14-A does not contain a condition that a person who has or had to vacate the accommodation allotted to him by the Central Government or any local authority by reason of a general or special order mentioned in Section 14-A(1) has "no other reasonably suitable residential accommodation" as clause (e) of the proviso to Section 14(1) does. Under Section 14-A (1) such allottee should have no other dwelling house which he owns either in his own name or in the name of his wife or dependent child for him to move into. If such dwelling house is not adequate or suitable for his residence, he must proceed under clause (e) of the proviso to Section 14(1). That this is only remedy open to him is clear from the provisions of Section 25-C. As we have seen, a landlord who desires to recover possession of premises on the ground specified in the said clause (e), which premises have been acquired by him by transfer, he

cannot under clause (6) of Section 14 file an application under the said clause (e) for a period of five years from the date of the acquisition of those premises by him. Further, such an applicant if he succeeds in getting an order of eviction is not entitled to obtain possession of the premises for a period of six months from the date of the eviction order. In the case of a landlord referred to in Section 14-A(1) these two conditions have been relaxed by Section 25-C. Under Section 25-C(1) even though the premises which have been let out by such landlord have been acquired by him by transfer, clause (6) of Section 14 does not apply to him and he does not have to wait for a period of five years or for any length of time before filing an application for the recovery of possession of such premises. Further, the period of six months during which the order of eviction cannot be executed under sub-section (7) of Section 14 is reduced by Section 25-C(2) in the case of such a landlord to two months. These provisions clearly show that if a landlord referred to in Section 14-A(1) has other residential accommodation of his own either in his own name or in the name of his wife or dependent child which accommodation is not reasonably suitable for his residence on proceed under Section 14-A (1) but must file an application on the ground specified in clause (e) of the proviso to Section 14(1). The Rent Controller was, therefore, in error in considering the respective needs of the parties and the suitability of accommodation occupied by the respondent.

18. To summarize our conclusions :

(1) It is not necessary that a person in occupation of residential premises allotted to him by the Central Government or a local authority who is required by or in pursuance of a general or special order made by that Government or authority to vacate such accommodation or, in default, to incur certain obligations, such a payment of market rent, on the ground that he owns in the Union Territory of Delhi a residential accommodation either in his own name or in the name of his wife or dependent child should be in occupation of the accommodation allotted to him on the date when he files an eviction application under Section 14-A(1) of the Delhi Rent Control Act, 1958, to recover possession of the residential premises which he so owns and which has been let by him.

(2) If such person has, however, other premises which he owns either in his own name or in the name of his wife or dependent child which are available to him for his residential accommodation or into which he has already moved, he cannot maintain an application under Section 14-A(1) of the Act.

(3) Even if the other premises owned by him either in his own name or in the name of his wife or dependent child are not reasonably suitable for his accommodation, he cannot maintain an application under Section 14-A(1) but must file an application on the ground specified in clause (e) of the proviso to sub-section (1) of Section 14 of the Act.

19. In the result, this appeal must succeed. We accordingly allow this appeal and reverse the order of the Delhi High Court dismissing Civil Revision Petition 854 of 1981 filed by the appellant and allow the said revision petition and dismiss the Eviction Suit E-798 of 1976 filed by the respondent in the Court of the Rent Controller, Delhi.

20. The respondent will pay to the appellant the costs of this appeal which we quantify at Rs. 800.

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