C.B. (II) No. 75

LOK SABHA

22/12/58

THE JOINT COMMITTEE ON THE DELHI RENT CONTROL BILL, 1958

EVIDENCE

LOK SABHA SECRETARIAT
NEW DELHI
November, 1958

Price : 1·05

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WITNESSES EXAMINED

THE JOINT COMMITTEE ON THE DELHI RENT CONTROL BILL, 1958.

MINUTES OF EVIDENCE TAKEN BEFORE THE JOINT COMMITTEE ON THE DELHI RENT CONTROL BILL, 1958

Saturday, the 1st November, 1958 at 11.00 hours and again at 15.35 hours.

PRESENT

Shri Govind Ballabh Pant—*Chairman*

MEMBERS

Lok Sabha

2. Shri Radha Raman
3. Choudhry Brahm Perkash
4. Shri C. Krishnan Nair
5. Shri Naval Prabhakar
6. Shrimati Sucheta Kripalani
7. Shrimati Subhadra Joshi
8. Shri N. R. Ghosh
9. Shri Vutukuru Rami Reddy
10. Shri Kanhaiyalal Bharulal Malvia
11. Shri Krishna Chandra
12. Shri Kanhaiya Lal Balmiki
13. Shri Umrao Singh
14. Shri Kalika Singh
15. Shri T. R. Neswi
16. Shri Shivram Rango Rane
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23. Shri Shamrao Vishnu Parulekar
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28. Shri Subiman Ghose
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34. Shri Awadheshwar Prasad Sinha
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Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri K. K. Sundaram, *Asstt. Draftsman, Ministry of Law.*

REPRESENTATIVES OF MINISTRIES AND OTHER OFFICERS

Shri Hari Sharma, *Joint Secretary, Ministry of Home Affairs.*

Shri A. V. Venkatasubban, *Deputy Secretary, Ministry of Home Affairs.*

SECRETARIAT

Shri A. L. Rai—*Under Secretary.*

WITNESSES EXAMINED

I. CENTRAL TENANTS ASSOCIATION, NEW DELHI

Spokesmen:

1. Shri Brij Mohan
2. Shri Baldev Sharma
3. Shri Lal Chand Vatsa

II. DELHI PRADESH KIRAYADAR FEDERATION, DELHI

Spokesmen:

1. Shri Mahavir Prasad Gupta
2. Shri Naresh Chandra

III. HOUSE OWNERS' ASSOCIATION, DELHI & NEW DELHI

Spokesmen:

1. Shri Sobha Singh
2. Shri R. S. L. Girdharilalji Seth
3. Shri L. Jagdish Parshad
4. Shri R. L. Verma

I. CENTRAL TENANTS ASSOCIATION, NEW DELHI

Spokesmen:

1. Shri Brij Mohan
2. Shri Baldev Sharma
3. Shri Lal Chand Vatsa

(*Witnesses were called in and they took their seats.*)

Mr. Chairman: Is there any desire on the part of Members of the Joint Committee that the evidence should be given in English, or will it do if they speak in Hindi?

Shri N. R. Ghosh: It would be better if they speak in English.

Shri V. P. Nayar: We do not understand Hindi. It is better if they speak in English.

Mr. Chairman: All right.

Shri Lal Chand Vatsa: Firstly, we would like to say that we are much thankful to the people who have taken great pains in drafting this Bill.

Mr. Chairman: I think you are aware that your evidence may go before Parliament.

Shri Lal Chand Vatsa: We know that. This Bill has been extended to some areas with the provision that it can be extended to other areas also. Our submission is that it should be extended to all the thickly populated areas where the problem of eviction is there like the Municipal Area of South Delhi, the Notified Area of Mehrauli, the Notified Area of Narela etc. This Bill should be made applicable to those areas also from the very inception.

Mr. Chairman: The present Rent Control Act does not apply there.

Shri Lal Chand Vatsa: Why should those people be denied the advantages aimed at in this Bill? It is not advisable that we give some advantages to certain people and deny those advantages to certain others. My submission is that this should be made applicable to the thickly populated areas which we have mentioned in our memorandum.

Mr. Chairman: Are all these urban areas?

Shri Vatsa: These are all urban areas.

Then there is section 6 of the Rent Control Act.

Mr. Chairman: Of the Bill or of the existing Act?

Shri Vatsa: Of the Bill.

There are so many categories mentioned here. No. 1: premises which were let out and completed before 2nd of June, 1944. After that comes the premises which were completed after

2nd of June, 1944 and before 1951; then there are other premises which were let out after 1951 and before 9th of June 1955 and then again another category which were constructed after that. Either there should be no control at all or the Act should be effectively applied so that all people who want to be benefited can have that benefit. That was the intention of the Legislature and they have provided for it by the method of appointing Rent Controller so that the landlords and the tenants may go and immediately get the remedy they desire in the cheapest possible way.

The tenants for their part have been demanding that the interest allowed should be 6¼ per cent; the landlords have been demanding that the interest should be 12 per cent. Our demand is there. There is provision for this and once it is settled the people should get the remedy. My submission is that this classification into so many divisions will be of not much use. There should be only two classifications, as we have mentioned. No. 1: the premises which were let out to the tenants before the 1st of June, 1944, the standard rent for them should be the basic rent. Basic rent means the rent given by them on the 1st day of January, 1939 or the rent paid by any tenant on the first letting between the 1st day of January, 1939 and 1st June, 1944. Some enhancement as prescribed in the earlier Act of 1952 may be given and that may be fixed as the standard rent.

About other premises our submissions is that rent should be fixed on the basis of 6¼ per cent. I submit that there are innumerable difficulties. The onus now is upon the tenant—to prove what was the rent on first letting. The tenant does not know it. He might have shifted from Madras; he might have come from Bengal and he has to prove who was the first tenant. He has absolutely no information. Then he has no contacts to bring evidence before the Standard Rent Officer or before the judge and in the end we find that for his inability to prove this his application is dismissed.

Our first submission is that the provision wanting him to establish facts which existed long ago should go. It should be for the Rent Controller to know the period of the construction of the building, the cost of it, the rent of the land, etc., etc. There should not be so many classifications which deprive the tenant of the advantage of going to the court for having the advantages of the Act. There should be only one classification.

Then you will appreciate that it is the landlord who can give all the information. He knows who was the tenant; he knows who was the tenant next to him; he can tell you what was the rent he was charging from the tenants and other tenants. He can let you know what was the cost of construction of the building. He can also let you know what was the purchase price of the building. The onus should be specifically put on the landlord to prove what was the cost of construction and on the basis of that the standard rent may be fixed. To burden the tenant with it will be only snatching the right given to him. It is the landlord who is acquainted with all the facts of the case. Our submission therefore is that there should be only two classifications and the onus should be specifically upon the landlord. If he does not prove it the law should be allowed to take its own course. Then there is the Controller. He will fix the rent taking into account the circumstances of the case.

Then one thing remains. Exemption is given to certain buildings. Let there be exemption if people want it and also because there should be more accommodation available to the citizens of India. Why is it given now? It is being given as a sort of encouragement to the people to make constructions. But once the accommodation has been completed there is no justification why high rent should be charged, and there is no limitation at all. Where is the justification for giving exemption under the law as it stands now? Exemption was given in 1952. It was in section 39. The Act is before the hon. Members. What was the exemption? The building con-

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struction of which was completed after the 1st day of June, 1951 to the 9th of June, 1955 will be exempt from the operation of the provisions of rent control. This section was not unfortunately happily worded. What was wanted was the people should make constructions and charge higher rents so that it may be an encouragement to them. But the provision as it stood meant another thing. It meant that the rents will not be controlled. It meant that in addition to this the landlord will have a licence to evict the tenant any moment he likes. It meant that he can charge a *pugree*, because charging of *pugree* was an offence only under the Act of 1952 and the premises were exempt from the operation of the provisions of the Act of 1952. What they did was they charged heavy rents; they charged *pugree*; then they came forward and made an application before the court terminating the tenancy of the tenant and ejecting him. The tenant had no way open. This unfortunate wording of the Act meant great suffering to many people.

Our submission is that the exemption was given to premises completed between four years and 9 days, 1st of June, 1951 and 9th of June, 1955. Thereafter the buildings were again under the Control Act. What is being proposed is this that this sort of concession may be extended to those people who want to construct buildings. But there is a gap of three years. With regard to the buildings constructed after the 9th June, 1955 and before the commencement of this Act, those buildings have been completed. There is no question of encouragement to those people who have already constructed their buildings. Then why should those buildings be exempt from the operation of the Rent Control Act? This is treating different people on different levels. The man has constructed the building already. Why should this exemption be given to him? You will appreciate that with respect to those buildings that have already been completed there is absolutely no sense in exempting them from the operation of the Rent Control Act.

The next thing I wish to submit is this. After all, encouragement is to be given. But there should be a limit on each and everything. Encouragement does not mean that the landlord should charge fleecing rent. For instance, we float so many loans. If the current interest rate is 4 per cent, we say we will give five or six per cent. We never say we give you unlimited interest. That is not encouragement. That is rather a misuse of encouragement. What should be the rent fixed? If we demand 6½ per cent and if they want 12 per cent, a reasonable sort of thing based on the two demands will be fixed which will be a compromise. It will be a good amount. An amount which is fixed by consulting both the parties will not be an unjust amount. We can give them encouragement in this manner that between such and such time if a man constructs, he will be given extra interest of 3 or 4 per cent. Why this unlimited thing? The rent should not be at the whims of the landlord. That will badly affect the entire scheme of the Act. If a man is charged Rs. 100 rent on a building and another man near him occupying a similar building is charged Rs. 400 that will be bad.

Mr. Chairman: If you leave aside illustrations and be concise we can save time.

Shri Lal Chand Vatsa: My submission is, if at all encouragement is to be given there should also be a ceiling fixed upon that. As this Committee considers fit there should be a ceiling put upon it and it should not be an unlimited one.

Then I would like to come to clause 12. But before that I would like to refer to the proviso to sub-clause (6) of clause 9. Under this clause powers have been given to the Rent Controller to fix the standard rent, but his hands are tied down by this proviso which says:

"Provided that in no case the date so specified shall be earlier

than one year prior to the date of the filing of the application for the fixation of the standard rent."

In this connection I would like to draw the attention of the hon. Members of the Committee to clauses 4 and 5. Clause 4 says:

"Except where rent is liable to periodical increase by virtue of an agreement entered into before the 1st day of January, 1939, no tenant shall, notwithstanding any agreement to the contrary, be liable to pay to his landlord for the occupation of any premises any amount in excess of the standard rent of the premises, unless such amount is a lawful increase of the standard rent in accordance with the provisions of this Act."

So it is amply clear that the tenant is not liable to pay more than the standard rent, whatever the standard rent be. Legally, anything more than the standard rent cannot be charged from him. And then, sub-clause (2) of clause 4 says:

"Subject to the provisions of sub-section (1), any agreement for the payment of rent in excess of the standard rent shall be null and void and shall be construed as if it were an agreement for the payment of the standard rent only."

And then, clause 5 says:

"Subject to the provisions of this Act, no person shall claim or receive any rent in excess of the standard rent, notwithstanding any agreement to the contrary."

So the law is very clear. No. 1, the tenant is not liable to pay more than the standard rent. No. 2, the landlord is not entitled to charge more than the standard rent. And if at all there is an agreement it is null and void, it is a nullity and cannot be looked upon by the courts. When this provision is there, if I have paid a rent which was not legally chargeable from me, or if I have not paid that rent which is not legally chargeable from me, why should I be compelled to pay that rent for a particular period? Suppose I owe two years' rent to my landlord, or three years' rent on application for fixation of standard rent. Under the provision here the date of the application of the standard rent should be only one year, not three years, before the date of filing of the application. Under clauses 4 and 5 it was not legally chargeable. Whatever agreement I might have made with the landlord was not enforceable in law; it is null and void. My submission is that this proviso should go and unfettered powers should be given to the Rent Controller to fix the date—but not less than one year, it may be provided. I do not mind that: it should be at least for the last one year. I am referring to the proviso to sub-clause (6) of clause 9. The power should be given to the Rent Controller and he should fix the rent from any date.

Then there is another thing. In fact, the legal position will be like this. Today the rent is fixed at Rs. 90. Whatever was paid by me previously was not a legally recoverable thing, because the agreement was null and void. This means that I can go to the court and ask for a refund of the three years' rent. This is just to give the opportunity for litigation to the parties. So my submission is that this proviso should go and the Rent Controller should be given unfettered powers to do this. Particularly, if a tenant applies, then the rent should be fixed from the date of his tenancy. If at all the others are not to be benefited, it should be fixed from the date of his tenancy.

The next one is clause 12. As I have submitted, in accordance with clauses 4 and 5 there should be no limitation for the application for fixation of standard rent. The simple question that will be put to me will be: why this thing when limitations are put in every case? My submission is that to charge more than the standard rent is an offence under clause 47, and the landlord can be sent to jail for three months. It is an offence. After a particular period an offence does not cease to be an offence. It remains an offence. If there is a continuous offence, there is a continuous cause of

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action and everybody can go and knock at the door of the court and say "my rent should be fixed". This rent is not legally chargeable. This limitation under the circumstances is most unjust.

Another thing is this. What happens is that when I go to a landlord and say "give me the house", he will say "All right, Mr. Vatsa, I am giving you the house, but the receipt issued to you will be one year prior to the date of the tenancy". This is a very ordinary thing which they can do. Today they are doing it. Under the present Act the limitation is six months. The landlord says, "All right, you become a tenant, but not from today but from six months earlier." And the limitation is exhausted. The same thing they will do now. They will give one year's prior date and then I am out of court and I cannot make an application for fixation of standard rent. People will ask me, "Why do you accept a receipt of that sort?" But my submission is that my luggage is on the road, my children are on the road, what shall I do?" So we are compelled to accept certain terms. Therefore, for a thing which is an offence, no limitation should be fixed.

I will advance another argument against this limitation. Even though this limitation exists, there is another way by which the rent can be fixed, and that is under clause 14. What happens is this. If a tenant does not give rent, after one year he has got no right to make an application for fixation of standard rent. But he resorts to another remedy. The remedy is that he does not pay the rent. Then what happens? The landlord files a suit for the recovery of rent. But then it is open to the tenant to submit under clauses 4 and 5 that any agreement to pay more than the standard rent is null and void and, therefore, the standard rent should be fixed. So, the provision as it stands, permits underhand dealings and back-door methods. This will, in effect, make the relationship between the tenant and the landlord much worse. He will not pay the rent and when the suit is filed by the landlord ask for the fixation of standard rent. So, there is absolutely no necessity for such a provision. When you give a concession, it is given for ever, particularly when the cause of action is for ever. So, my submission is that under the circumstances this limitation should go.

Then I come to clause 14, where the grounds for ejectment are mentioned. The very first principle that has been accepted is that ejectment is an exception and not a rule. Ejectment is not to be granted until certain conditions given in the section are fulfilled. My first submission is about subletting. If before the commencement of this Act the whole certain premises have been sublet by a tenant to a sub-tenant and if the sub-tenant goes and makes an application to the Rent Controller within one year of the commencement of this Act, then he would be regularised as a tenant directly under the landlord. If the tenant has sublet the whole of the premises, then let the sub-tenant come directly under the landlord. But if a part of the premises is sub-let then there is no reason why the one tenant should have more rights than the other tenant. Therefore, my submission is that in sub-clause (3) of clause 17, after the word "whole" the words "or part of the" may be added. Then, when a tenant has sub-let his premises, whether in whole or in part, the sub-tenant will make an application and then he will come directly under the landlord as a tentant.

Then I come to clause 14(b)(i), which says:

> "if the premises have been let out after the 15th day of April, 1952, without obtaining the consent in writing of the landlord;"

In that case he can be ejected. I want to know why the oral agreement has been discarded like this. We have to see the difficulties of the tenant. Suppose I go to a landlord and say "that house may be given to

me." He will reply: "I am prepared to give it to you, but not in your name; I will give it in the name of Shri Brij Mohan, who is a more respectable man." I am very badly in need of accommodation. So, I have no alternative except to take possession of the house from Shri Brij Mohan, though he does not come into the picture at all. And if the landlord is displeased with me, he files a suit against Shri Brij Mohan and ejects me. There are innumerable such cases. That is No. 1.

Then, two people are prepared to take a portion each of the house on rent. Though I am prepared to take one myself, a tenancy will be created in Shri Brij Mohan's name. After one year, the landlord files a suit and both Shri Brij Mohan and myself are ejected. This has actually happened.

Thirdly, some brothers are living together in the same house. Though they are living together the names of all the brothers are not included in the receipt. It may even be in the name of the father. Then the landlord complains that the father has sub-let the house to his son or the husband has sub-let it to his wife. In that way, there is victimisation. Here I am not trying to protect those tenants who purposely want to defeat the object of this Bill. We have absolutely no sympathy for them. They are worse than even the landlord. My only submission is that if the landlord tries to eject a tentant under this provision he should get no sympathy from the court. So I suggest that the words "in writing" should go. If there is sub-letting and if the Rent Controller comes to the conclusion that it is against the law, then the tenant should be ejected; not otherwise. What now happens is that receipts are not issued in the name of the tenant but some other person. Then the landlord files a suit in the name of the fictitious person, saying that he is the tenant. He goes to a court of law and gets a compromise decree against the tenant and ejects the real tenant who was in possession of the premises. In that way, the real tenant is turned out and the man against whom the suit was filed never occupies the premises. Of course, now some protection is being given under the Slum Areas Clearance Act under which the competent authority goes and make enquiries on the spot. Therefore, my submission is that the term "in writing", which is dangerous, should go. It will create troubles and will undo most of the benefits given under the Rent Control Act.

Similarly, in sub-clause (c) also the words "in writing" should go. The landlord should be vigilant enough in these matters. If, for instance, he finds that I have sub-let a portion of my house he should immediately ask me to vacate the house on that ground. So, the term "in writing" should not be there.

It is the same with regard to misuse of premises. If I take a premises on rent running my office and from the first day of the tenancy I run my office, then the landlord should not come and say that it was let out for residential purposes. There are many things like that. There words 'In writing' should be omitted.

I now come to sub-clause (d). A limit of six months is fixed. We are not against the principle. If a house remains unoccupied, it is for the benefit of the tenant that the house should be vacated and should be given to another person who will be a tenant. But there are various circumstances. I may be away for six months and one day or for seven months. Even then, I wil be evicted. There should be some discretion given to the Controller in this connection.

Sub-clause (e) is the most controversial clause. The premises let off for residential purposes are *bona fide* required by the landlord for occupation required by the landlord for himself, 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 suitable accommodation. Previously, the ground was that either he needed it for himself or for his family. The word

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'family' has been omitted and for that we are thankful. There are many fictitious sales. There are sales for the sake of ejection. I sell my house to Shri Brij Mohan and he gets ejection on the ground of *bona fide* necessity and he lets it out to C and when he wants to eject C, he sells to another person and it goes on. Thus, most of the tenants are ousted.

Secondly, the tenant does not know the landlord; he comes from Shadhara. He does not know who are his family members or where he lives and what his accommodation is. He lives in Karol Bagh and so he does not know about the landlord much. The landlord comes and says that he has no accommodation and so he wants the house for him. All sorts of decrees are easily passed in the most undeserving cases. For that check is provided in the Slum Clearance Act. There, the competent authority goes to the site. But here there are these practical difficulties and the tenants are turned out from their houses. There should be no difference between a citizen and another. If there is difficulty, both the persons should share that difficulty equally. The landlord should not be given a preferential treatment. If he wants accommodation, he should find out some other accommodation. That is our main demand.

If, unfortunately, that is not accepted, at least these fictitious sales should be omitted. I beg to draw the attention of the Committee to section 9 of the Rent Control Act of 1947 where also this *bona fide* necessity was mentioned. It reads:

> "that purely residential premises are required *bona fide* by the landlord who is the owner of such premises for occupation as residence for himself or for his family and that neither he is owner nor is he able to secure suitable accommodation and that he acquired interest in the premises on a date prior to the beginning of the tenancy or the 2nd day of June, 1949, whichever is later....."

So many limitations are put upon him under a similar clause under the 1947 Act. He was to prove that he tried to find out situable accommodation but he was unable to find one. It was not left to his whim; it was a duty cast upon him to find out accommodation and only when he could prove that he could not find any accommodation in spite of his best efforts. Would that be allowed?

There was also another riding clause: that the premises were let out to the tenant before the purchase. In such cases, you would appreciate that if I want the house, I should make a positive case. The court will ask me: why did you let it out if you needed it? It was difficult for the landlords and only in real and genuine cases, he could get *bona fide* eviction. There is no such riding clause here.

The people who purchase house for the sake of ejecting tenants could not benefit and the people who were living could be safe from these people because there was a three years' limit. A limitation was put at the purchase and selling. But here is no limitation on selling. If he is not able to let it out to others, he will sell the house and the purchaser will get him evicted. Its value will enhance by a few thousands if he sells it like that. My submission is that all these things should be shown to the Court. At least 10 years should be the period. A new purchaser should not be allowed to get a tenant evicted. There should be this limitation in addition to other limitations which the hon. Members of Parliament may put. Most people are evicted on this ground.

I now come to clause 14(j). It reads:

> "that the tenant has....on which the premises are situate".

Under this clause ejection can be granted on two grounds. One is, if a substantial damage has been caused or permitted to be caused, it is permitted. One cannot allow a person to spoil. But my submission is that if a

damage has been caused and the damage can be compensated by paying money and the man who has done the mischief pays the money along with the penalty imposed by the controller, why should his family be made to suffer? A damage compensated remains no damage. So, I submit that a rider should be added to this clause.

Before 1947, there were only three or four clauses for the ejection of the tenants. They were contained in the 1949 Ordinance and the 1944 Act.

That should also be considered. The tendency should always be to decrease the grounds of ejectment and not to increase it. There should be two separate clauses for this purpose. My submission is that the conditions stipulated are known to the landlords and not to the tenants. Why should the tenants be penalised? That is my point. If, from the circumstances, it is clear that the landlord lets out the premises against the conditions laid down, then, there is no justification for this action. There are many cases where 90 per cent of the premises given out for residential accommodation have been let out for running shops. The reason is that the landlords get fat rents by letting their premises out for running shops. If it is proved that the premises have been let out by the landlords against the conditions stipulated in this regard, then, the tenant should not be ejected. This is a simple request. If the landlords let out their premises, they should suffer the consequences.

I now come to sub-section (2) of section 14. If a notice has been served upon the tenant and if he does not pay the arrears of rent within one month from the date of the notice, he is to be ejected. That is the provision. But shelter is given under sub-section (2). If the man pays the rent in court and also the cost of the suit on the first day of hearing, he shall not be ejected. Our submission is that, in cases where the Controller has to fix the standard rent, why should the tenant be made to deposit the entire rent and the cost of the suit? There is no justification to compel him to pay the cost. We are thankful that our demand has been acceded to in this respect. But there is the proviso that if once the rent is fixed and if afterwards the rent is not paid in three months, the tenant will be ejected. This, I would like to submit, is a very injurious clause. Sometimes the tenant may pay the amount by money order and the money order may be returned to him as the addressee was not available. If he has to bear the entire cost of the suit, the burden on him will be very great. Under the Civil Procedure Code, if one makes a frivolous claim, he is not sent to jail but he is burdened with some compensatory cost. In this case, if the tenant makes a default he should be burdened with compensation. He should not be ejected. Ejection should be an exception and it should not be a rule. That is my point.

Sub-section (4) of clause 14 provides that the Controller may presume that the premises have been sub-let in certain cases. This is a very extraordinary right. I may enter into a partnership with another man, and yet, I would be termed as having sub-let the premises. So, this presumption should not be there. I will not be able to satisfy the Court about such partnership.

A fictitious thing is a fictitious thing and cannot become real. This presumption is very hard, and by this many people will be badly affected. The power should be there: we do not deny the principle of it. But these presumptions should go.

Then there is the sub-clause where if a tenant is to be changed on the ground of *bona fide* necessity 6 months is granted to the tenant. It may be considered whether this provision should be there, and if it is to be retained the period may not be enhanced.

Then I come to clause 15, sub-clause 5. If a frivolous plea is raised, as is raised in many cases the Controller is given the power to order the defence against eviction to be stuck out and proceed with the hearing of the appli-

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cation. In this instance the landlord has not suffered, because I have deposited the rent in court as directed by the Rent Controller. I have gone on depositing except that I have said that it should not be given to A, B or C, because I do not know to whom it should be actually given. Even if by chance the plea turns out to be frivolous the rent is there. Nobody has suffered. At the most what should be done is that some compensation should be allowed. This provision should be deleted, but if it is to be retained it should be done in the form that if it turns out to be frivolous then the Rent Controller may impose such penalty against the tenant as he likes.

Clauses 16 and 17: We have made our points clear. We have said that all sub-letting should be regularised in terms of sub-clause (3) of clause 17, the principle of which has been accepted and after that if there is sub-letting permission in writing should not be there.

There are three grounds: building, rebuilding and repairs. Many safeguards are given to the tenants in sub-clause (3) of section 19, which says:

> "If after the tenant has delivered possession on or before the date specified in the order, the landlord fails to commence the work of repairs or building or rebuilding within one month of the specified date or fails to complete the work in a reasonable time etc., etc."

The Controller should be empowered to fix the "reasonable time." The term "reasonable time" is vague. If hon. Members so choose, they can also have discretion to the Controller to enhance the reasonable time. But some time should be fixed. Otherwise the tenant can be got rid of on this ground. All landlords feel that once a tenant is ejected he would take shelter somewhere else and there is no chance of his coming back to his house. So, a decree should not be granted; he should just be asked to have alternative accommodation for a particular period. His difficulty also should be taken into account. If I ask a friend of mine to give me accommodation for a few days, he may oblige me for a short period, but I should not abuse it. There should be some provision to see that the landlord does not evade it and the term "reasonable time" should be specified.

Clause 21: This gives another ground of ejectment. Many big corporate bodies own properties which they let out. They can construct other houses and let it out to their employees. If I let out my premises to my employee I can get it back from him when he leaves my employment. So, if they want accommodation for their employees they should make their own constructions. That will give encouragement to building activity. It is the obligation of big employers to provide housing for their employees. In this way they will be enabled to make constructions.

Clause 23: According to this provision the landlord may be permitted to construct upon a vacant land and the rent may be adjusted by the Controller. My submission is that if such a thing happens, then the election should be given to the tenant to have the house if he wants. The first right should be given to him. If there is a big plot of land and that plot is severed and a new construction is about to be made, and if it is to be let out to others, I should be given a preferential right to have it myself.

Then I come straightway to clause 43—we are not concerned with the other clauses dealing with hotels etc. The duty is cast upon the landlord and every landlord shall be bound to keep the premises in good and tenantable repairs. This is the intention of the Act that the landlord should keep the premises in tenantable repair, because the property is his which is benefited and the tenant should not be burdened with this. But the exception attached to it is such that it will undo the very purpose of this clause. The exception is as follows: "except in cases where the tenant has undertaken by agreement to keep the

premises in repairs". You will also appreciate that no landlord will be there who will not make this agreement. At the time of the tenancy every tenant will be compelled and he will give in writing that he will repair it, and the benefit that the legislation intends to give him will not be there. My submission is that this exception should go and it should just remain: "Every landlord shall be bound to keep the premises in good and tenantable repairs", because otherwise there will be no purpose of this clause, and the landlord will charge for the repairs and the tenant will have to pay. Even if there is an agreement between me and the landlord that I will keep it in tenantable condition, I will not be legally made to repair it. So this is a redundant exception and it should be deleted in the best interests of the relationship between the landlord and the tenant and in the best interests of the upkeep of the property in fit and tenantable condition.

Then there is clause 44. Sub-clause (1) says:

> "No landlord either himself or through any person purporting to act on his behalf shall without just or sufficient cause cut off or withhold any essential supply or service enjoyed by the tenant in respect of the premises let to him."

This is good, but there is another method which some people adopt. What they do is this. They do not pay the electric and water charges, and the Municipal Committee comes and disconnects the water and the Electricity Board people come and disconnect the electricity. And the tenant is without water and electricity, and no proceedings can be taken against the landlord. And then, suppose there are five tenants. Four tenants pay and one man does not pay. The whole electricity is gone. He gets it done by the Municipal Committee or by the Electricity Board and no action can be taken against him. Our submission is this. The principle is there: if he cuts the supply or gets it withheld through some other person and it is proved that he has got it done, then he should be penalised. This is for the court. If I prove it then he will be penalised; if I do not prove it then he will go. In many cases it happens that he does not pay the electric charges to the Electricity people. So that should be kept in mind. Our submission is that the tenants will be unable to get the benefit of this provision, because if my electricity is withheld, I am a poor man, I shall have to go and file a complaint in the court of law. Firstly, in order to get the landlord punished under the previous section 44 and the present clause 47 I have to go to a criminal court of law and file a complaint. That would at least cost me Rs. 50. No tenant can easily pay it. No. 2 is, at the same time my electricity is cut and I have to go to a civil court for an injunction to get the restoration of electricity. This means at least another Rs. 50. In fact most of the tenants suffer and they remain without water or electricity in spite of all these provisions. So some provision should be made like this. If it is agreed that this cutting of electricity and water or withholding essential supplies is a very heinous offence, it should be made a cognizable offence; I should make a complaint to the police people and if they find it is true they will chalaan the man and I will be saved from botheration, and if he is guilty he will be punished. There are many offences which are cognizable offences. This should also be made a cognizable offence. There are two kinds of offences. One is a cognizable offence. Cognizable means that the police can take notice of it and...

Mr. Chairman: You may assume that hon. Members know it.

Shri Lal Chand Vatsa: I am sorry Sir, I thought I should explain....

Shri V. P. Nayar: Thank you for teaching us!

Shri Lal Chand Vatsa: One thing more. If a man has to go to the Rent Controller for restoration of electricity, at least one thing can be

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easily done, namely that criminal punishment may also be awarded by the Rent Controller. Otherwise there will be two series: I will have to go to the Rent Controller and prove that my electricity has been withheld, and I have to go to the criminal court to get that man punished. The other point here is that there may be two judgments of two different courts, one saying that there is an offence and the other saying that there is no offence. There may be two different versions of judgments on the same matter. So my submission is that the Rent Controller may be given the powers and if he comes to the conclusion that the landlord has withheld the supply, now his power is that he can impose a penalty of Rs. 50; my submission is that he should send him to the jail also. Civil Courts have powers to send people to the jail. So that point may be considered in the best way that hon. Members consider fit.

This is what we have to submit, and I am very thankful for this opportunity that has been afforded to us to appear before the Committee.

Mr. Chairman: Thank you. Any question.

Some Members: We want to ask a few questions.

Mr. Chairman: You may now answer the questions that will be put to you by Members. You are free not to answer if you do not feel like answering.

Shri N. R. Ghosh: What do you think would be a fair return on the investment? If a landlord invests money in construction, what in your opinion should be a fair net return on it?

Shri Lal Chand Vatsa: We have mentioned it—6¼ per cent.

Shri Lal Chand Vatsa: Then it should be cost of construction and cost of land.

Mr. Chairman: This 6¼ per cent. return on the capital, does it, according to you, include depreciation etc.?

Shri Lal Chand Vatsa: That is the gross return. The net return under the 1952 Act was 7½ per cent.

Mr. Chairman: Then that is not the return, but total charges.

Shri Lal Chand Vatsa: Now house tax and property tax are being introduced. They must fall on the people who own the property. Otherwise, even the death duty will be passed on to the tenants.

Shri N. R. Ghosh: From your evidence it appears that you want that a tenant should have absolutely unhampered right of sub-letting.

Shri Lal Chand Vatsa: My submission is that the permission in writing should not be there because otherwise this provision will be misused.

Shri N. R. Ghosh: We will now consider the other side of the question. Suppose you actually sub-let without any consent and you put up the plea that you have got the consent and try to prove it by oral evidence?

Shri Lal Chand Vatsa: If I am able to prove it, then it is my right to remain there. If I am not able to prove it, I will go.

Shri N. R. Ghosh: What is your objection to having it in writing?

Mr. Chairman: I think he has given certain reasons.

Shri N. R. Ghosh: Do you think that actually there will be some difficulty on the part of the tenant to prove valid tender because in some cases the landlords take up the attitude that it was never validly tendered, when deposit is made, in spite of the fact that the money was actually tendered? Do you think that it would be better if you are allowed to pay the money by money order?

Shri Lal Chand Vatsa: What actually happens is that when we remit it by money order a report comes "left without address" or "out of station". Then there is no "refusal". He will say: "I was not there, so the money order was returned".

Shri N. R. Ghosh: Under the law the onus of valid tender is on you. Don't you think that it would be a better thing for you if the law provides that sending the money by money order to the proper address would be considered valid tender?

Shri Lal Chand Vatsa: If it is provided, we will welcome it.

Choudhry Brahm Perkash: I presume that you agree that by the reconstruction of the house and also by the repairs that you consider necessary the capital investment will increase. Therefore, do you think that the tenants will be able to pay that high rent which will be fixed because of the higher investment?

Shri Lal Chand Vatsa: We will not be able to pay. In such cases, I have already submitted, clause (g) will apply. Of course, there is difficulty in re-building. But, at the same time, if the buildings are in very bad conditions, they are to be repaired.

Choudhry Brahm Perkash: They are in a very bad condition. But if they are to be repaired, the rent will also include the cost of repairs. So, when that provision is there, the reconstruction will be on the market value of the land, which has increased very much.

Shri Lal Chand Vatsa: He should get a return on what he invested and not on what is the cost now. We should, in fixing the standard rent, take into account only the cost of construction and cost of the land.

Choudhry Brahm Perkash: The presumption is there that the capital cost of the new house will be calculated on the market price of the land.

Shri Lal Chand Vatsa: We have submitted that the cost of construction will mean the cost of construction and the cost of land.

Choudhry Brahm Perkash: At what rate will the cost of land be fixed?

Shri Lal Chand Vatsa: The cost at which he obtained it.

Choudhry Brahm Perkash: That must have been some 50 or 100 years ago. Today the market price is much more.

Shri Lal Chand Vatsa: He must get what he has spent.

Dr. Raj Bahadur Gour: The memorandum says "whichever is less".

Mr. Chairman: Are you arguing or giving a reply!

Shrimati Sucheta Kripalani: First of all, you are representing the Central Tenants' Association. But what you have stated goes much beyond the memorandum that you have submitted. Now are you going to give us a supplementary memorandum?

Shri Lal Chand Vatsa: We will give a supplementary memorandum.

Shrimati Sucheta Kripalani: On page 10 of the Bill you have stated that the proviso to clause (2) should be omitted. Then, do you presume that if the tenant defaults again and again the landlord should go to the court every time?

Shri Lal Chand Vatsa: There is another option. If the landlord suffers some loss, the tenant who neglects it may be burdened with it; but he should not be turned out. He may be a drunkard or a bad man. But because of this action, his wife and children will suffer.

Shrimati Sucheta Kripalani: We are very anxious to protect the right of the tenant. But there are certain tenants who deliberately indulge in such things.

Shri Lal Chand Vatsa: They should be burdened with compensatory cost.

Shrimati Sucheta Kripalani: Do you think that is adequate?

Shri Lal Chand Vatsa: Yes. The proviso says that if he makes default for the second time, he should be ejected. That should not be there. He should only be burdened with some extra cost.

Shri Onkar Nath: About default in the Bombay Act it is clearly provided that if it recurs within a particular time then the tenant will have no remedy. That provision is there to protect the landlords. We can fix a period of two years or so. I think that will serve the purpose.

Shri Lal Chand Vatsa: Ejectment should not be there.

Shri Onkar Nath: If he repeats the default within a certain period, say, within two years, then there must be some penalty.

Mr. Chairman: Why do you bring in the provision in the Bombay Act? It is much more complicated.

Shri Lal Chand Vatsa: If a man defaults he must be burdened with extra cost; but he should not be ejected.

Shri Onkar Nath: Suppose he repeats it within six months? Should it be treated in the same way as it happens after ten years?

Shri Lal Chand Vatsa: Some punishment can be imposed on him, but not eviction. That will satisfy the landlords also.

Mr. Chairman: I think he has given his answer.

Shri Lal Chand Vatsa: Ejectment should not be there.

Shri Onkar Nath: About subletting, if it is without the permission, according to the present Bill and the last Act, there is no limit to the time within which he can object to the sub-letting. It can be even after ten years. But suppose it is provided that the landlord can object to the sub-letting within one year and if he has not objected for one year it can be taken for granted that the permission is there, will it satisfy you?

Shri Lal Chand Vatsa: If permission is oral, it will be automatically presumed.

Shri Onkar Nath: At least there should be some time-limit—not one month only.

Shri Lal Chand Vatsa: I have put the burden on the tenant; he has to prove that the consent is there.

Shri Radha Raman: You have said that the provision here should be taken away and you have also suggested that if the idea is to encourage new building construction, there may be an extra three per cent or even 6½ per cent. Do you think that it will enable the landlord or a person who wants to construct a new building to go on with that and will be an encouragement? In many cases, you may be knowing, the amount is taken on interest from some companies or banks and the interest charges are 9 to 12 per cent. In spite of this will the three per cent be a suitable encouragement to persons who want to build new houses?

Shri Lal Chand Vatsa: Let it be four or even five per cent. But it is better not to keep it unlimited. What the Committee thinks to be a reasonable amount for encouragement may be kept but it should be limited.

Shri Radha Raman: Could we take it that it would be a reasonable ceiling?

Shri Lal Chand Vatsa: Yes. But there should not be favour shown to those buildings which have already been constructed before the commencement of this Act.

Choudhry Brahm Perkash: This extra concession of 3 or 4 per cent should be for a limited period or for ever?

Shri Lal Chand Vatsa: It is for a limited period.

Choudhry Brahm Perkash: Will it be in the paying capacity of the tenant?

Shri Lal Chand Vatsa: Naturally. The new tenants who will have these houses will have to pay; it will be within their paying capacity; they will pay a limited amount instead of an unlimited amount.

Shri C. K. Nair: There were some special concessions given to companies and corporate bodies like the local authorities.

Shri Lal Chand Vatsa: If the local authority is in a better position and if it wants to give concession to its employees, let it construct buildings.

Shri Subiman Ghose: Should there not be a time-limit for the standard rent? Will an offence remain an offence for all times to come? I would give you an instance. Take the Sarada Act. A minor is married and it is an offence. It remains an offence for one year. After that you cannot charge him because it ceases to be an offence. A small house-owner frames his budget on this rent. Do you mean to say that this Democles' Sword of limitless time should be hanging upon him for all times?

Shri Lal Chand Vatsa: Section 14 says that if there is a suit for ejection on the ground of non-payment of rent to the Controller he will fix the standard rent again.

Shri Subiman Ghose: I am talking about the time-limit. He forfeits his right.

Shri Lal Chand Vatsa: In defence one can take any plea; there is no limitation for defence. For instance, I do not file a suit against you within three years. If you file a suit against me for recovery of certain amount, I can say that my amount is due from this gentleman.

Shri Subiman Ghose: You have already forfeited that right.

Shri Lal Chand Vatsa: The right forfeited is this: making application before the Controller. I can take up that plea in defence.

Shri Subiman Ghose: You say that the purchaser should not be given the right of eviction. Do you mean to say that it will be a comprehensive one and even if the tenant misuses the house, the purchaser cannot evict him.

Shri Lal Chand Vatsa: On the ground of non-payment of rent alone—not on other grounds.

Dr. Raj Bahadur Gour: You have said that it must include the Municipality of South Delhi, Notified Area of Mehrauli, Notified area of Narela and the Notified Area of Najafgarh within the scope of this Bill. Will the term 'area under Delhi Municipal Corporation except the areas under the Rural Area Committee' cover the entire area you suggest?

Shri Lal Chand Vatsa: That will be good. I am not very much aware of the areas covered by that definition. The urban areas should be covered; that is my point.

Dr. Raj Bahadur Gour: You were saying that 'written' permission should not be there. But section 13(b) of the old Act makes it obligatory on you that any sub-tenancy after the commencement of that Act must be with the written consent. That leads to a presumption that any sub-letting has been done with the written consent after the enforcement of the 1952 Act. How do you then object to this clause here? We presume that you have been sub-letting the portions of your residence with the consent of these people after the enforcement of the Act.

Shri Lal Chand Vatsa: We have seen this word 'in writing' in the old Act; but we have realised the practical difficulties. It has caused havoc.

Dr. Raj Bahadur Gour: Is it your contention that even after the 1952 Act, you have got sub-tenants without getting the consent in writing?

Shri Lal Chand Vatsa: There are many with the permission. It is primarily a question of proof. If it is proved, then, what is the objection? If it is proved, then, there won't be any difficulty.

Dr. Raj Bahadur Gour: Are you satisfied with sub-clauses (a) and (b) that the arrears should be paid within one month from the date on which a notice of demand for the arrears of rent has been served on the tenant?

Shri Lal Chand Vatsa: I was talking about section 15. Rent will be fixed by the Controller.

Shri V. P. Nayar: Do you consider that one-month period is sufficient to protect the interest of the tenant as against the landlord?

Shri Lal Chand Vatsa: I know I must pay the rent. I am satisfied.

Dr. Raj Bahadur Gour: Suppose the tenant pays the amount to the Controller himself by money order. Is it not all right?

Shri Lal Chand Vatsa: There are certain circumstances where he cannot pay. I was pointing out about that. I understand that he will be penalised for not sending the money. If he is unable to pay, he should be penalised by way of cost and not by way of ejectment.

Dr. Raj Bahadur Gour: How have you arrived at the 6½ per cent figure?

Shri Baldev Sharma: If anyone deposits money in a bank he will not get more than three or three and a half per cent as interest. When the Government gives loans for construction of houses, the rate of interest charged is not more than four or four and a half per cent. If Government invests money in the housing industry at this particular rate of four and a half per cent, there is no objection if the other party charges six and a half per cent to pay for the taxes and other things. On that basis we have worked out the figure. If the rate is fixed at six and a half per cent, it would be reasonable.

Sardar Iqbal Singh: How much will be paid for house rent?

Shri Baldev Sharma: 10% is the house rent and that is fixed. You have got the profession tax and other taxes. If a particular industry is allowed to get much more interest or return on the property, it will affect other industries also. We should not give a long rope regarding this housing industry because that will affect other industries also. I don't know whether I have clearly stated my point of view.

Mr. Chairman: You have stated your point of view.

Dr. W. S. Barlingay: Government must give the house owners sufficient incentive to build houses.

Shri Lal Chand Vatsa: That is being given. They could charge unlimited rent for four years . . .

Dr. W. S. Barlingay: With reference to sections 43 and 44, will it not be better if there is direct relationship between the tenant and the body which supplies electricity?

Shri Lal Chand Vatsa: Yes.

Mr. Chairman: There is a provision that the tenant himself may have direct connection.... *(Interruptions)* Not here, but somewhere else.

Dr. W. S. Barlingay: Under Section 43, would it not be better if the responsibility for carrying out the repairs is placed squarely on the tenant rather than on the landlord?

Shri Baldev Sharma: It is the responsibility of the owner to carry out the repairs.

Shri Subiman Ghose: Under the Transfer of Property Act, no obligation could be placed upon the tenant so far as repairs are concerned.

Shri Baldev Sharma: Every tenant is of course entitled to spend some amount on repair. He can spend one month's rent on repair.

Shri Kalika Singh: On page 6 of your memorandum you say that "the ground of bonafide requirements of the landlord has been most exploited

by the owners. Fictitious and bogus transfers have been made simply to eject the tenants. This provision has been most unjust". Would it not meet your requirement if a provision is made in this Bill that before a suit is filed on this ground, the permission of the Rent Controller should be obtained? And it will be for the Rent Controller or some other authority to examine all the points and see whether permission should be given or not.

Shri Lal Chand Vatsa: Then we shall have to give certain angles and he should weigh the question from such and such an angle. That you can provide here.

Shri Parulekar: In regard to the sub-clause which deals with the right of the landlord to increase rent when the premises have been sub-let, it is said that the rent can be increased by 25 per cent. What do you think will be the effect of this provision? What is your attitude towards it?

Shri Lal Chand Vatsa: Our submission is that then he will regularise the sub-tenancy. The consent will be there.

Shri Parulekar: It will create bogus tenants and the sub-tenants will be required to pay much more than the standard rent prescribed.

Shri Lal Chand Vatsa: I have got large accommotation in which another tenant can be accommodated. It will give impetus to the landlord also.

Shri Parulekar: Both the tenant and the landlord will be making profit.

Shri Lal Chand Vatsa: If I sub-let it to the tenant it is my responsibility to pay the entire rent to the landlord. The difficulties which will arise in recovering the rent from the sub-tenant are mine. If the man runs away I have to pay the whole rent. On account of that consideration I may be getting one or two rupees more.

Shri V. P. Nayar: When you said that consent should be proved even when it is not in writing, don't you think it will create difficulties?

Shri Lal Chand Vatsa: We find that in innumerable cases it can be proved by the sub-lettees.

Shri V. P. Nayar: Sub-letting with consent you want to prove against the landlord without anything in writing. Don't you think it will lead to difficulties?

Shri Lal Chand Vatsa: It is for the tenant to prove. If he does not he goes. What I prove is this: that the landlord has been coming to the premises every month, getting rent from Lalchand instead of from Brij Mohan in whose name the receipts are issued. If I prove that for one year I have been signing the counterfoils and I have been paying the rent by cheque that will be proved. If I prove that Brij Mohan never took the premises on rent and it was I who occupied on the 1st day of letting and I have been occupying it for there or four years, it will be proved. If I prove that I and Brij Mohan have been living from the 1st day of the commencement of the tenancy it will be proved.

Shri V. P. Nayar: That proves everything except consent of the landlord. Let me put it as a practical difficulty. You and Brij Mohan live together and if you go on paying the rent even without the knowledge of the owner, how do you prove it against the owner?

I want to safeguard the interest of the tenant. As a lawyer I find it extremely difficult to prove the consent of somebody without anything in writing.

Shri Lal Chand Vatsa: The difficulty of the landlord also is there. All right it may be removed; I accept it.

Shri V. P. Nayar: The second point on which I would like to get a clarification is this. You said something about exemptions. Would you be satisfied if exemptions are given only in so far as rent is concerned.

Shri Lal Chand Vatsa: Now this difficulty was realised. Previously they were exampt from the operations of all the provisions of the Act. Now that exemption is only for charging rent. My point is that exemption should not be given to building constructed after June 1955. This unli-

mited charging of rent should not be allowed; ceilings should be fixed?

Shri V. P. Nayar: You were referring to frivolous complaints being made and the penalty for it. Supposing similar frivolous pleas are made by landlords what would you suggest for it?

Shri Lal Chand Vatsa: There should be similar provisions for them also.

Shri V. P. Nayar: In regard to sub-clause (2) of clause 14, owing to a variety of reasons one month's notice would be completely inadequate for the payment not merely of the current rent but also of the dues. What would you suggest the period to be? For example, a government servant who has not received his last pay certificate will get his pay three months hence.

Shri Lal Chand Vatsa: We will be very happy if it is increased. If he does not pay within one month then he shall have to pay within the time given by the Rent Controller. If I don't pay within one month what happens is that the court gives me another date keeping in view my difficulties.

Shri V. P. Nayar: Why don't you suggest the period within which, a reasonable period within which, all dues should be paid. There are obvious difficulties in the payment of dues within a month.

Shri Lal Chand Vatsa: It may be made six months and should also be made payable in instalments.

Dr. Raj Bahadur Gour: In your memorandum (page 7 last para) you have made a suggestion for renting out premises through the Controller. Do you mean to say that by that the pugree system and also the exorbitant rent charged will be done away with?

Shri Lal Chand Vatsa: Moreover there will not be an impetus to the landlord to get the tenants changed—when he knows he is not the final authority to let it out.

Mr. Chairman: Well, have you any idea as to the number of houses that have been tenanted in Delhi?

Shri Lal Chand Vatsa: No.

Mr. Chairman: Have you any idea of the number of tenants we have?

Shri Baldev Sharma: 80 per cent of the population of Delhi consists of tenants.

Mr. Chairman: I am asking of the number.

Shri Baldev Sharma: We have not calculated it.

Mr. Chairman: And the number of ejection suits that are filed yearly?

Shri Lal Chand Vatsa: We know that the litigation in Delhi courts is 70—80 per cent for ejections. The landlords have said that. We do not know whether it is correct.

Mr. Chairman: One of the ejections, what proportion do you think is on the ground of the needs of the proprietor?

Shri Lal Chand Vatsa: About 50 per cent of the cases are on this ground. In Delhi we find this ground is the only ground which will prove.

Mr. Chairman: And what proportion on account of sub-letting?

Shri Lal Chand Vatsa: Then comes sub-letting. That comes to 20—25 per cent.

Mr. Chairman: And non-payment of rent?

Shri Lal Chand Vatsa: That also comes to, say, 10 per cent.

Mr. Chairman: Suppose 50 per cent or more of the suits were for non-payment of rent and only 16 or 15 per cent for sub-letting and 15 or 16 per cent for the needs of the proprietor. Suppose these were the facts. Would they have any bearing on your proposals? Because you have made them on the assumption that only 10 per cent of the suits are on account of non-payment of rent, and the number of suits that are filed for ejection on the ground that the houseowner needs the premises for himself is enormous, that is it

forms a very high proportion. Suppose the reverse were the case. How does it affect your argument?

Shri Lal Chand Vatsa: My humble submission is that section 13(5) of the Act was very technical. There a power is given to the court to order the tenant to deposit, month by month, the rent by the 15th of the next month. Sometimes, unfortunately, when one forgets and deposits it on the 16th, his defence was struck out. Similarly, if a technical delay was caused.....

Mr. Chairman: I am speaking to you about suits for ejectment on the ground of non-payment of rent.

Shri Lal Chand Vatsa: What I am saying is that was caused not because of any incapacity or unwillingness on his part.

Mr. Chairman: I am concerned only with the number. Anyway you have no idea about these things.

Have you any idea as to the rent that a tenant has to pay for a new house to-day?

Shri Lal Chand Vatsa: Yes, Sir.

Mr. Chairman: What would be the percentage on the investment? Suppose there was no control.

Shri Lal Chand Vatsa: Now the rent is charged at Rs. 30 for one room.

Mr. Chairman: Whatever it be, I am asking for the percentage of the rent to the investment.

Shri Lal Chand Vatsa: It goes more than 15 per cent.

Mr. Chairman: Suppose he has invested Rs. 100.

Shri Lal Chand Vatsa: He will get Rs. 15.

Shri Baldev Sharma: I want to cite an example.

Mr. Chairman: I do not want any example.

Shri Lal Chand Vatsa: It goes more than 15 per cent.

Mr. Chairman: So for the houses that have been built between 1955 and now the rent would come to about 15 per cent.

Shri Lal Chand Vatsa: It varies between 15 and 25 per cent.

Mr. Chairman: Very well, it is between 15 and 25 per cent.

Shri Baldev Sharma: It is much more than that.

Mr. Chairman: What is your opinion?

Shri Baldev Sharma: In Jorbagh Nursery area there is one particular house.

Mr. Chairman: From one house we cannot generalise.

Shri Lal Chand Vatsa: When we say it is varying, after all those cases also are to be taken into acount. It goes more than 15 per cent; to about 25 per cent.

Mr. Chairman: Your colleague does not seem to agree.

Shri Baldev Sharma: I have worked out. There is a house on which the rent is Rs. 3,000. The investment is not more than Rs. 1 lakh. That particualr person who is charging Rs. 3,000 will recover the whole investment within three years.

Mr. Chairman: That means in that particular case it comes to about 30 per cent. But the minimum is 15 per cent.

Shri Lal Chand Vatsa: 15 to 25 per cent.

Mr. Chairman: Suppose it is an old house which is of the same type. Then you would say that the man should not get more than 6¼ per cent?

Shri Lal Chand Vatsa: We say that the man who is getting 15 or 25 per cent should not be allowed to get it.

Mr. Chairman: That is all right. That I understand. But suppose it was left to the laws of supply and demand and things like that. Then the man who owns an old house would have to get almost a similar amount. The present tenant occupying it has the benefit by paying only 6¼ per cent against the 20 or 25 per cent in the other case. Is it not so?

Shri Lal Chand Vatsa: I understand.

Mr. Chairman: And you agree. In the circumstances, is there any argument justifying the statement that the existing rate that has been fixed at 7½ per cent should be further reduced to 6¼ per cent?

Shri Lal Chand Vatsa: I humbly submit that people go and agree to pay this much rent. Otherwise they leave the house and go away.

Mr. Chairman: You are not very serious about it.

Shri Lal Chand Vitsa: We are very serious, Sir.

Mr. Chairman: This is only a counterblast to the proposal for an increase of rent by 10 per cent, is it not so? Well, now, I would like you to tell me how many people are there in Delhi who would like to have some sort of shelter for themselves and will be prepared to pay a reasonable rent. I think about a lakh or two.

Shri Brij Mohan: I think more than that.

Mr. Chairman: Well, then, those people who occupy these houses as tenants have a considerable preferential advantage as compared to the position of these men.

Shri Brij Mohan: Yes.

Mr. Chairman: They have. Then how to solve the problem if you do not make some arrangement? After all, houses cannot be built without money, and when you say that Government should do this it should be borne in mind that whatever Government spends is collected from the people so that it is the community that has to pay. . . . . .

Shri Brij Mohan: That is true.

Mr. Chairman: .... for the advantage that you give to any particular section in any particular place. Government does not mint money out of nothing. So you have to bear that in mind.

Shri Lal Chand Vatsa: We have accepted the principle of encouragement. We have submitted that it should be by way of 3 or 4 per cent. But it should not be that it can go to 25 or 30 per cent.

Mr. Chairman: Well, do you have occasion to repair the houses, or have you had any houses repaired under your supervision?

Shri Lal Chand Vatsa: The landlords do it.

Mr. Chairman: Have you any experience of it?

Shri Baldev Sharma: We are all tenants.

Mr. Chairman: Suppose the cost of repairs in 1953 or 1954 came to Rs. 100. Have you any idea as to what would be the amount required today for similar repairs?

Shri Lal Chand Vatsa: It may be three or four times.

Mr. Chairman: So, instead of Rs. 100, the cost of repairs will be Rs. 400. It will be about 3 or 4 times. If we do not give to the proprietors money enough to repair the house and

the house tumbles down or deteriorates or collapses, will it not be detrimental to the public interest, to the tenants as well as to the proprietors?

Shri Lal Chand Vatsa: That is now allowed in the case of buildings constructed prior to September 1944.

Mr. Chairman: I am asking a general question, not about particular houses.

Shri Lal Chand Vatsa: 12½ per cent to 15 per cent enhancement is allowed under the Act.

Mr. Chairman: But that enhancement was allowed in the previous Act in order that the rents may be brought up to 7½ per cent. That 7½ per cent is on the old cost of construction. Today it will be 5 or 10 times that much.

Dr. Raj Bahadur Gour: What happens if the cost of repairs comes to more than the monthly rent of the premises?

Mr. Chairman: Under the Corporation Act it is open to the Corporation to charge 20 per cent by way of house tax in place of 10 per cent. Suppose it is raised to 20 per cent, should the house owner pay it out of his 6¼ per cent?

Shri Lal Chand Vatsa: Yes. It is a tax on the house.

Mr. Chairman: So, whatever addition is made in house tax should be borne by the landlords. Suppose it exceeds 6¼ per cent?

Shri Lal Chand Vatsa: Government should not do it, because the landlords cannot pay it.

Mr. Chairman: But it is the Corporation which imposes it.

Shri Lal Chand Vatsa: They should be asked not to do it.

Mr. Chairman: If the Corporation has not enough money to provide the necessary amenities would you like people to be starved?

Shri Lal Chand Vatsa: Since there is scarcity of houses they should impose taxes on some other things.

Mr. Chairman: What I am trying to suggest is that we should look at this problem from the point of view of the predominant need of having sufficient accommodation in the city, for ultimately through that alone can we find a solution to this problem. There should be security to the tenants. At the same time, we should see that whatever we do does not recoil on us. I am not so much interested in the landlord or tenant getting this much or that much. But I am interested in seeing that the houses are well-maintained and more houses are constructed. So, we have to look at this from that point of view, because ultimately the interest of the tenants lies in having more houses. When there are lakhs of people roaming about without any hut or shed we have to see that more houses are built. Suppose today a house is occupied by a tenant. What value would it fetch? It may fetch, say, Rs. 5,000. If, somehow, the tenant runs away or the house is vacated or he, unfortunately, dies, and there is no heir, if the house is given vacant possession, what value would it fetch? I think it would be no less than Rs. 10,000. That shows that the tenant is having the benefit of more than the value of the house.

Shri Lal Chand Vatsa: It is we who have made the value of the houses go up.

Mr. Chairman: It is society which has contributed largely to the present state of things. Then, ultimately, it is in the best interests of the country not to have any conflict between the landlords and the tenants. I think we can adjourn now.

(The witnesses then withdrew)

(The Joint Committee then adjourned and reassembled after lunch)

II. DELHI PRADESH KIRAYADAR FEDERATION, DELHI.

Spokesmen:

1. Shri Mahavir Prasad Gupta

2. Shri Naresh Chandra

(Witnesses were called in and they took their seats)

श्री महावीर प्रसाद गुप्त : शुरू में तो मैं यह अर्ज करना चाहता हूं कि जो क्लाज १ में इस बिल का नाम दिया गया है उसके बजाय इसका नाम रखा जाये "दिल्ली लैंड लार्ड प्रोटेक्शन बिल" क्योंकि इससे जाहिर होता है कि इसके जरिये मकान मालिकों की लूट खसोट को जारी रखा जायेगा ।

चेयरमैन महोदय : यहां पर जो आपके प्रपोजल हों वह कहिये । यहां कोई पबलिक स्पीच देने की जगह नहीं है कि आप कह रहे हैं कि यह बिल लूट खसोट के लिये इजाजत देता है। यह तो गैर मुताल्लिक बात है। आप इसमें जो तबदीलियां कराना चाहते हों वे ही बतलायें ।

श्री महावीर प्रसाद गुप्त : तो एक तो मैं यह चाहता हूं कि इस नाम को बदल दिया जाये ।

दूसरा प्रपोजल यह है कि इसको दिल्ली स्टेट के सारे इलाके पर लागू किया जाये, कुछ खास इलाके पर ही नहीं और तमाम बिल्डिंगों पर भी लागू किया जाये जिसमें कस्टोडियन की नीलाम की हुई बिल्डिंगें शामिल हो ।

चेयरमैन महोदय : यह जिस हालत में है उस हालत में इसको एक्सटेंड किया जाय या नहीं ।

श्री महावीर प्रसाद गुप्त : इसको एक्सटेंड किया जाये मगर इसका नाम बदल दिया जाये ।

दफा नम्बर ६ ए० : इसमें १० जून १९४४ को बेसिस मान कर दस पर सेंट बढ़ाया जायेगा । मैं यह कहना चाहता हूं कि जो स्लम एरियाज में मकान हैं और जो गदर से पहले के मकान हैं उनकी हालत बहुत खराब है। अगर उन पर दस पर सेंट बढ़ा दिया जायेगा तो आम जनता उसको बरदाश्त नहीं कर सकेगी। हुआ यह है कि जो रेंट १९४४ का था उसको सन् १९५२ में ५० पर सेंट बढ़ा दिया गया। उस पर दस पर सेंट बढ़ा कर स्टेंडर्ड रेंट होगा और उस पर और दस पर सेंट बढ़ाया जायेगा। तो इस तरह से जो मकान सन् १९४४ में १०० के किराये का था वह अब १८७ रुपये का हो जायेगा। मैं चाहता हूं कि यह दस पर सेंट कतई न बढ़ाया जाये और अगर बढ़ाया ही जाता है तो इस बात की गा टी हो कि यह बढ़ा हुआ रुपया उन मकानों की मरम्मत पर खर्च किया जायेगा। आजकल मकान मालिक मकानों की मरम्मत इसलिये नहीं कराते कि किरायेदार मकान खाली कर जाये और वे किसी दूसरे को आबाद कर दें ।

क्लाज ६ बी० २ में मारकेट प्राइस फिक्स करने की बात है। इसमें यह दिया गया है कि जिस वक्त स्टेंडर्ड रेंट मुकर्रर किया जाये तो मारकेट प्राइस लगायी जाये और जो भी लागत है उसको काउंट किया जाये। हम चाहते हैं कि जिस वक्त वह जमीन खरीदी गयी हो उसकी कीमत के मुताबिक स्टेंडर्ड रेंट मुकर्रर किया जाये। अगर जमीन सन् ४४ से पहले की खरीदी हुई है तो आप म्युनिसिपैलिटी के रिकार्ड से देख सकते हैं कि उसका किराया क्या था। उस वक्त की जो उसकी कीमत हो उसको केलकुलेट किया जाये। और जो नई इमारतें बनायी जायें उनकी जो जमीन की असली कीमत थी वह लगायी जाये और जो लागत आयी है उसको जोड़ा जाये और उस पर उन टैक्सों के अलावा जोकि मकानदार को देने होते हैं सवा छः पर सेंट बढ़ा दिया जाये। आजकल हो यह रहा है कि ५ रुपये जिस मकान के थे उसके २५ और ३० लिये जा रहे हैं ।

क्लाज ६ सी० : मैं चाहता हूं कि इसको डिलीट कर दिया जाये। जैसाकि मैं ने ऊपर कहा कि पुरानी इमारत की कीमत म्युनिसिपैलिटी के रिकार्ड से देखी जाये और उसके मुताबिक रेंट मुकर्रर किया जाये और नई इमारतों की कास्ट प्राइस पर सवा छः पर सेंट बढ़ाया जाये। अगर यह बात मान ली जाती है तो इस सब-क्लाज़ की जरूरत नहीं रहती।

इसी तरह सब-क्लाज़ ६ डी० के मुताल्लिक भी है।

श्री नवल प्रभाकर : लेकिन अब तो असेसमेंट बढ़ रहा है।

श्री महावीर प्रसाद गुप्त : जो सन् ४४ से पहले की इमारतें हैं उन पर उस हिसाब से लिया जाये और नई इमारतों की कास्ट प्राइस पर सवा छः पर सेंट मुकर्रर किया जाये। हम चाहते तो यह थे कि बैंक रेट से ज्यादा न हो। आजकल तो लोगों ने मकान का बिजनेस सा कर लिया है।

श्री नवल प्रभाकर : पहले तो कमेटी द्वारा एसेसमेंट की गई थी और अब उसकी जगह पर कारपोरेशन बन गई है।

श्री महावीर प्रसाद गुप्त : लेकिन रिकार्ड तो मौजूद है। सन् १९४४ में जो कुछ रिकार्ड में था उसी के मुताबिक यह सब किया जाये।

इसमें स्टैंडर्ड रेंट का भी जिक्र है। इसमें कहा गया है कि प्रोवाइडिड डेट इन दी केस आफ एनी प्रेमिजिज कंस्ट्रक्टिड.. वगैरह, इसको बिल्कुल डिलीट कर दिया जाये। यहां पर उनको सात या पांच साल का मौका बराबर जारी रखने का दिया गया है। स्टैंडर्ड रेंट के बारे में हमारी फैडरेशन ने जो फार्मूला आपके पास भेजा है,.... हम चाहते हैं, कि उसको मंजूर फरमाया जाये और वही एपलीकेबल हो।

क्लाज़ ७ में किराया बढ़ाने का जिक्र किया गया है। इस में कहा गया है कि जब बिल्डिंग के अन्दर कोई एडिशन या आल्ट्रेशन हो या कोई और चीज़ हो तो उसको सवा आठ परसेंट तक बढ़ाने का अखत्यार है। हम चाहते हैं कि जो तबदीली म्यूनिसिपल कमेटी की मंजूरी के साथ की जाये, उस पर सवा छः परसेंट बढ़ाने का अधिकार उसको हो इससे ज्यादा का नहीं।

सात (सी) में तथा दूसरी जगहों पर भी सबलेटिंग का जिक्र किया गया है। इस सबलैटिंग के सिलसिले में हमारी दरख्वास्त यह है कि इस कानून के लागू होने से पहले जितने केसिस में भी सबलैटिंग हुआ था, उसको तसलीम कर लिया जाये जैसा कि पांच बरस पहले तसलीम कर लिया गया है, इसी तरह का फैसला चीफ कमिश्नर की सदारत में किरायेदारों व मालिक मकानों के नुमायन्दों के बीच हुआ था अजमेर रेंट कंट्रोल एक्ट के तहत। अगर हम उसको किरायेदार मान लेते हैं तो उसको भी वही अखत्यार हों जोकि एक किरायेदार को हो सकते हैं। इस कानून के लागू होने के बाद अगर कोई बेकायदगी होती है, तो उसके खिलाफ क्रिमिनल केस दायर किया जा सकता है।। हम यह भी चाहते हैं कि इस कानून के लागू होने के बाद सब काम एक कमेटी के जरिये से हो और मालिक मकानों को अधिकार न हो कि वे अपने आप किसी दूसरे किरायेदार को मकान देने के लिये अपने मकान को खाली करवा सकें। यह काम एक कमेटी के जरिये से हो और वही इनको दें। आजकल होता यह है कि मालिक मकान खाली करवाने की कोशिश करते हैं जिसके नतीजे के तौर पर कई कत्ल हो जाते हैं, कई मुकदमेबाजियां चलती हैं, पुलिस में केस जाते हैं और

[श्री महाबीर प्रसाद गुप्त]

दूसरी परेशानियों का सामना करना पड़ता है। मालिक मकान, उत्तर प्रदेश में जो इस वक्त वहां कानून लागू है, उसके तहत मकान किसी को नहीं दे सकता है। जब भी उसका पहले मकान खाली हो जाया करता था तो उसको कलैक्टर को बतलाना पड़ता था कि उसका मकान खाली हो गया है और वहां से एलाटमेंट हुआ करती है। अब मकान मालिक को तथा किरायेदार दोनों को ही नोटिफाई करना पड़ता है कि मकान खाली किया जा रहा है या मकान खाली हो गया है। अगर मालिक मकान चाहता है कि उसको पहले मिले चूंकि वह उसे अपने लिये चाहता है तो उसको प्रायोरिटी भी मिल जाती है। वहां पर एक प्रायोरिटी लिस्ट भी रखी रहती है। इसी तरह का यू. पी. का कानून भी लागू होना चाहिए। इस वास्ते यह लैटिंग और सबलैटिंग की जितनी भी क्लासिस हैं इन की जरूरत नहीं है। इस वास्ते मेरी प्रार्थना है कि जितने भी शिकमी किरायेदार हैं, उनको पक्के किरायदार करार दे दिया जाय और आगे से सबलैटिंग का अखत्यार न हो।

सात (३) (१) (२) वगैरह तमाम सब-क्लाजिज को भी हम चाहते हैं कि डिलीट कर दिया जाये।

अब मैं क्लाज ८ पर आता हूं। जो बातें मैंने बताई हैं अगर उनको मान लिया जाता है और उस तरह की सहूलियतें किरायेदारों को जो दे दी जाती हैं तो इस क्लाज ८ की जरूरत नहीं रह जायेगी, न सबलैटिंग होगा और न किराया बढ़ाने का सवाल ही पैदा होगा।

अब मैं क्लाज ९(२) के बारे में कहना चाहता हूं। इस में रीजनेबल वर्ड है और मैं चाहता हूं कि इसको उड़ा दिया जाये। जो फार्मूला हमने आपके सामने पेश किया है, अगर उसको मान लिया जाता है तो इस चीज की जरूरत नहीं रह जायेगी। अगर नई बिल्डिंग है तो उस बिना पर वह फिक्स करेगा और अगर पुरानी बिल्डिंग है तो १९४४ के पहले जो एसेसमेंट थी उसको वह लेगा और उसके मुताबिक करेगा। इस वास्ते इस रीजनेबल का कोई मतलब नहीं रह जाता है और इस रीजनेबल वर्ड में कई कुछ आ जाता है। हम चाहते हैं कि उसको इसका अख-त्यार न हो।

९(३) को भी उसी फार्मुले के तहत कर दिया जाये।

अब मैं क्लाज १२ पर आता हूं। यह क्लाज स्टैंडर्ड रेंट की फिक्सेशन की एप्लीकेशन की लिमिटेशन के बारे में है। इसके मुताबिक जहां पीरियड पहले छः महीने था अब उसको एक साल कर दिया गया है, इससे जो मकसद है, वह हल नहीं होता है। जो मकान किराये पर उठे हुए हैं या आगे उठेंगे वे अगर एडवाइजरी कमेटी के यू. नहीं दिये जायेंगे तो डिफिकलटीज पैदा होंगी। आजकल आम तौर पर दो दो और डेढ़ डेढ़ साल तक का किराया पहले ले लिया जाता है। चूंकि किरायेदार को मकान नहीं मिलता है, इस वास्ते उसको किराया पहले भी कई बार दे देना पड़ता है। साथ ही साथ उसको ज्यादा किराया भी देना पड़ता है। पांच रुपया की जगह पच्चीस रुपये महोना भी उसे देना पड़ता है। वह अब दावा भी नहीं कर सकता है, क्योंकि ऐसा करने से उसका जो रूपया है वह बेकार चला जायेगा या उनके आपसी ताल्लुकात खराब हो जायेंगे। ऐसी सूरत में मैं चाहता हूं कि किरायेदार को पूरा हक़ हासिल हो कि जब भी मौका मिले वे इस चीज की दरख्वास्त दे सकते हैं कि जिस मकान का पहले पांच रुपया किराया था उसका अब तीस रुपया कर दिया गया है। हम चाहते हैं कि इस पर भी गौर किया जाये।

अब मैं क्लाज १४ के बारे में कुछ अर्ज करना चाहता हूं। अब तक जितना भी सिलसिला चला आ रहा था वह सब फर्जी हुआ करता था और यह साबित भी हो गया है। मकान खाली करवाने के बाद कई गुना ज्यादा किराये पर किसी दूसरे को मकान दे दिये गये हैं। इसमें नोटिस देने की मयाद से एक महीने के अन्दर किराया अदा करने की

बात का जिक्र है। हम चाहते हैं कि इसको बढ़ा कर तीन महीने कर दिया जाये। अदालत की तरफ से भी अगर किराये के लिये नोटिस जाता है तो उस की मयाद भी हम चाहते हैं कि तीन महीने कर दी जाये। एक महीने के बजाय हम चाहते हैं कि तीन महीने कर दिया जाये।

१४(बी) के बारे में हमें यह अर्ज करना है कि अगर यह एडवाइजरी कमेटी के जरिये होता है तो सबलैटिंग का सवाल ही पैदा नहीं होगा। इस वास्ते इसको डिलीट कर दिया जाना चाहिये।

१४(सी) के बारे में हमें यह अर्ज करना है कि जिस आदमी ने जिस चीज के लिये या जिस बिजिनेस के लिये एक जगह किराये पर ली है अगर वह उसको उसी के लिये काम में नहीं लाता है तो भी उसको वहां से निकाला नहीं जाना चाहिये। मान लीजिये कि आज एक आदमी वहां पर कपड़े का काम करता है और यह काम उसका चलता नहीं है। उसके बाद वह आटे-दाल की दुकान करता है तो इस बिना पर कि चूंकि उसने कपड़े का काम करना बन्द कर दिया है उसको वहां से निकाला नहीं जाना चाहिये। चूंकि इस बिना पर नोटिस दे दिये जाते हैं और लोगों को निकाल दिया जाता है, इस वास्ते मैं चाहता हूं कि इस तरह के केसिस में उनको निकाला नहीं जाना चाहिये। वह उसको अगर बिजिनेस के काम में लाता है और बतौर रेजिडेंस के इस्तेमाल नहीं करता है तो उसको वहां से निकाला नहीं जाना चाहिये। पहले वह एक काम करता था और अब दूसरा बिजिनेस करता है, इस वास्ते उसको कहा जाये कि वह जगह खाली कर दे, यह चीज नहीं होनी चाहिये।

नं० (ई) में लिखा हुआ है कि अगर उस को जरूरत हो तो मकान मालिक मकान को खाली करवा सकता है। इसके लिये मेरा यह कहना है मान लीजिये कि मकान मालिक के यहां लड़का बड़ा होता है और अगर उस को मकान की जरूरत होती है तो इस बिना पर किरायेदार से मकान नहीं खाली करवाया जाना चाहिये। अगर किरायेदार के यहां लड़का बड़ा हो जाता है तो उस के लिये तो मकान मालिक ज्यादा जगह नहीं देता है। किरायेदार को मकान ज्यादा पाने का हक दिया जाये तो मालिक मकान के लिये भी मैं इस हक को मानने के लिये तैयार हूं। पर अगर यह क्लाज रक्खा ही जाता है तो उस को कम से कम १२ साल के लिये किसी दूसरे किरायेदार को उसे देने का हक नहीं होना चाहिये। तीन साल के लिये इस तरह का कायदा रखने का कोई खास फायदा नहीं होगा क्योंकि मान लीजिये कि कोई आदमी ५ या १० रु० किराये के मकान में रहता है। तो तीन साल के लिये मालिक मकान ५ या १० रु० मासिक की परवाह नहीं करेगा क्योंकि आखिर उसको इससे कोई बहुत ज्यादा नुक्सान तो होगा नहीं। उसके बाद वह अपने मकान को पगड़ी लेकर या ऊंचे से ऊंचे किराये पर उठा सकता है। अगर आप मकान मालिक को यह अधिकार देते हैं तो आप को किरायेदार को भी उसी तरह का हक देना चाहिये। मैं समझता हूं कि यह चीज आम तौर से गलत साबित होती है और इस चीज को यहां पर जगह नहीं देनी चाहिये।

नं० (एफ) में आप ने दिया है कि अगर कोई जगह ऐसी है जोकि रहने के लायक नहीं है, उसके लिये मैं चाहता हूं कि जो किरायेदार उस में आबाद हो, जब तक उस को दूसरी जगह न दी जाये, उस को वहां से न हटाया जाये क्योंकि अगर आप ने उस को वहां से हटा दिया तो उस में हो सकता है कि इतनी ताकत न हो कि ज्यादा किराया देकर किसी दूसरी जगह आबाद हो सके। उस की छोटी सी आमदनी है, उस के दो बच्चे हैं, बेचारी बीवी है, बड़ी मुश्किल से काम चलता है, खाने पीने की चीजें मंहगी हैं, अगर वह ५ रु० के बजाय २५ रु० में दूसरा मकान ले कर रहने के लिये मजबूर होता है तो वह अपनी गुजर नहीं कर सकता। इस लिये इस चीज को आप को निकाल

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देना चाहिये। जब तक उस को दूसरी मुनासिब जगह न दे दी जाये तब तक उस को वहां से नहीं निकालना चाहिये ।

(जी) में आप ने लिखा है कि अगर मालिक मकान को अपने मकान को रिबिल्ड करवाना है या आल्ट्रेशन करवाना है और वह बिना खाली करवाये हुए नहीं किया जा सकता है तो किरायेदार को निकलवाने का हक है । मेरा कहना यह है कि पहले तो उस किरायेदार को कोई दूसरी जगह दे दी जाय और जब बिल्डिंग बन कर तैयार हो जाती है तो उस को वहां पर रहने का फिर अख्त्यार होना चाहिये ।

(एच) के अन्दर दिया है कि अगर कोई किरायेदार मकान के अन्दर कोई जगह बनवा लेता है तो उस से मकान खाली करवाया जा सकता है। इस सिलसिले में मैं कहना चाहता हूं कि अगर मौजूदा किरायेदार के पहले कोई किरायेदार था और उस ने जगह बनवाई है तो मकान को खाली न करवाया जाये। उसको सड़क पर न फैंक दिया जाय। जो किरायेदार है अगर उस ने बनवाया है तो जरूर खाली करा ली जाय । दूसरे किरायेदार को उस में से तब तक न निकाला जाये जब तक उस को दूसरी जगह मकान नहीं मिल जाता । जब तक उसको मकान न मिले वह वहां रहे । और उसके बाद भी ऐडवाइजरी कमेटी इस मकान को देखती रहे और अगर उस किरायेदार को फिर भी उस मकान की जरूरत हो तो उस का टर्न आने पर वह मकान उसे मिल जाय । अगर इस तरह से होगा तो किरायेदार और मकान मालिक दोनों साथ-साथ रह सकेंगे और किसी किस्म का झगड़ा न होगा ।

(आई) में आप ने लिखा है :

"that the premises were let to the tenant for use as a residence by reason of his being in the service or employment of the landlord....."

अगर वह किसी जगह मुलाजिम है और उसके बाद वहां से हटा दिया जाता है तो मकान से भी उस को हटा दिया जाता है । आम तौर पर देखा जाता है कि चन्द जगहों को छोड़ कर जो मुलाजिम काम करते हैं उन से पूरा किराया मकान का लिया जाता है, ले कर रसीद भी दी जाती है, या फिर उस की तन्ख्वाह के साथ ही काट लिया जाता है । इसलिये जब उससे बाकायदा किराया चार्ज किया जाता है तो वह पूरा किरायेदार है और उस पर ेंट ऐक्ट लागू होना चाहिये । अगर उस की तन्ख्वाह से किराया नहीं काटा जाता है और अलग से भी नहीं लिया जाता तब भले ही उसे वहां से हटाया जाय, लेकिन फिर भी उस के लिये अल्टरनेटिव ऐकोमोडेशन का इन्तजाम होना चाहिये । जब तक ऐसा न हो वहां से उसे न हटाया जाये ।

(जे) के अन्दर दिया हुआ है कि अगर कोई शख्स किसी जगह में कोई तामीर करा लेता है, कोई अलमारी निकाल लेता है, टूट फूट ठीक करा लेता है या रोशनदान बनवा लेता है, इस बहाने से उस आदमी को वहां से निकाला जा सकता है । इस के लिये मेरा कहना यह है कि जो भी मुनासिब हो उस पर उस का खर्च डाल दिया जाय । रेंट कंट्रोलर जो है उस को अख्त्यार है कि उस किरायेदार पर किसी तरह का कम्पल्शन डाल दे , लेकिन यह नहीं होना चाहिये कि उस को वहां से निकाल दिया जाये ।

(के) में दिया है कि अगर कोई मालिक मकान गवर्नमेंट के कहने पर, वह किसी किस्म का स्कूल बनवाने के लिये हो, या कोई और चीज करवानी हो, या अपना पसर्नल स्कूल बनवाने के लिये हो, पब्लिक इन्स्टिट्यूशन के लिये हो , मकान खाली करवाना चाहे तो करवा सकता है। तो इस में कोई हर्ज नहीं है, लेकिन जब तक किरायेदार को दूसरी जगह रहने के लिये न मिल जाय तब तक उस को वहां से न हटाया जाय ।

(के) में ही नं० २ में दिया हुआ है कि अगर कोई किरायेदार बराबर तीस मास तक किराया अदा न करे तो उसे निकाला जा सकता है। यह बड़े अफसोस की चीज है। हम आशा करते थे कि कोई इस किस्म का बिल आयेगा जिस से हम लोगों को फायदा होगा, लेकिन यह अजीब सी चीज है कि अगर कोई किरायेदार किसी वजह से किराया न दे सके तो तीन महीने के बाद उसे निकाल दिया जाये। अगर किरायेदार किराया अदा नहीं कर सकता है तो उसकी वजह यह है कि किराये इतने ज्यादा रक्खे गये हैं कि वह किरायेदार की ताकत से बाहर हो जाते हैं और वह उन को अदा नहीं कर सकता है। उस की इस कमजोरी का फायदा उठाने का मौका मकान मालिक को दिया जाय यह ठीक नहीं है। मैं चाहता हूं कि यह दफा इस तरह पर रक्खी जाय कि अगर कोई किरायेदार किराया नहीं दे सकता है तो मामला अदालत में ले जाया जाय। अगर वहां भी वह उसे अदा न कर सके और अदालत उस को अदा करने का हुक्म दे दे या एविक्शन आर्डर हो जाये तो उस को आखीर तक उस को अदा करने का मौका देना चाहिये। जिस वक्त इजरा करने के लिये लोग जाते हैं उस वक्त भी अगर वह किराया अदा कर दे तो उस से मकान को खाली न कराया जाय। इस की वजह यह है कि कोई भी किरायेदार सिर्फ मजबूरी की हालत में किराया नहीं देता है। इस लिये उस की हालत को देख कर उस को आखीर तक मौका दिया जाना चाहिये जैसा कि यू० पी० के ऐक्ट में है कि अगर आखीर तक किरायेदार किराया देने को तैयार हो तो उसे वहां से नहीं निकाला जाता।

डा० बारलिंगे : आप यह क्यों नहीं कहते कि जब तक उस को दूसरी जगह नहीं दी जाती तब तक उसे वहां से एविक्ट न किया जाय ?

श्री महावीर साव गुप्त : वह तो मैंने हर जगह कहा है और यहां भी कहना चाहूंगा। मैं यह अर्ज कर रहा था कि यह जो क्लाज है कि तीन महीने तक अगर कोई किराया अदा न कर सके उसे निकाल दिया जाय, वह बिल्कुल गलत है और इसे तसलीम न किया जाय। इस में जैसा मैंने कहा कि यह होना चाहिये कि रेंट कंट्रोलर के पास भी वह किराया जमा न कराये और उस के खिलाफ एविक्शन का हुक्म हो जाता है उस के बाद जब लोग इजरा कराने जायें, उस वक्त तक अगर वह पेमेंट कर दे तो उसे मकान में रहने देना चाहिये। इस लिये वाकई जो क्लाज का मकसद है कि किरायदारों को कुछ प्रोटेक्शन दिया जाय उसे ठीक से अमल में लाना चाहिये।

(नं० ३) का जो सबटेनन्सी का क्लाज है, उसे बिल्कुल निकाल दिया जाना चाहिये। जिस वक्त आप का रेंट ऐक्ट लागू हो, उस वक्त से पहले के जो ऐसे किरायेदार हों उन को शिकमी किरायदार तसलीम कर लिया जाय। इस चीज के लिये आप ने क्या इंतजाम किया है। आज मुश्किल से ५ परसेन्ट लोग हैं जो अपना खुद का काम करते हैं। लेकिन ९५ परसेन्ट आदमी ऐसे हैं जो पार्टनरशिप में काम करते हैं। यह पार्टनरशिप उस वक्त की जाती है जब कि किसी आदमी के पास काफी फाइनेंसिज न हों या फिर जो टेकनीशियन्स वगैरह वह रखना चाहता है वह कहते हों कि अपने काम में हमें ४ आ० या ८० आ० हिस्सा दो तभी हम तुम्हारे साथ काम कर सकेंगे। अगर इस कानून के जरिये से उस को मजबूर कर दिया जाय कि वह पार्टनरशिप न कर सके तो स के माने यह होंगे कि एक तरफ तो जो लोग पगड़ी वगैरह वसूल करना चाहते हैं आप उन को और आगे बढ़ाने की कोशिश करते हैं। अगर आप पार्टनरशिप को बेन कर देते हैं तो उनका काम नहीं चलेगा। अगर कोई आदमी पैसे की कमी की वजह से या टेकनीशियन्स वगैरह को रखने की वजह से पार्टनरशिप करना चाहते हैं उनका काम खत्म हो जायेगा और उस को मकान को खाली करना पड़ेगा और वह बेरोजगार हो जायेगा।

[श्री महावीर प्रसाद गुप्त]

इस के बाद जो मकान मालिक हैं वह दूसरों से पगड़ी लेकर ऊंचे से ऊंचे किराये पर उस को देगा।

अगर आपकी ऐडवाइज़री कमेटी बन जाती है तो उसके अन्दर य सब चीजें रफ़ा हो सकती है और यह पार्टनरशिप का सवाल आटोमैटिकली सोल्व हो जाता है। पार्टनर-शिप की डिमांड को मंजूर किया जाय और उसको इसकी बिना पर मकान से बेदखल न किया जाय और उससे मकान खाली न कराया जाय। मैं इससे इंकार नहीं करता कि पांच परसेंट पार्टनरशिप्स के ऐसे केसेज़ हो सकते हैं जिनमें कि नाजायज़ फायदा उठाया जा रहा हो और अगर यह साबित हो जाय कि पार्टनरशिप का फायदा ले कर नाम के लिये एग्रीमेंट कर के रख छोड़ा है और वह रुपया लेकर चला गया है और उसको डिफेंस में उसने लगाया हुआ है तो उसके लिये यह होना चाहिये लेकिन वर्किंग पार्टनर है जो बाकायदा एका-उन्ट्स बुक्स में नोट करता है, रजिस्ट्रों में एंट्री करता है और चेक्स ईश्यू करता है और वह बोनाफाइड पार्टनर है तो उसे इस चीज़ से महरूम न किया जाय। अलबत्ता पांच परसेंट के करीब ऐसे आदमी होते हैं और जो हमारे नोटिस में हैं कि वे दुकानों को लेकर दूसरों को पगड़ी लेकर बेच देते हैं, उन लोगों पर यह दफा लागू हो। इस किस्म के लोगों के साथ फेडरेशन को कोई हमदर्दी ही नही बल्कि सख्त मुखालफत करती है।

क्लाज़ ५ के मुताल्लिक मुझे यह कहना है कि यह "मिसयूज़" एक ऐसी चीज़ है जिसको कि मकान मालिक अदालत के सामने गलत या सही साबित करने में कामयाब हो सकते हैं और इस मिसयूज़ की बिना पर जो किरायेदार को मकान से बेदखल करने की इस में बात है, वह नहीं होनी चाहिये और किरायेदार की बेदखली खाली मिसयूज़ की बिना पर न हो। अगर मकान मालिक की जायदाद को कुछ नुक्सान पहुंचा है तो किरायेदार पर उस के लिये मुआविज़ा देने की ज़िम्मेदारी डाल दी जाय लेकिन इसकी बिना पर उससे मकान खाली न कराया जाय और मैं चाहता हूं कि इसको डिलीट कर दिया जाय।

अब इसमें यह है कि अगर किसी शख्स ने उसकी खिलाफवर्जी की है और वह वाक़ई किराया देने के काबिल न हों तो उस से इसमें जो ६ महीने की मुद्दत के बाद मकान को खाली कराने की बात आई है, मैं चाहता हूं कि इस ६ महीने की मियाद को बढ़ा कर एक साल कर दिया जाय।

७ में यह दिया हुआ है कि किरायेदार को आल्टरनेटिव एकोमाडेशन मिलने पर अपनी पुरानी जगह को खाली कर देना चाहिये।

क्लाज़ १५ में within one month of the date of the order की जगह पर मैं चाहता हूं कि थ्री मंथ्स कर दिया जाय। दौरान मुकद्दमा अगर कंट्रोलर को यह मालूम हो जाय कि फलां शख्स ने ठीक गवाही नहीं दी और अगर उसके खिलाफ़ कोई इस किस्म का चार्ज है कि उसने गलत बयान दिया है तो और भी क्लाजेज़ हैं जिनकी कि रू से उसके खिलाफ़ कार्यवाही हो सकती हैं। लेकिन उसका असर मकान खाली कराने के सिलसिले में नहीं पड़े और वह मुकद्दमा वैसे ही जारी रहे। ग़लत बयानी के लिये उसके खिलाफ़ २८३ या इसी किस्म के जो दूसरे ऐक्ट्स हैं उनके मातहत उसके खिलाफ़ कार्यवाही की जा सकती है और मुक़द्दमा दायर किया जा सकता है लेकिन इस बिना पर मकान खाली कराने वाली बात नहीं होनी चाहिये।

क्लाज १८ में तीन वर्ष की मियाद रक्खी गई है। उसके लिये मेरा कहना यह है कि पहले तो हमें यह उम्मीद रखनी चाहिये कि मालिक मकान को मकान खाली कराने का मौक़ा ही नहीं आयेगा अगर मालिक मकान को किराये पर देने का हक न रहे और मनमाना किराया हासिल करने की ख्वाहिश पूरी न कर सकें। क्योंकि आपस में उनके ताल्लुक़ात अच्छे हो जायेंगे लेकिन अगर किरायेदार को बेदखल करने का कोई ऐसा

मौका आ जाय और मकान मालिक को खुद अपने इस्तेमाल की जरूरत पेश आ जाय और अदालत इस बिना पर किरायेदार को बेदखल कर ही दे तो उसके लिये मैं चहाता हूं कि बजाय तीन साल के उस मियाद को बारह साल कर दिया जाय यानी बारह साल तक मकान मालिक उस मकान को किसी को किराये पर न उठा सके। ऐसा होने से आजकल जो बेदखली के मकान मालिकों द्वारा केसेज़ दायर किये जाते हैं उनमें काफ़ी कमी हो जायेगी और आज किरायेदारों को जो तंग किया जाता है उसमें कमी हो जायेगी।

क्लाज़ १६(२) में यह दिया हुआ है :

"If the tenant delivers possession on or before the date specified in the order, the landlord shall, on the completion of the work or repairs or building, place the tenant in occupation of the premises or part thereof."

इस के लिये मेरा यह सुझाव है कि अगर मकान मालिक ने मकान में कुछ रिपेयर्स और रिबिल्डिंग कैरी आउट की है तो उसके लिये वह रैंट में अलबत्ता कुछ इनक्रीज़ कर सकता है। इसके साथ ही मेरा यह भी कहना है कि रिपेयर्स और मकान में तबदीलियां करने के पहले उस किरायेदार के पास जितनी जगह थी उतनी ही जगह उसको बाद में दी जाय और ऐसा न हो कि पहले अगर उसके पास दो कमरे किराये पर थे तो अब रिपेयर्स और रिबिल्डिंग के बाद मकान मालिक द्वारा उस को एक छोटी सी कोठरी ही दे दी जाय।

क्लाज़ २१ : Special provision for recovery of possession in certain cases से सम्बन्धित है। मेरा सुझाव यह है कि उसको आलटरनेटिव एकोमोडेशन मिलनी चाहिये।

क्लाज़ २५ जोकि रेंट डिपाज़िट की रिसीट के मुताल्लिक़ है उसके बारे म मेरा यह कहना है कि यह ऐसा मामला है कि जिसकी कि बिना पर झगड़ा पैदा होता है। मकान मालिक इरादतन इसलिए रसीद नहीं देते कि रसीद किरायेदार के पास रहने से उनको बेदख़ली का दावा करने में दिक्क़त होती है। अब अगर किरायेदार के पास जिसने कि सितम्बर के आख़िर तक किराया दिया हुआ है, लेकिन रसीद उसके पास नहीं है, तो वह तीन साल के किराये का दावा कर सकता है और जिस जगह का किराया ५ या १० रुपये माहवार होता है उसके लिए ३० या ४० रुपये माहवार के हिसाब से तीन साल के किराये का दावा दायर कर देता है और जिसका कि नतीजा यह होता है कि ग़रीब किरायेदार उस बड़ी रकम को अदा करने की स्थिति में नहीं होता और इस बिना पर अदालत से मकान को उस किरायेदार को मकान से बेदख़ल करने का आर्डर मिल जाता है। इसलिए मैं चाहता हूं कि यह लाज़िमी क़रार दिया जाय कि कोई भी मकान मालिक रसीद दिये वग़ैर किरायेदार से किराया वसूल न कर सके और इस पर भी अगर कोई मकान मालिक किराये की रसीद नहीं देता है तो वह किरायेदार पर ६ महीने से ज्यादा के किराये का दावा न कर सके। आज मकान मालिक ३६ महीने के किराये के वास्ते दावा दायर कर सकता है। मैं चाहता हूं कि मकान मालिक अगर रसीद न देने से इंकार करे तो उसके खिलाफ़ फ़ौजदारी क़ानून के मातहत कार्यवाही की जाय और अगर दो चार केसेज में ऐसे कार्यवाही की गई तो यह चीज़ ठीक हो जायगी और यह आपस के झगड़े ख़त्म हो जायेंगे।

दफ़ा २५ (३) में यह दिया हुआ है कि अगर लैंडलार्ड किराये दार को किराया वसूली की रसीद नहीं देता है तो लैंडलार्ड से किराये दार को पिनैल्टी के तौर पर डबल किराया दिलवाया जायगा। लेकिन इसके लिए मेरा यह कहना है कि यह प्राविज़न पैनाल्टी का बेमानी है क्योंकि मकान मालिक बग़ैर रसीद के किराया लेता है और इस पर अमल नहीं होगा। इसलिए मेरी यह प्रार्थना है कि

[श्री महाबीर प्रसाद गुप्त]

सब से पहले यह चीज की जाय कि मकान मालिक के लिए यह लाजिमी हो जाय कि वह बग़ैर रसीद दिये किराया पाने का मुस्तहक़ न हो और उस से रसीद पाये बगैर किरायादार किराया अदा न करे। मैं चाहता हूँ कि यह जो पैनाल्टी का प्राविजन है यह प्रैक्टिकेबुल नहीं है और इसको हटा दिया जाय।

अब अगर मकान मालिक की नियत खराब नहीं है तो रिपेयर्स खुद बखुद होते चले जाते हैं लेकिन जब मकान मालिक की नीयत ठीक नहीं होती और वह अपने किरायेदार को मकान से बेदखल करना चाहता है तो वह मकान को नेगलेक्ट करने लगता है और कारपोरेशन में रिशवत देकर आसानी से इस बात की इजाजत ले लेता है कि मकान रहने क़ाबिल नहीं रह गया है और उस बिना पर किरायेदार को बेदखल करने में कामयाब हो जाता है और बाद में उसी मकान को मरम्मत करा के ज्यादा किराये पर उठा देता है।

मेरा सुझाव है कि साल में दो महीने का किराया रिपेयर्स में लगाना लाजिमी होना चाहिए और अगर मकान मालिक उसको नहीं लगाता है तो किरायेदार को यह अधिकार होना चाहिए कि वह दो महीने के किरा की रक़म को मकान को रिपेयर्स में लगा दे। हर साल मकान की मरम्मत होती रहे। अगर किसी मकान मालिक ने दो, तीन या चार साल से मकान पर एक पैसा भी नहीं लगाया है और मकान की हालत खराब हो गई है और किरायेदार उसकी मरम्मत के लिए मकान मालिक को कहता है तो मकान मालिक उसको टका सा जवाब दे देता है कि तुम चाहो तो करा लो मैं तो नहीं कराऊंगा क्योंकि मैं तो तुम्हें निकालना चाहता हूं। ऐसी हालत में म्युनिसपैल्टी और कारपोरेशन को यह अधिकार होना चाहिए कि वह मकान मालिक को मजबूर कर दे कि जितना भी खर्चा उसमें जरूरी हो वह करे और वह मकान मालिक से हासिल करे। तभी मरम्मत हो सकती है। स्लम एरिया म मकानों की हालत बहुत खराब है। वहां पर मकान इरादतन गिराये जाते हैं और इस तरह लोगों को निकाला जाता है। इस लिए मैं चाहता हूं कि मरम्मत के सिलसिले में कुछ बंदिश होनी चाहिए।

इसके अलावा इसेंशियल सप्लाईज के काट देने का सवाल है। इन चीजों की बिना पर देहली में अन्धेरे मचा हुआ है। किरायेदारों के बिजली और नल काट दिये जाते हैं। इस से लोगों को बड़ी परेशानी होती है। इसलिए मैं चाहता हूं कि कारपोरेशन नल और बिजली का किरायेदार को सीधा उसकी दरख्वास्त पर कनेक्शन दे। अगर चाहे तो सीक्योरिटी का रुपया कुछ बढ़ाया जा सकता है। आजकल किरायेदार को बिना मकान मालिक की इजाजत के कनेक्शन नहीं दिया जा सकता। इस चीज को हटाने के लिए कारपोरेशन में बात भी हुई थी पर मकान मालिकों की तरफ़ से उसका बहुत विरोध हुआ और वह चीज नहीं हो पायी। तो हम चाहते हैं कि नल बिजली का कनेक्शन किरायेदारों को सीधा कारपोरेशन द्वारा किया जाये। इस में मकान मालिक की इजाजत की जरूरत न हो।

क्रिमिनल प्रोसीज्योर कोड में एक ऐसा प्राबीजन है कि अगर इस तरह से किसी का कनेक्शन नल का काट दिया जाये तो वह पुलिस को रिपोर्ट करे और इस मामले में पुलिस दखल देगी। पर हमको पुलिस का यह प्रोटेक्शन नहीं मिलता। इसलिए हम चाहते हैं कि नल बिजली के मामले में किराये दारों को प्रोटेक्शन दिया जाये।

इस में मकान मालिक से कम्पेन्सेशन दिलाये जाने का प्राबीजन है कि ५० रुपये तक कम्पेन्सेशन दिलाया जा सकता है। लेकिन इस कम्पेन्सेशन की मालिक परवाह नहीं करते। वे तो यह देखते हैं कि इस आदमी के निकल जाने से हमको आगे क्या फायदा हो सकता है। अगर इस में यह प्रावीजन कर दिया जाये कि कम्पेन्सेशन नहीं बल्कि तीन

महीने की सजा दी जायेगी तो कुछ असर हो सकता है ।

एक चीज और अर्ज करनी है । आज कल यह है कि अदालत का यह हुक्म होता है कि रुपया अदालत में जमा करो । अगर उसे १५ तारीख को दाखिल करना है और उसे दो तीन दिन की देर हो जाती है तो उसे निकाल दिया जाता है । मैं चाहता हूं कि इसमें क्लाज १ (५) में यह प्रोवीसो बढ़ा दिया जाये :

"Provided that in case of a decree for ejectment having been passed against a tenant on the ground of non-payment of rent and the tenant having been allowed to remain in possession and paying rent both arrears and current regularly after the date of such decree, no proceedings for eviction in execution of the aforesaid decree would be permissible against the aforesaid tenant."

हम चाहते हैं कि नान पेमेंट पर जो यह चीज हो जाती है इसमें सहूलियत दी जाये ।

हमें यही शिकायतें हैं कि मकान मालिक रसीदें नहीं देते । मरम्मत नहीं कराते, नल बिजली आदि काट देते हैं । हम चाहते हैं कि इस बिल में ऐसा प्रावीजन कर दिया जाये कि ये दिक्कतें दूर हो जायें । अब जो सदस्य मुझसे प्रश्न पूछना चाहें, पूछ सकते हैं ।

इति

(The witnesses then withdrew)

III. House Owners' Association, Delhi and New Delhi

Spokesmen:

1. Shri Sobha Singh
2. Shri R. S. L. Girdharilalji Seth
3. Shri L. Jagdish Parshad
4. Shri R. L. Verma.

(Witnesses were called in and they took their seats)

Mr. Chairman: If some of the witnesses are yet to come, you may start with your case.

Shri L. Jagdish Parshad: We have already submitted our memorandum, suggesting the modifications. Perhaps it is in your hands. Our first modification is on page 1. I am referring to the memorandum of the House Owners' Association, Delhi and New Delhi. All three of us represent the House Owners' Association, Delhi and New Delhi. As far as the other association is concerned, the President is here. The Secretary is still awaited.

Mr. Chairman: Since both of you are here, I take it that you are appearing jointly.

Shri L. Jagdish Parshad: Yes.

Mr. Chairman: Or will it be necessary to give time separately to the other association?

Shri L. Jagdish Parshad: It is for them to say.

Sardar Ranjit Singh: We will present our case separately afterwards.

Mr. Chairman: Which Association do you represent?

Shri L. Jagdish Parshad: House Owners' Association, Delhi and New Delhi. Although our name is Delhi and New Delhi Association, we mostly come from New Delhi.

Our first suggestion is this. Clause 1, sub-clause (3) says:

"It shall come into force on such date as the Central Government may, by notification in the Official Gazette appoint."

No time has been given. We suggest that after the word 'appoint', the following words may be added:

"and shall remain in force for 3 years".

[Shri L. Jagdish Parshad]

The object is, in all the measures, such a provision is there. A definite time duration is given. No duration has been provided here. It is suggested that it may be kept for three years. Then, you may review after three years and do what you think best.

Our next suggestion is this. On page 2, after line 31, a new definition may be added.

Dr. Raj Bahadur Gour: As the memorandum has been circulated, will it not be better if the salient features are explained so that we can take them up.

Shri L. Jagdish Parshad: It will not take much time. It will take hardly an hour. We have made a few suggestions.

Mr. Chairman: I think, so far as minor matters go, you may rely on your memo. On matters of importance, according to you, you may say.

Shri L. Jagdish Parshad: I will try to rush through.

Mr. Chairman: Please rush through.

Shri L. Jagdish Parshad: On page 2, after line 31, I say that another definition may be added. There is a definition of landlord; there is a definition of tenant. There is no definition of sub-tenant. It may be said:

> '"Sub-tenant" means anybody other than the tenant, occupying the whole or any part of the premises for a period of more than three months.'

This is what we suggest. You may amend suitably. This is our definition.

Then we come to clause 3. Our first suggestion is this: that paras (a) and (b) should be deleted, which provide that this Act shall not apply to Government premises or premises requisitioned by the Government. Our suggestion is that since this is an Act which is meant for all tenancies, Government should also come under it. Government is a very big landlord now. What is reasonable for one should be equally reasonable for another. Our suggestion is that it should be deleted so that we may stand together as we are all landlords.

Another suggestion is that a new para (c) may be added which provides for poor landlords. Although the term landlord is there, a poor man does not come in anywhere. We suggest that para (c) may be added:

> "(c) to any tenancy, the rental value whereof is not more than Rs. 600 per annum and the owner thereof owns only one house, the part of which he has so let".

In the city there are so many houses in which a portion has been let for Rs. 20 or 15. They are not to be called landlords. They deserve special consideration.

Mr. Chairman: What is the suggestion?

Shri L. Jagdish Parshad: The suggestion is that this Act should not apply to any tenancy the rental value whereof is not more than Rs. 600 per annum, that is Rs. 50 a month—You may reduce it—and the owner whereof owns only one house, part of which has been so let.

Mr. Chairman: He may charge any rent.

Shri L. Jagdish Parshad: After all, the supply and demand is there.

Mr. Chairman: So far as this suggestion goes....

Shri L. Jagdish Parshad: It means that viewed from the rent point of view, they may be exempted from eviction. Any rent does not mean that he may charge Rs. 50|. The suggestion is that something should be done for the small houses. It may be like this or something similar.

Then, we come to page 3. In clause 5, after line 25, in sub-clause (b),..

Mr. Chairman: You need not refer to the line number.

Shri L. Jagdish Parshad: In sub-clause (b), the words are, "of such premises as rent in advance". We suggest that after the word 'advance' the words 'in lieu of the grant of a tenancy' may be added. Advance rent is prohibited, of course. We say that it should be restricted to some particular object. The object is in lieu of grant of tenancy.

Mr. Chairman: What is the parpose?

Shri L. Jagdish Parshad: If it is a question of renewal, suppose one has a tenant like a bank and the bank wants to advance. That is not something obnoxious. There is nothing under the table.

Mr. Chairman: Advance or loan?

Shri L. Jagdish Parshad: Plain loan; an over-draft is all right.

Mr. Chairman: Anyway, it is a loan.

Shri L. Jagdish Parshad: It is true A mortgage may be wrong.

Mr. Chairman: I do not think there is any ban about it.

Shri L. Jagdish Parshad: If the words are not there, it will come into play. It was our point of view. It may be considered. For renewal it may not be necessary. A renewal tenant is already in possession. So far as grant of a tenancy is concerned, it should be there.

Mr. Chairman: You argee that no pugree should be charged?

Shri L. Jagdish Parshad: We are deadly against that.

We come to clause 6. The crucial point is about standard rent. We have got three formulas. One is that the whole city be divided into six zones, all the buildings be divided into four classes and then the rent be fixed per square foot of covered or uncovered area for each zone for each place. There may be special reduction for old houses and other things, which I have detailed in the formula. This is the first. In certain areas, the original rent is not given. The Order of 1939 was a war measure, and almost 20 years have passed. That war measure is not there. It is going to be a permanent measure now. So, this should be on merits. So many houses have been sold. The previous houses are not there. The municipal records are not available; they are burnt after three years. We suggest you may take the area in square feet as the basis for standard rent.

If you take cost as the basis, we should be allowed at least what we Fourmula No. 2 on our agenda. We want only six per cent not on the house. The market value of the land and building may be specified by PWD schedules for different classes of buildings and the rent may be specified for the different zones, in order to minimise litigation. Then it will be very easy to calculate the cost of the building, and then the six per cent net, adding thereto the same things as are added under the Income-tax Act, *viz.*, items A to 1 mentioned in our memorandum under Alternate Formula No. 2.

Mr. Chairman: What will the gross come to?

Shri L. Jagdish Parshad: It is different for different classes of buildings. Some buildings are new, their depreciation is less. For old buildings, the depreciation is more. We can have an average formula. The gross will be between 10 and 12 per cent.

Our third alternative suggestion is that in clause 6(a), the year 1944 may be changed to 1947. The first Rent Control Act came in Delhi in 1947. So our going back by three years to 1944 does not give any relief. Wherever 1944 occurs in the clause, it may be changed to 1947.

Our next suggestion is that 10 per cent may be increased to 25 per cent. That would hardly meet the cost of repairs. It will not give any thing in addition to the landlord, but at least the cost of repairs and taxation should be met.

[Shri L. Jadgish Parshad]

Whenever eight and one-fourth per cent. occurs, it may be substituted by 10 per cent.

Our next suggestion relates to clause 12. One year has been allowed. It may be 30 days as is done under the Civil Procedure Code. That period should be sufficient. If the tenant thinks that the rent is excessive, he can apply for revision. One year is a long period to keep the sword hanging in his hand.

Mr. Chairman: What is the sword?

Shri L. Jagdish Parshad: He can dictate to the landlord saying that he will go to the court.

Mr. Chairman: Provided the rent is excessive.

Shri L. Jagdish Parshad: There are many things on which there can reasonably be two points of view. The tenant reasonably thinks that the rent is excessive, and the landlord thinks it is not excessive.

Mr. Chairman: Then the landlord can approach the court.

Shri L. Jagdish Parshad: Either party can. When the time is reduced, it is for both parties. The landlord also should have only one month.

Shri U. L. Patil: From what date? From the date of tenancy or dispute?

Shri L. Jagdish Parshad: From the date of dispute. It is already provided. I only want one year to be changed to one month, because one month has already been provided in all civil appeals, revisions etc., under the Civil Procedure Code. This may be in uniformity with that.

In the proviso to clause 12 we want the following words after "application": "but in no case for more than one year, in any manner or at any stage of dispute", so that the position may be clarified. You have given him sufficient time. After 12 months he should be precluded from raising the same question again in court.

Chapter III—Evictions. In clause 14(1) (b) (i) the words used are "let out". This may be changed to "so dealt" so as to include all the three categories enumerated earlier, *viz.*, sub-letting, assignment or otherwise parting with the possession.

Shri V. P. Nayar: It should be 'so dealt with'.

Shri L. Jagdish Parshad: You may add 'with' also although I have written only 'so dealt'. This alteration should be done in both the places in sub-clauses (i) and (ii).

In sub-clause (c) (i) and (c) (ii) the words are "if the premises have been let". Here instead of 'let' the words 'so used' may be inserted, because here the question is change of purpose. So both in sub-clause (c) (i) and (c) (ii) the word 'let' may be replaced by the words 'so used'.

Then, I come to sub-clause (e) on page 9. Here it is provided "that the premises let for residential purposes are required *bona fide* by the landlord for occupation as a residence". Here the words 'a residence' may be deleted because the premises may be needed for a garage or for a cow-house. In New Delhi, there are so many bungalows with garages and outhouses which are used for the purpose of residence, but they are not actually covered within the word 'residence'. So the word 'residence' may be deleted.

Shri V. P. Nayar: You want to oust human-beings and use those premises for cow-houses.

Mr. Chairman: What will be the form of this clause after this change?

Shri L. Jagdish Parshad: It will be like this:

"(e) that the premises let for residential purposes are required *bona fide* by the landlord for occupation either for himself...."

Only the word 'residence' may be deleted.

Then there is the explanation regarding sub-tenancy. Since we have suggested sub-tenancy to be defined at the outset, this may be deleted from this place.

In sub-section (h), there are two very crucial things. One is that after the word 'tenant' the words 'or any member of his family' may be added. What happens is that people build their own houses in the names of their wives and sons, but they do not move into their own house and vacate the house in which they are living because they have not built them in their own names. So, to include such persons the words 'or any member of his family' after the word 'tenant' in sub-section (h) may be added.

Then, in the last line of sub-section (h), the word 'residence' should be replaced by 'accommodation'. So, these are the two suggestions in regard to this sub-section so that people, who have built their own houses, should move into their own houses.

Dr. Raj Bahadur Gour: What difference will it make if 'residence' is changed into 'accommodation'?

Shri L. Jagdish Parshad: The idea is to make the meaning more extensive. It will include outhouses, garages etc. I have already submitted that garages and cow-houses are only meant to accommodate for cars and cows etc.

Then I come to sub-clause (j) on page 10. After the words 'the tenant has, whether before or after the commencement of this Act, caused or permitted to be caused substantial damage', the words 'any addition or alteration' may be added. The thing is that houses were let in the city say twenty years back and accommodation being short rooms are being bifurcated or partitioned and flats, say of five rooms, have been converted into five residences. The same thing is in regard to shops. One shop is accommodating three or four businesses. So, the clause in the present form does not give the necessary relief. Slums are being created for no fault of the landlords but more due to the fault of the occupants. The landlord gives the flat for one family and they then call in their relations and sub-let the premises and so, naturally, slums are created. So our suggestion is to add the words 'any addition or alteration' after the word 'damage' in line 5 on page 10. One room should not be converted into two rooms. One shop should not be converted into two shops.

Sardar Sobha Singh: This clause requires particular attention. In new Delhi the whole land belongs to Government and landlords are being pressed because tenants are using verandahs as residence. So to avoid that we are suggesting that if any tenant has made any addition or alteration to the premises without the previous sanction of the local body or the Land Development Officer or the Government, the landlord should not be pressed. If this provision is made to be a reason for ejectment then it will stop overcrowding and misuse of the building.

Shri L. Jagdish Parshad: Then we come to sub-section (2) on page 10 regarding recovery of possession. In the proviso, in line 23, we suggest that after the words 'three consecutive months' the words 'or three times' may be added. There are numerous instances of people paying only in the courts and we suggest that the defaulter need not be given more than three chances.

Shri Onkar Nath: Within what period?

Shri L. Jagdish Parshad: It may be any period. If a defaulter has been given a chance three times then naturally he should be liable to be ejected.

Shri Girdhari Lal: It is for habitual defaulter.

Shri L. Jagdish Parshad: We suggest that the whole of sub-section (4) may be deleted because we have already defined sub-tenancy at the beginning and once we have defined it that definition applies to the whole thing. The definition here is in another form. At another place it appeared in another form. We feel that there should be a uniform definition which is given at the outset. So, this whole sub-section should be deleted as the definition at the outset is quite sufficient.

Then we come to sub-section (5) on page 11. We suggest that the words " and no order for eviction.. ....the interests of the landlord." occurring in lines 11 to 14 may be deleted, because in New Delhi we have a notice from the Land Development Officer which is a conclusive proof of misuse.

श्री ओंकार नाथ : उसके लिए तो पहले जो क्लाज है।

Shri L. Jagdish Parshad: It is here, but at this place also it is appearing, so there is a misunderstanding when two things are there opposing each other and the court is in doubt as to which way to go. So we suggest that the words "and no order for eviction.... to the interests of the landlord." from this sub-section may be deleted.

Then we go to page 13—sub-section (3):

> "Where before the commencement of this Act, a tenant has sublet the whole of the premises let to him, *whether with*, or without the consent of the landlord....."

The words "whether with" should be deleted. It is only the sub-tenant who is there without the permission of the landlord will go to the Court. Such tenants should not be forced on the landlord. These words, if they are there, would mean that the sub-tenants who are there with the permission and who are there without the permission will be forced on the landlord. So the words "whether with" should be deleted.

Mr. Chairman: What do you mean by this?

Shri L. Jagdish Parshad: If there is a sub-tenant with the permission of the landlord, he may just become a tenant, because the landlord has already recognised him. If one is there without the permission of the landlord, then he should not be forced on the landlord. Here, it gives right to both.

Mr. Chairman: Yes, it does.

Shri L. Jagdish Parshad: Here in the law, providing 'with permission or without permission' will create another difficulty. When in a law something is provided, then it is with permission; it is an implied function. Why should it be enforced on the landlord? If it is with the permission of the landlord, then the landlord has got no objection. So the words "whether with" should be delted.

Then we go to page 15—Section 20:

> "Where a landlord does not require the whole or any part of any premises for a particular period, and the landlord, after obtaining the permission of the Controller in the prescribed manner, lets the whole of the premises or part thereof *as a residence* for such period as may be agreed...."

Here the word "as a residence" should be deleted. Even a godown can be let for a short period; motor-garage could also be let for a short period. These words may be deleted to widen the scope.

Mr. Chairman: What would be the effect of that?

Shri L. Jagdish Parshad: The effect would be that if a car-owner has sold his car, he can let the garage for six months and if he purchases the car again after some time, he can claim the garage.

Shri V. P. Nayar: It applies to all classes of landlords.

Shri L. Jagdish Parshad: The two words only should be deleted—"as a residence."

Shri Brahm Perkash: A shop may be included in that. It is not likely to be let in that way.

Shri L. Jagdish Parshad: This is only a suggestion, Then on the same page in sub-clause 21(d)—

> "that the premises are required *bona fide* by the *public institution* for the furtherance of its activities"

the words 'public institution' should be deleted. There is the protection here for any company or other body corporate or any local authority. This sub-clause is restricting the provisions of the main clause by the words 'public institution'. The main clause provides relief to four kinds of institutions—company, body corporate, any local authority or any public institution. In this sub-clause the words 'public institution' may mean any charitable institution. It restricts the relief to only one type of institution.

Mr. Chairman: You are not putting candidly what you want to say. This condition "that the premises are required *bona fide* by the public institution for the furtherance of its activities" would apply to any of those four institutions. The fact that the words "public institution are mentioned there makes no difference.

Shri L. Jagdish Parshad: It restricts.

Mr. Chairman: It restricts to some extent; but you are restricting to a large extent.

Shri L. Jagdish Parshad: This is only our suggestion.

Shri V. P. Nayar: According to me, here the four categories of institutions have been brought together for equal treatment. As we come down, the public institutions are taken away for special treatment. If you understand the scheme of the whole clause, you will find that all the four are treated equally. But for furtherance of activities only are the public institutions provided for. This is on a special ground. You will see this if you read clause 21 which says "...or other body corporate or any local authority or any public institution and the premises are required for the use of employees of such landlord or in the case of a public institution, for the furtherance of its activities..". In the case of the other three, furtherance of activities is not contempleted. That is the distinction. If that is understood clearly, you can proceed.

Shri L. Jagdish Parshad: It is only restrictive.

Shri V. P. Nayar: It is not restrictive. But there is this difference tht I explained.

Shri L. Jagdish Parshad: Now I come to page 21 where the Bill deals with appointment of Controllers and additional Controllers. We request that in clauses 34(1) and 34(2) the words "The Central Government may" may be taken out and instead the words "The Punjab High Court" may be put in. This duty may be cast on the High Court because they know whom to appoint and whom to transfer. The Controllers may thus be placed under the High Court.

Shri V. P. Nayar: Have you stated this point in your memorandum?

Shri L. Jagdish Parshad: This point is besides the memorandum. We have not mentioned this point in our memorandum.

Dr. Barlingay: Do you mean to say that the High Court should appoint these Controllers?

Shri L. Jagdish Parshad: Yes, the High Court may be entrusted with this task.

Then I come to page 29, clause 49, In this clause sub-clauses (2) and (3) should be deleted. Sub-clause (2) begins with "If, immediately before the commencement of this Act.." and sub-clause (3) begins with "If, in pursuance of any decree or order..." Both these sub-clauses

[Shri L. Jagdish Parshad]

should be deleted because things cannot go according to the new law unless a new Act is passed. No retrospective effect should be given.

Then I come to clause 52 on the same page. This lays down that nothing in this Act shall affect the provisions of the Administration of Evacuee Property Act, 1950, or the Slum Areas (Improvement and Clearance) Act, 1956, or the Delhi Tenants (Temporary Protection) Act, 1956. This should be deleted because the Slum Areas Act has a life of only six months. After that period it should not continue further.

Now I come to page 30, clause 54. In this clause I pray that the words "the court or other authority shall have regard to the provisions of this Act" occurring in the second proviso should be deleted because it is again a question of giving retrospective effect in respect of suits pending now. We want that retrospective effect should not be given. Any suit instituted today should only be dealt with according to the law now prevailing.

The first Schedule is more or less the same. In the Second Schedule, there are only some consequential changes which have to be made. For instance, '1954' should be changed into '1947'. Similarly, ten per cent will be changed into 25 per cent and 8¼ per cent will be changed into 10 per cent, because these are the changes made in Clause 6.

This is all I wish to place before you.

Mr. Chairman: The Act of 1947 divided the houses into two categories, that is, those which had been constructed before 1944 and those which have been built between 1944 and 1947. Now, if you substitute 1947 for 1944, then the whole scheme of the Bill will be changed. Similarly, if you increase the percentage, that will again upset the scheme of the Bill.

Shri L. Jagdish Parshad: I do not want to upset the scheme of the Bill. But this is my suggestion.

Mr. Chairman: Anything more?

Shri R. L. Verma: I want to say a few words.

Mr. Chairman: He may supplement.

Shri R. L. Verma: I shall take ten minutes.

Sir, under clause 14 (d) of this Bill it is provided that if the house has remained vacant for six months, the tenant could be evicted. But, Sir, this is applicable to residential premises only. It is not applicable to business premises. I find that both the Bombay Act as well as the Madras Act contain proviso to this effect which is applicable to all the premises including the residential as well as the business premises.

Sir, I first read the provision from the Bombay Act. It reads:

> "that the premises have not been used without reasonable cause for the purpose for which they were let for a continuous period of six months immediately preceding the date of the suit;"

This covers both the residential as well as business premises.

Again, I will read out to you from the Madras Act. It reads:

> "that where the building is situated in a place other than a hill-station, the tenant has ceased to occupy the building for a continuous period of four months without reasonable cause;"

So, Sir, I suggest that this clause may be made applicable to both the residentcal as well as the business premises.

Then, Sir, I come to clause 14 (e) which is very important clause. Under this clause, the landlord can evict the tenant if the accommodation is required by him or for any person for whose benefit the premises are held and that the landlord or such person has no other suitable accommodation. As the Bill is drafted, it is very defective. I suggest that this clause should be redrafted

suitably. There are many Government servants who have built their own houses. When the Government comes to know of this, the Government servant is asked to pay penalty rent which comes to about three times the rent. When he goes to law courts, the Court hold the view "When you have got a suitable accommodation, you cannot evict the tenant." On the one hand, he is harassed by the Government and on the other hand, he cannot get the tenant evicted. I suggest that this clause should be redrafted in such a way so as to enable him to get the tenant evicted under such circumstances.

In the Bihar Act it is provided:

> "A landlord may apply to the Controller for an order directing the tenant to put the landlord in possession of a building if he requires it reasonably and in good faith for his own occupation or for the occupation of any person for whose benefit the building is held by him:
>
> Provided that where the tenancy is for a specified period agreed upon between the landlord and the tenant, the landlord shall not be entitled to apply under this subsection before the expiry of such period."

Again, in the Assam Act, it is provided:

> "where the house is *bona fide* required by the landlord either for the purpose of repairs or rebuilding or for his own occupation or for the occupation of any person for whose benefit the house is held or where the landlord can show any other cause which may be deemed satisfactory by the Court."

Sir, if this sort of provision is included in this Bill also, the Government servant would not be harassed like this.

Then, Sir, I come to the Explanation. It is stated:

> "For the purposes of this clause, 'premises let for residential purposes' include any premises which having been let for use as a residence are, without the consent of the landlord, used incidentally for commercial or other purposes;"

The words "without the consent of the landlord" have absolutely no meaning. These words are useless, and should be omitted. If you go to the Second Schedule, you will find that the words "without the consent of the landlord" have not been used. Only the word "incidental" is used. In order to fit in this clause with the Second Schedule, I suggest that the words "without the consent of the landlord" should be omitted.

Mr. Chairman: It is a matter of drafting only. We will see to it. I suppose you do not differ so far as the substance of the clause goes.

Shri R. L. Verma: I do not differ with the substance, but the drafting is very bad.

Mr. Chairman: Drafting is bad, but the purpose is all right.

Shri R. L. Verma: Yes.

Then, there is another point. A residential building which is being used by a person engaged in one or more of the professions specified below partly for his business and partly for his residence would mean a residential building: (1) Lawyers; (2) Architects; (3) Dentists; (4) Engineers; (5) Veterinary Surgeons; and (6) Medical practitioners including practitioners of indigenous system of medicine.

In the Punjab Act this has been clarified. In the absence of this clarification, a large number of cases have gone to the Supreme Court. Therefore, I suggest all these premises which are partly used as residences and partly as business premises by Doctors, Lawyers, Dentists and so on should be treated as residential premises.

Then I come to clause 14(h). It reads:

> "that the tenant has, whether before or after the commencement of this Act, built, acquired vacant possession of, or been allotted, a suitable residence;"

[Shri R. L. Verma]

I suggest that this clause should be redrafted. It generally happens that when a tenant has built a house, he transfers it in the name of his son or his wife. Again, here the word "suitable" has been used. Now, that one word has led to a lot of litigation. Lakhs and lakhs of rupees have been litigated because of this word "suitable". Cases have even gone to the Supreme Court. I would rather submit, Sir, that this clause should be altered like this:

> "that the tenant or any member of his family residing with him already possesses his own house or has alternative living accommodation."

Then, I submit, Sir, that the Rent Controller should be empowered to issue an injunction to the tenant or any member of his family not to let his newly constructed house till the final decision of the case. In the absence of this, what will happen is this. Supposing a tenant builds his own house and goes to the law court, it will take even five years. Actually a case is pending before the Supreme Court for the last ten years. I think the object of this Bill is to reduce litigation and this object will be fulfilled by making provision of this nature.

Mr. Chairman: As a corollary to this, do you agree to the provision that if a house is needed for the tenant or his family and son, even if it is sublet, if it is a big family, he can retain it?

Shri R. L. Verma: The position is that the other house should be somewhat similar to the house which he is occupying. What actually has happened in most cases is this. For instance, there is the Sundernagar colony, which is a new colony which has sprung up. The houses there have two floors, the first floor and the second floor. Suppose the tenant is occupying . . .

Mr. Chairman: So far as the provision for acquisition of a house belonging to a house-owner is concerned, we have omitted the words 'or family', so that a house which is in possession of a tenant can be acquired only if it is needed for the owner himself and not for his son. But, according to what you say, if his son builds a house, then should the father be turned out?

Shri R. L. Verma: So long as he is living with him.

Mr. Chairman: The son may be living with him, but he cannot acquire it for the major son. That would be somewhat incongruous.

Shri R. L. Verma: But how will you stop this sort of thing? Otherwise, you will be defeating the provisions of the Act.

Mr. Chairman: So long as there are men with sufficient ingenuity, they can manage to defeat all provisions of this Act.

Shri R. L. Verma: This is happening on a mass scale; most of the tenants have built these houses in Sundernagar . . .

Mr. Chairman: It is a game of wit. We quite understand your position.

Shri Barlingay: Have you mentioned this in your memorandum?

Shri R. L. Verma: These are additional points.

Then, I would point out that you have removed altogether the nuisance clause. I respectfully submit that the nuisance clause may remain as it is, and to that should be added immoral and illegal purposes also; and it should apply also to the premises which is occupied both by the landlord and tenant. You can remove it in the case of premises which is entirely occupied by the tenant when the landlord is not living there. But there may be other cases where the landlord and tenant may be living in the same premises, and life would be made impossible for the landlord, if this provision is not there.

Mr. Chairman: He can proceed under the general law.

Shri R. L. Verma: But the tenant cannot be eicted. Would you tolerate

that immoral and illegal activities should be carried on, and yet the tenant should not be evicted?

Mr. Chairman: What is immoral and illegal has then to be defined.

Shri Verma: I have taken this from the Bombay Act.

Mr. Chairman: If it is something illegal, then the man can be punished under the general law, whether he is a tenant or a landlord, either at the instance of the landlord or at the instance of a third person.

Shri Verma: I am actually quoting from the Bombay Act.

Mr. Chairman: There may be many things here and there in that Act, which are not perhaps altogether relevant here.

Shri Verma: There should be some remedy open to the landlord to stop such immoral and illegal activities.

Shri Subiman Ghose: There are other laws by which he can stop such activities.

Shri Verma: As regards the tribunal, it has been provided that it will consist of one judge only. I respectfully submit that it should consist of two judges as in the Bombay Act. Here, we have got one judge and again one judge to hear appeals. In the old Act, the revision was also by one judge of the High Court.

Mr. Chairman: This is a provision to which the representatives of the tenants and the house-owners had agreed.

Shri Verma: The final hearing of the application should take one month in case of application, and three months in the case of suits, and the Rent Controller, when he is not able to do it within the specified period, should give his reasons in writing. I am quoting this from the West Bengal Act (page 183). If such a thing is not provided, then it will take again five years as it is taking at present. It is provided in the West Bengal Act. So, I submit that it should be provided here also.

There is another point which has been said about the structures, for which we have been harassed. I respectfully submit that you must look into this point. This is there in the Bombay Act also, namely whenever the tenant builds a structure, he is evicted. But there is no such provision here explicitly.

Shri Jagdish Parshad: The reference is to additions or alterations in the house.

Dr. Raj Bahadur Gour: The representative of the House-Owners' Association has suggested that rent should include the quantum of local taxes that the house-owner is called upon to pay to the corporation. My question is this. Why should only the landlords be given that benefit of collecting the local taxes from the tenant?

For instance, there are other house-owners who live in their own houses. Wherefrom will they get the quantum of local taxes that they are called upon to pay? Again, there are employees who own their own houses. The employers do not pay the local taxes. So, why should the landlord be given the benefit of collecting local taxes from the tenants? Again, why should only local tax be there, why not death tax and wealth tax and income-tax and so on? If you mean that all these taxes which you are paying to the Government and to the local body are to be collected from the tenant wholly or partly, then the purpose of the tax is defeated, because that taxation is on you and not on your tenants.

Shri Jagdish Parshad: The point is this. Housing is considered as an industry, in which there is some investment. As such a reasonable return is essential for anyone who builds a house. So, it is just to get that minimum return that these things are sought to be added. If these things are not added, then that minimum return will not be there.

Shri Verma: So far as wealth tax and other taxes are concerned, supposing you invest in the house or you invest in the national savings certificates or in any other thing, those taxes are applicable under all circumstances. But so far as the taxes on houses are concerned, the position is different; so, these should be added to the rent, so that the net return to the investor may not be jeopardized. If the return is not there, then there is no fun in building a house. People should not build houses just for fun. After all, they are business propositions.

As regards the landlord collecting the taxes from the tenant, let me clarify that point. It is done by agreement. What is the agreement between the parties? If the agreement is that the tenant has to pay any sum specified in the agreement, then the tenant has to pay that sum.

Again, so far as gross annual rent is concerned, in the Punjab, the question arose whether the taxes should be included in the annual rent or not, and then an explanation was provided in the Punjab Municipal Act, namely Explanation II, as it is called, which said that from the gross annual rent, the taxes should be excluded, for purposes of computation of income. That is what the Punjab Municipal Act has laid down, and that is what we understand by that term 'gross annual rent'.

Dr. Raj Bahadur Gour: Would you then say that all the taxes must be paid not by the investor but by the tenant?

Shri Jagdish Parshad: That is in order that the minimum return to the house-owner should remain unchanged.

Mr. Chairman: This point has not been referred to in their written memorandum. It has arisen in the course of their oral evidence.

Shri Verma: We did not know whether that point would arise. So, we had not put it in our memorandum. But, as we have explained, it is there in the Punjab Municipal Act.

Shri Parulekar: I will refer you to the third alternative you have proposed, namely, that the basic rent should be increased by 25 per cent. If your proposal is accepted, the rent will be increased from 37 per cent to 52 per cent.

Shri Pershad: It will amount to that. The cost of repairs and maintenance has gone up 400 per cent. Therefore, that gives only partial relief.

Shri Parulekar: Have you calculated only the cost of repairs?

Shri Pershad: We have calculated different things. If we increase the rent by 25 per cent over the previous figure already granted, it would still amount to 37 per cent. Even the 37 per cent does not give full relief; it is not sufficient to cover repairs.

Shri Parulekar: I would refer to the Bombay Act and how it has been in operation. This has gone to the courts and they have investigated the cost of repairs and other items. They have said that the cost of repairs should be 0·5 per cent.

Shri Pershad: I do not know what the position in Bombay is. So far as Delhi is concerned, this is our actual experience. A house which was costing Rs. 50 before is costing Rs. 400 now.

Shri Parulekar: In Bombay, they have calculated cost of repairs and also cost of construction. They have given a formula according to which the cost of repairs is 0.5 per cent, insurance on the cost of construction 0.1 per cent, sinking fund 0.55 per cent and rate of taxes 1.75 per cent. Then they have arrived at what should be the figure.

Shri Pershad: It is a percentage on the cost of the house; not on the rent.

Shri Parulekar: Cost of construction.

Shri Pershad: I was speaking of rental value.

Shri Parulekar: The taxes are very high in Bombay. They have, therefore, calculated that gross return should be 8·8 per cent in which case the landlord will get 5.5 per cent. In your memorandum, you have stated that gross return should be 10 per cent so that your net return will be 6 per cent. May I know on what basis you have calculated these figures?

Shri Pershad: I have not the calculations with me just now. I can give them next time. But we have made the calculations on the basis of the construction value, repairs, and taxes being levied in Delhi. If 6 per cent net is to be ensured, at least 10 per cent gross should be allowed.

Shri Parulekar: The figures I have read out to you were calculated by the authorities in Bombay.

Shri Pershad: There may be some points left out in those figures.

Shri Parulekar: Is it your contention that the cost of construction and everything else is higher in Delhi than in Bombay?

Shri Pershad: I do not anticipate that. But perhaps they may not have considered all the facts. For example, there is 1|6th for depreciation. I do not know whether that has been taken into account by the Bombay people.

Shri Parulekar: They have provided for sinking fund.

Shri Pershad: That is different. Depreciation relates to decay of the house. That is different from repairs and maintenance.

Shri Parulekar: Witnesses have calculated certain figures which appear to me to be fantastic. That was why I was asking on what basis they have calculated their figures.

Mr. Chairman: They have given their answer.

Shri Parulekar: At the same time, they admit that the cost of construction in Delhi is not higher than that in Bombay.

Mr. Chairman: You may not agree with them, but they have given their answer.

Shri Pershad: In Bombay it is 8·8 per cent. gross which includes taxes. I have given 10 per cent. The difference is only 1·2 per cent. It is not so fantastic as the hon. Member just made out. Another consideration is that they have not taken into calculation 1|6th for depreciation. They have provided for repairs, but not for depreciation. We have provided for depreciation 1/6th and 6 per cent. for collection charges. Then I do not know whether there is ground rent in Bombay. Then there is insurance premium. In Bombay, they want 5·5 per cent. net; here we want 6 per cent. net.

Shri V. P. Nayar: The incidence of tax is heavier in Bombay than in Delhi.

You said that your Association is very much against pugree. As I went through the provisions of the Bill, I find that punishment of three months imprisonment is provided. Would your organisation be agreeable to make the punishment very stiff, seven years?

Shri Pershad: We do not object to it.

Shri V. P. Nayar: And making the offence cognisable?

Shri Pershad: Giving the thing into the hands of the police might lead to great harassment and unnecessary difficulties. It is a civil matter and should be dealt with by civil hands.

Shri V. P. Nayar: It is not a civil matter. It has already been declared to be an offence punishable with simple imprisonment for three months, so that there is nothing of a civil nature in that. You emphatically say that you are against pugree. I am only asking you whether you are against enhancing the punishment from 8 months to 7 years and making it cognisable.

Shri Pershad: So far as the increase in the punishment of imprisonment is concerned, it is all right. We do not want to protect the wrong-doers. But making it cognisable and turning the matter over to the police to be tried by the police is a different thing.

Shri V. P. Nayar: It is never tried by the police; but it is initiated by them and tried by the judiciary.

Shri Jagdish Prasad: If it is declared as an offence by the civil court, we have no objection. I do not want to protect the wrong-doer; but I do not want that the innocent should be punished.

Shri V. P. Nayar: What we want from you as a witness is a categorical answer as to your reactions if the offence is declared specifically as cognizable.

Shri Jagdish Prasad: I have a minor objection because I understand that if it is declared a cognizable offence, the police will step in to see whether the offence is committed or not.

Shri V. P. Nayar: The police do not give a verdict in the case of cognizable offences.

Shri Jagdish Prasad: We have no objection to raising the sentence to 7 years.

Shri V. P. Nayar: So you are prepared to accept the worst punishment but you do not accept the police coming in.

You said that lands in New Delhi belong to the Government. I would like to know what percentage of the rent now collected from the buildings on land belonging to Government in New Delhi—the leasehold lands—is being given to Government as lease amount.

Shri Jagdish Prasad: This question has not to be viewed from that point of view.

Shri V. P. Nayar: I only want it to be viewed from that point of view.

Shri Jagdish Prasad: In New Delhi the buildings were unoccupied for six months. We built the houses for future. Now, we are reaping that benefit and you want to snatch it.

Shri V. P. Nayar: In that case, you will also agree that the rise in the market price is not due to you.

Shri Jagdish Prasad: The rise in the market price comes in only when we want to sell.

Shri V. P. Nayar: My definite question is this. What percentage of the rents you collect from buildings on leasehold lands which belong to the Government of India is going back to the Government of India as lease amount.

Shri Jagdish Prasad: This differs from locality to locality. There is the Connaught Circus. It is something there. There is the Doctors Lane; there is the Hanuman Road and there is the Jain Mandir Road. In Jain Mandir Road there are people who are not getting even one per cent.

Shri V. P. Nayar: That is not the point. What I wanted to know was what percentage of the rent collected goes back to Government as lease amount.

Shri R. L. Verma: We have not got the statistics.

Shri V. P. Nayar: Then, the rent charged now is not on that basis?

Shri Jagdish Prasad: After 30 years the Government is supposed to enhance the lease amount. After 30 years they have enhanced it 20 times.

Shri V. P. Nayar: You ask for 10 per cent. Would you be willing to pay a proportionate increase in the lease amount to the Government of India?

Shri Jagdish Prasad: There again a difficulty will crop in . . .

Mr. Chairman: Under the existing system the lease amount charged for the first 30 years is 2½ per cent. of the value of the land. After 30 years, it

is revised and it is charged at 2½ per cent. of that value, that is the then prevailing market value.

Shri V. P. Nayar: My point was that the land values have increased notwithstanding anything done by the land owners themselves. It was the result of so many special reasons so far as New Delhi is concerned. If for purposes of rent, if the present market values are taken into account, they will be several times what they used to be.

Mr. Chairman: If you are to take the market values into account, then the rent rate will not be 8·25 per cent; but it will be 18·25 per cent. They are not claiming that.

Shri V. P. Nayar: They are suggesting something which is for the Committee to discuss without the witnesses. The other point for which I would like to have an answer is this. The Vice-President of your Association suggested that after 21 years of continuous tenancy.....

Mr. Chairman: Let us drop it. Let us assume that it was not put forward seriously.

Shri V. P. Nayar: I have a very serious proposition. Will the landlords be prepared to give ownership to the tenants when they have been in continuous occupation and have paid twice the value of the house as rent?

Shri R. L. Verma: That will mean just like saying that if you buy milk and if you have paid twice the value of the cow, the cow belongs to you.

Shri V. P. Nayar: I do not want any analogy. I want an answer.

Mr. Chairman: He does not agree to that.

(*The witnesses then withdrew.*)

THE JOINT COMMITTEE ON THE DELHI RENT CONTROL BILL, 1958

MINUTES OF EVIDENCE TAKEN BEFORE THE JOINT COMMITTEE ON THE DELHI RENT CONTROL BILL, 1958

Monday, the 3rd November, 1958 at 15.07 hours

PRESENT

Shri Govind Ballabh Pant—*Chairman.*

MEMBERS

Lok Sabha

2. Shri Radha Raman.
3. Choudhry Brahm Perkash.
4. Shri C. Krishnan Nair.
5. Shri Naval Prabhakar.
6. Shrimati Sucheta Kripalani.
7. Shri N. R. Ghosh.
8. Shri Vutukuru Rami Reddy.
9. Dr. P. Subbarayan.
10. Shri Kanhaiyalal Bherulal Malvia.
11. Shri Krishna Chandra.
12. Shri Kanhaiya Lal Balmiki.
13. Shri Umrao Singh.
14. Shri Kalika Singh.
15. Shri T. R. Neswi.
16. Shri Shivram Rango Rane.
17. Shri Chandra Shanker.
18. Shri Phani Gopal Sen.
19. Sardar Iqbal Singh.
20. Shri C. R. Basappa.
21. Shri B. N. Datar.
22. Shri V. P. Nayar.
23. Shri Shamrao Vishnu Parulekar.
24. Shri Khushwaqt Rai.
25. Shri Ram Garib.
26. Shri G. K. Manay.
27. Shri Uttamrao L. Patil.
28. Shri Subiman Ghose
29. Shri Banamali Kumbhar.

Rajya Sabha

30. Shri Gopikrishna Vijaivargiya.
31. Shrimati Ammu Swaminadhan.
32. Shri Deokinandan Narayan.
33. Dr. W. S. Barlingay.
34 Shri Awadheshwar Prasad Sinha.
35. Babu Gopinath Singh.
36. Shri Onkar Nath.
37. Shri A. Dharam Dass.
38. Shri R. S. Doogar.
39. Dr. Raj Bahadur Gour.
40. Shri Farîdul Haq Ansari.
41. Shri Anand Chand.
42. Shri Mulka Govinda Reddy.
43. Mirza Ahmed Ali.

DRAFTSMEN

Shri S. K. Hiranandani, *Additional Draftsman, Ministry of Law.*

Shri K. K. Sundaram, *Asstt. Draftsman, Ministry of Law.*

REPRESENTATIVES OF MINISTRIES AND OTHER OFFICERS

Shri Hari Sharma, *Joint Secretary, Ministry of Home Affairs.*

Shri A. V. Venkatasubban, *Deputy Secretary, Ministry of Home Affairs.*

SECRETARIAT

Shri A. L. Rai—*Under Secretary.*

WITNESSES EXAMINED

DELHI HOUSE OWNERS' FEDERATION

Spokesmen:

1. Sardar Ranjit Singh
2. Shri D. C. Kaushish
3. Shri Rajeshwar Dayal
4. Shri R. D. Jain
5. Bawa Ishwar Singh

(Witnesses were called in and they took their seats)

Shri Kaushish: May I with your permission give a few general remarks before I come to the specific clauses, because that will be conducive to a better understanding of the implications of this Bill? My Federation has all along been looking at the rent control problem not as an isolated problem but as an integral part of an overall picture of housing, slum clearance, and how it adjusts the social relationship. In fact, we have been hoping for long that there would be a measure which would achieve a certain amount of harmony, but pardon me for saying so, we cannot conceal our disappointment. I think it has widened the cleavage. We also find that whatever we have been pleading-maybe, it is four fault that we have not been able to place it so well before you—has not cut much ice. But we saw a recently published report, which I think came some time in April. That was the report of the Selected Buildings Projects Team on Slum Clearance, submitted by Shri S. K. Patil, the leader of the team, on 26th April, 1958. It was submitted to you, Mr. Chairman, and it has made some very far-reaching recommendations and comments.

That team has made no secret of it, and it says at page 20 of the report:

> "Rent control Acts were promulgated by the various States soon after the war, after taking into consideration the housing situation prevailing at that time. Other countries which had enacted similar Rent Control Acts have revised them gradually with a view to ensure adequate maintenance of the buildings so far neglected due to the high cost of maintenance and the low rental value realised by the landlords. We recommend that the Rent Control Acts of different States be examined with a view to exempt from their application buildings which have finished their useful life, old buildings which are in a bad state of repair, and buildings which are sub-standard but which can be improved for rehabilitation at reasonable cost".

I am glad to say that my Federation has been taking exactly the same view for the last two years, and we are gratified to find that at least one section of Government, and an expert committee have realised the truth behind the whole problem. The committee has gone further into the problem, and of course, they have made so many recommendations, but I do not wish to place them in detail before you, because, I presume it was circulated to Members of Parliament in April, and all of you would have gone through it.

They have said; that the overwhelming majority of buildings in the country—and Delhi is no exception to it—are pre-war; they will all be a national waste. Our effort, prior, to any slum clearance or rebuilding is to ensure the safety of these buildings and to enhance their life for the good of the community. As to what we have done in that behalf in this Bill, I shall come to that later.

However, making a passing reference to a couple of sentences more in their report, I would like to draw your attention to this. They say that slum clearance alone would cost about Rs. 10,000 to Rs. 20,000 crores.

[Shri Kaushish]

And they say that having regard to the present resources of the country, this is not possible.

They say again at pages 51 to 61 that the housing shortage would be of the order of 2·5 million houses. And they admit again that it is not possible for Government to make up for that shortage. Without meaning to offened anybody, I should like to read this particular portion:

> "The housing programmes are themselves dispersed over a number of Ministries and Departments. Not only is there lack of co-ordination but it seems that under the present system there is a virtual denial of the opportunity to co-ordinate except by an expenditure of time and effort which would affect the pace of progress appreciably both in the short and the long runs.....".

This occurs on page 1 of the report itself.

There is another very relevant observation.

Mr. Chairman: This is hardly relevant, I think. What you are saying about co-ordination and so on does not directly affect this Bill. This Bill deals with a different problem.

Shri Kaushish: I am sorry. I thought I could develop the point when I came later to the important clauses. Then, they say:

> "....demolition and re-development alone will never get rid of slums; rehabilitation of any number of sub-standard buildings worth saving, will also not solve the slum problem unless millions of new dwellings are constructed (a) to meet the demands of urban growth, (b) to wipe out the present shortage and (c) to make up for the houses demolished. New housing construction, slum clearance and rehabilitation of sub-standard building must, therefore, go hand in hand.".

I hope our Bill will lead to that path.

Then, they make their observations on the financial aspects and so on and so forth. There is another thing which they say later on, which would be very pertinent to what we are going to discuss, namely the overcrowding problem.

> "It is feared that the newly constructed houses built under the Industrial Housing and Slum Clearance Schemes will also relapse into slums in course of time if overcrowding is allowed. The Housing Board in Bombay has framed certain rules for preventing subletting and overcrowding of new houses. Similar rules may be framed and followed in other cities to guard against the decay of new tenements due to overcrowding".

Finally, they say:

> "We feel that full measure of success will not be achieved in the National Housing Scheme if private enterprise is not induced to take a sizable share therein. However much the State and Union Government may do in the way of supplementing the housing stock in the country, there will still remain a gap which is hard to fill. It is suggested in certain quarters that private enterprise would be able to take up the construction of houses for the low income group if sufficient incentive is given to them by way of tax remissions and loans, if necessary. The private enterprise can build houses not only for the low income group but also for the upper middle class people, who will be in a position to pay the economic rent.".

I think that is a very realistic approach. Now, let us see how this Bill encourages us to follow this particular suggestion that private enterprise would really come out with that activity that would solve the problem.

Now, I should like to take up the clauses of the Bill. If you suggest, I

would take up the clauses from the very beginning, or I could take the standard rent clause first.

Mr. Chairman: As you please.

Shri Kaushish: Then, I shall start from the very beginning, from clause 3.

Mr. Chairman: On the whole, I think it will be to your interest to concentrate on the main point and not be lost in details which are of minor issues only where they support bigger issues which may be of greater advantage or disadvantage are lost.

Shri Kaushish: Then, I shall stick to that path, and I shall take up the minor issues only where they support the bigger issue also and throw some light on it.

Coming to clause 2, as the clause stands, it exempts Government property from the operation of the rent control law. We, as a body, feel that this distinction is no more justifiable for the simple reason that the public sector and the private sector today are not two different entities. Take, for instance, in the sphere of labour, Government labour is also governed by almost the same laws—I would say 99·9 per cent—as that of the private employer. So, when it comes to rent control why should the Government claim a certain amount of privilege and let their property remain outside the purview of it? We could understand if they had claimed this privilege and kept Government property outside the purview of the rent control laws, but had dealt with the tenants in the same manner and on the same considerations in the matter of charging rents as the private owner has been doing.

We find—and this is a case reported in the Supreme Court Reports—that the Delhi Improvement Trust built up a market in Sabzi Mandi and let it out to Vegetable and Fruit Merchants Union at a rental of Rs. 35,000 per year in 1942. For that purpose the Improvement Trust had taken a loan grant from the Government of about Rs. 4,75,000. That rent, with the lapse of time, has been shooting up and today it has reached the astronomical figure of Rs. 2,50,000 from Rs. 35,000. In fact, when this case was in the Supreme Court it had by then reached Rs. 2 lakhs only but when the Supreme Court decreed that this property did not come within the purview of the 1952 Rent Act the Trust immediately after the Supreme Court judgment put up the rent by another Rs. 50,000.

Now, this market contains about 145 shops and 25 godowns. In fact, the godowns have a lesser rent than the shops, but for the sake of convenience taking that the rent is the same of Rs. 35,000 per year it comes to about Rs. 17 per month for one shop. At the rate of Rs. 2,50,000 per year it comes to Rs. 124 per shop. I am sure, nowhere in the country or even in any other country this much of increase would have been tolerated if there was some kind of a rent control, not from Rs. 17 to Rs. 124. If I were the owner of that market, I would have been allowed just two annas in a rupee and now that you very kindly propose an increase of 10 per cent. just that much more and still keeping my rent below a level of Rs. 25 per month. I have tried to seek justification for it but I have not been able to do that.

Anyway, in Sabzi Mandi itself there are better built shops, constructed during pre-war times and better situated commercially and otherwise. Here is a shop in Ward No. 12 bearing Municipal No. 29. The floor area is 207 sq. ft. It is owned by Shri Gowardhan and it fetches a rent of Rs. 11 per month still today. Where is Rs. 11 and where is Rs. 124? There should be some similarity between the charge of a private owner and Government. If keeping the values depressed is bad for Government, it is certainly bad for private enterprise. If you would increase the rates that way and the private enterprise would keep it down, naturally our properties

[Shri Kaushish]

would collapse because we cannot find the money to repair them.

We might say anything about this market, but a most interesting case has come to our notice and that is regarding the property which the late Shri Raghunandan Saran donated to the Government for the construction of a children's ward in the memory of his late lamented mother. That property is in Ramnagar, Qutub Road. The rent charged by Shri Raghunandan Saran was Rs. 9·62 nP. for a shop and now that the property vests in the Government, the Estate Officer has sent a demand for Rs. 191 for the same shop, a figure almost twenty times. Again, there is another shop in the same building. The private owner charged Rs. 16.50 nP. for one shop. The Government has sent a demand for Rs. 280.

Take the case of flats in the same building. For a flat which just gave Rs. 17 to the private owner the Government demands Rs. 397. Against Rs. 21 it is Rs. 479 and against Rs. 41·16 nP. it is Rs. 829. I do not know how they have been related, but things, as they are, are there.

Mr. Chairman: Are you sure that these orders have not been cancelled?

Shri Kaushish: Not to our knowledge, but if they have been we are happy that they have been changed and we shall be very glad to know that. But so far as our knowledge goes, we are not aware of anything of that nature. The demand notes—we are very certain about it—were issued.

Shrimati Sucheta Kripalani: Do you know the basis of the calculation?

Shri Kaushish: The basis of calculation is the same P.W.D. calculation. They take the covered area and calculate so much per sq. foot of construction, whether it is A class or B class or C class, and then they calculate the value of Ramnagar land today which easily may be about Rs. 300 or Rs. 350 per sq. yard. So, they have taken all those things into consideration, added them up and on the benevolent process of 'no profit no loss' 10 per cent. has been put down on that and then charge that rent. So, obviously there has been some mistake somewhere—maybe somebody has put a zero more or something, but it is really hard to believe that it would rise to that height. But the fact remains that the notices were issued.

Now, having requested for the deletion of the existing clause 3, we want to substitute it with two new provisions. We wish clause 3 to be re-worded thus:

> "Nothing in this Act shall apply—(a) to any premises not let out for purposes of residence only."

This is a very important point, because out of the built accommodation we have in the city, over 90 per cent. is pre-war. There are big firms, big business houses, small traders and industries who are still paying the 1939 rent. We cannot appreciate either the practical aspect of it or the social justice of it.

You do not have to go very far. Just in Connaught Circus you have Spencer and Co., a very well located shop. They are paying Rs. 105 per month since pre-war times on 1939 level rates. Their total sales today are to the tune of Rs. 2 lakhs per month. Even if we concede that their profit is just 10 per cent. they are making Rs. 20,000, and as admitted by the Spencer people themselves, the location of the shop plays a very very important part.

Now, if you can allow them to shoot up their profits according to present economic conditions, what is the fault of the landlord that he cannot put up his rent according to present economic conditions? The poor fellow has got to maintain that property. A cement of bag is no more As. 14; it is Rs.7|8|-. A mason is no more available at As. 10; the rate is Rs. 5|8-. After all, the poor man has to find money for it, and if his rent should remain

at that rate, naturally the property would be neglected.

So if Government want to follow some kind of a progressive de-control policy, at least begin it with business premises. That would be very fair and very just; there will be no hue and no cry. Take, for instance, cinemas and hotels. I should like to give you a glaring example of Imperial Hotel. The rent is value Rs. 50,000 per year. The houseowner is expected to do the outside repairing of the building and pay the land taxes which have been raised many times ever since he got the lease, and today he till continues to receive the same Rs. 50,000 as in pre-war times. The last balance sheet of the company disclosed a profit of Rs. 16 lakhs, and in the balance sheet you will find that those little show-cases that are hanging around in the corridors give them Rs. 3,50,000 per year. Where is the justification of letting those people enjoy the rent control?

That was the extreme example on the upper bracket. Now I will come down to the lowest. I went down Original Road to a halwai shop. He pays Rs. 6 per month since about 1929. Another halwai slightly towards the left opposite row in a new building pays for a smaller place about Rs. 87 per month.

Dr. Raj Bahadur Gour: Is there any difference in the taste of the two *mittais* also?

Shri Kaushish: Actually, they are milk sellers with some *barfi* in addition. So I asked the Rs. 87 walla:

देखो भाई, कुछ तो शर्म करो । इतना पानी मिलाते हो !

"Your curd is made out of separated milk".

Mr. Chairman: What you are describing would, no doubt, be interesting; but it will take more time than you would need.

Shri Kaushish: I will cut it down.

When I made this charge, he said "You are an educated person. You will probably understand. I do not earn more than Rs. 200 as my net profit. The man opposite is trying always to do me out of business. He has an advantage of almost Rs. 100 over me. If I do not resort to this, I will have to get out of business and my children would be starving." Of course, he was cursing the landlord. He said "These landlords are sucking my blood. If you can have my rental reduced to Rs. 6, I will give you better stuff than what the other fellow across the road gives."

Mr. Chairman: The other man mixes no water?

Shri Kaushish: He sells certainly much better stuff than the fellow who has got the Rs. 87 shop.

Mr. Chairman: So if the rents are low, the customers will get better stuff?

Shri Kaushish: Not exactly that. If rents are uniform, even if they are Rs. 87 per month, the stuff would be uniform—uniformly good or uniformly bad.

Mr. Chairman: I do not know whether it will depend on the proposal. But your statement indicates that if the rents are low, then the deal is more straight.

Shri Kaushish: No, if the rents are uniform. If you will allow me, I will elaborate further on this.

Mr. Chairman: That is enough.

Dr. Raj Bahadur Gour: The person who is paying Rs. 6 need not add water to the milk? So if the rent is reduced to Rs. 6, there will be no water in milk?

Shri Kaushish: The only difficulty would be that there will be no shop available for another trader at Rs. 6. Nobody can build a shop today and give it at Rs. 6. You have got to see the market adjustment of it.

Shri Deokinandan Narayan: What remedy would you suggest?

Shri Kaushish: A uniform rent policy.

Shri Deokinandan Narayan: How do you do away with the differentiation between Rs. 6 and Rs. 87?

Shri Kaushish: That I will indicate when I come to clause 6 and give my formula which will remove all the inequities in rent and get you on a very sound basis.

I have finished with (a). Now I shall come to clause 3(b). We want it to be amended thus:

> "Nothing in this Act shall apply . . . . . (b) premises occupied by a person owning his own property."

Here again you will find that there are lots of tenants today who have the pre-war built premises with them on rent and continue to pay the control rent, while they have put up houses, majority of them in the newly-developed New Delhi colonies, still living at Rs. 90/- a month in Faiz Bazar and earning Rs. 1,700 a month in Golf Links for almost as much area. What is the social justice of this—my Federation has been wondering.

Again, there is a glaring case, to which I have drawn your attention before also. On the outskirts of Connaught Place, there is a bunglow in Barakhamba; half a bunglow is on Rs. 200 per month rent. An open compound in the bunglow is more than double the area—I am referring to clause 3(b); I hope I am within my scope when I suggest a new subclause (b) incorporated replacing the existing provision.

In this case this man pays Rs. 200/- for half the bungalow and charges Rs. 1,800/- over there. The case went up to the High Court. But, unfortunately, the High Court ruled that though he might have built a new house, he cannot be evicted because he was also running a Dental clinic at Connaught Place and that this place was not suitable for that purpose, because the wording of the 1952 Act is, 'has acquired a suitable business premises'. So, the owner could not get it back.

I would not like this tenant to be pushed out, but I do not want him to get protection under the Rent Act. So, if you have the sub-clause as I have suggested, I will suggest to the tenant, 'Dear fellow, we have lived happily for 20 years or so, whatever it is; you have enjoyed protection; you are getting Rs. 1,800|- there; you need not pay me Rs. 1,600/- or Rs. 1,500/- or something like that; but give me something more'. But, he is not willing to give me even Rs. 201/-. I think that should be stopped on the principles of social justice and if Government really want to introduce a policy of professed decontrol.

Shri Khushwaqt Rai: Which is the High Court case you referred to?

Shri Kaushish: I do not have it here but I will give it to you. I have not mentioned it because it is stili *sub-judice* in the Supreme Court. But, I will send the High Court judgment to you.

Coming to clause 6 which relates to the fixation of standard rent, I think, this is the clause round which this Bill hinges. The formula worked out by Government and introduced in the Bill does not meet the requirements of the case because, roughly speaking, pre-war buildings or early war constructed buildings—say, buildings up to 1951—have an increase of merely 10 per cent. Suppose there is a two roomed tenement in Chandni Chowk; after the increase of rents it is fetching a rent of Rs. 11/- today. With your 10 per cent increase it will fetch 110 nP. more. It does not carry you anywhere at all. Then, we will come back to the same analogy of the two doodhwalas paying Rs. 6/- and Rs. 87/-; you will never bridge the gulf.

We have demanded the scrapping of clause 6 as it exists in the Bill, and to get all available accommodation on some kind of reasonable level. We have asked for a new clause which reads:

> "Standard rent of any premises means—twelve per cent. per an-

num of the aggregate amount of the cost of construction calculated according to the prevailing C.P.W.D. Schedule of Rates and the market price of the land comprising the premises on the date of the application for fixation of standard rent;

PROVIDED that the standard rent so fixed shall be subject to revision and adjustment in relation to the changes in the C.P.W.D. Schedule of Rates from time to time.

PROVIDED FURTHER that in case of premises on rent at the commencement of this Act, the rent paid by the tenant shall not be increased for a period of three months, and during this period, the landlord shall serve the tenant with notice in writing, claiming standard rent calculated according to the above-mentioned rates."

In the present conditions we cannot think of anything more satisfactory to get all accommodation on some kind of an equitable level. I know somebody might raise the objection that if we ask for the C.P.W.D. rates, the rent may shoot up to Rs. 190/- as it did in Ramnagar.

But that will not happen, because the Schedule has A, B and C classes. You can introduce D and E classes. In Schedule A the cost may go up to Rs. 18|- to Rs. 20|- per sq. ft. of covered area and it may come down to Rs. 7/- in the case of E class. So, the same rate need not apply to first class construction and fifth class construction. There have to be different standards.

An Hon. Member: When were the C.P.W.D. rates fixed last time?

Shri Kaushish: They do not change the rates frequently. What they do is this. Every few years, with the change in the cost of materials and labour, they issue certain amendments to it and say that it will be so much per cent high or so much per cent low. As experience has shown, it keeps fairly constant as related to market conditions. When there is a rise in labour costs or steel prices or something like that, it immediately shows that; it goes up or comes down.

The C.P.W.D. rate is based on the quotations of the private contractor. There are two kinds of rates in the C.P.W.D. For departmental work, it is certainly higher than the rates of a private contractor. That is the difference between the two.

The most important aspect of this clause is, there must be flexibility, as in food price or cloth. After all, shelter is also as important as food and cloth. Actually, it is one of the three basic needs. Unless it has that factor of flexibility, there will always be clashes between the user and the owner. We want to avoid this. We want an understanding on both sides. And, this understanding would come immediately you introduce the element of flexibility.

To be very frank, I do not anticipate that the costs would come down, for the simple reason that it is a developing country and our standards are going up. When standards increase, the cost of labour goes up and it reflects on the cost of production of other materials. A bricklayer in America who was taking 15 cents. takes $3·50 now. In my own memory a mason has come from -|10|- to Rs. 5/8/-; and, I am sure, before I die he may take Rs. 10/- a day. All these considerations have to be taken into account when we want to save property.

When you have fixed, in 90 per cent of cases, the rents at the 1939 level, the result is, we are no longer able to repair the buildings; and they are just crumbling as they did during the last monsoon. It is of utmost urgency, even more than putting up new buildings, that this accommodation should be saved, not merely for my sake, but for the sake of the community and that can be done if you give us a market return and for that market return, as I have already told you, we want 12 per cent. Twelve per

[Shri Kaushish]

cent at first glance of market value might look high to you, as some friends informally remarked to me. But frankly speaking, it is not. I have given an analysis of it in my memorandum, but if you like I will recall it again, or if you would like to refer to it I would skip through it.

Mr. Chairman: You move on to the next.

Shri Kaushish: In this 12 per cent apart from the maintenance cost and replacement cost, we have to make provision for income-tax, death duty, etc. I think after the last revision this is going to apply to everybody in the town.

Against our 12 per cent Government when they calculate their economic rent, calculate it at 10 per cent on the market value, according to your Fundamental Rules and you call it no-profit no-loss basis. You don't pay death duties like us; you don't pay income-tax like us and you don't have to pay wealth tax, which is applicable to some of us. So we make margin for all these out of the 12 per cent which actually works out much cheaper than your 10 per cent on no-profit no loss basis and we find that we save about 4 per cent after meeting all these charges.

Mr. Chairman: What is your break-up of the 12 per cent?

Shri Kaushish: You will find this at page 14 of our memorandum. Please also see page 4 of the Bill.

We have for the sake of convenience taken the value of the property at Rs. 1 lakh. Out of Rs. 1,00,000 I have taken Rs. 20,000 as the cost of the land. 3 per cent of Rs. 20,000 would come to Rs. 600. Next item is cost of annual repairs, which the law wants us to undertake. At one month's rent it comes to Rs. 1,000. Repairs other than annual repairs for preservation of property in the interest of structural safety and for enhancing the useful life of the building and also to carry out such additions/alterations that may be either prescribed by the local authorities from time to time or required for improvement of the property—average one month's rent: Rs. 1,000. This needs a little clarification. If you look to Government Fundamental Rules Schedule you have a separate item over there for replacement of sanitary fittings and electrical fittings, because they do not last as long as the structure and the mansonry. Sometimes the Corporation Rules change and they say we should make so many improvements. If there are more tenants in the house the sanitary fittings would need replacement earlier. So this provision has got to be made.

Taking fifty years as the useful life of the building to give economic return, annual depreciation cost of building on Rs. 80,000 comes to Rs. 1,600. It is obviously going to fall down and it has to be re-erected. Insurance at an average rate of 50 naye paise per hundred on the total cost of the property (it varies anywhere from 4 annas to Re. 1, but we have taken the average as eight annas) will come to Rs. 500. Collection charges at 5 per cent of the rental comes to Rs. 600. Vacancies and bad debts, being on average 15 days' rent per year, comes to 500. Next is legal expenses relating to income-tax dealing with local authorities and tenants at 5 per cent Rs. 600. Expenses for maintaining cordial relations with the administration and expediting business at different administrative levels (at 2½ per cent of the gross annual rental) Rs. 300.

Shri V. P. Nayar: What is that?

Shri Kaushish: This is not much of an item. Sometimes you have some kind of a relief fund. The sanitary inspector of the area comes. Then there is collection for Red Cross or T.B. seals. In addition to that someone comes to check up your place and you might offer him a Coca-Cola or cigarettes.

Shrimati Sucheta Kripalani: Won't the tenant have to pay a similar kind of contribution as you are mentioning?

Shri Kaushish: It never happens.

Shrimati Sucheta Kripalani: I may state that for the Red Cross everybody has to pay.

Shri Kaushish: When these relief funds are passed on to the administrative machinery, they never go to the tenant; they come to the houseowner.

Shrimati Sucheta Kripalani: We tenants pay.

Dr. Raj Bahadur Gour: What do you exactly mean by 'expenses for maintaining cordial relations'?

Shri Kaushish: When I said a 'bottle of Coca-Cola' or 'cigarettes' it includes everything.

Mr. Chairman: I do not think it is a very dignified way of putting it. You want provision for bribes?

Shri Kaushish: It is our courtesy; it is our culture; if somebody comes....

Mr. Chairman: Nobody charges another for his courtesy.

Shri Kaushish: It has to be spent.

Mr. Chairman: Many things will have to be spent. It is hardly decent.

Shri Kaushish: I never meant it in that spirit.

Mr. Chairman: You do a wrong thing and make it a part of the legitimate charges. It is hardly consistent.

Shri Kaushish: The fact remains that these expenses have to be incurred. I shall leave it at that.

Assuming that taxable annual income from all sources including property is Rs. 20,000 of a houseowner, a portion of income from the property may be taken as Rs. 8,000 and tax on the same at 20 nP. in a rupee: Rs. 1,600.

श्री ओंकार नाथ : अफसरान को चाय पिलाने के लिए आप जो रुपया खर्च करते ह, क्या उस के बारे में आप कहते है कि एडमिनिस्ट्रेशन के साथ कार्डियल रिलेशन्ज रखने के लिए खर्च किया है ?

Shri Kaushish: If the Chairman will permit me I will keep silent. I would rather leave it there.

It includes everything, you know: charitable, cultural, political, social; it includes everything which you have to pay by virtue of your position as a houseowner.

Assuming after construction of the building or after inheriting it, the owner lives for twenty years, other assets apart from property being Rs. 50,000 the gross value of assets at the time of death would be Rs. 1,50,000. If the deceased is a member of the Joint Hindu Family the annual provision for the amount of death duty payable for over 20 years would be Rs. 325. Total comes to Rs. 8,625 out of Rs. 12,000. That means it leave us 3·375 per cent net free of all taxes. So that is why we have calculated this one, namely 12 per cent, and most of the expenses are on a reasonable level.

Mr. Chairman: This is somewhat fantastic.

Shri Kaushish: Wherever you consider it fantastic you may cut it down. You are the judge.

Shri N. R. Ghosh: You can add a few more items and make it no-profit no-loss!

Shri Kaushish: If you apply that yardstick to old properties today, they are no longer an earning proposition but a losing proposition; because, as you know, in the matter of death duty they do not go by the rent realised but they have their own valuers and they like to bring it as near the market value as possible. Well, it is a healthy trend that the right taxation should be paid on property. But when you are having that healthy trend, it has to be balanced elsewhere; it must give you the right return as well. Now, this is why we have put down

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a uniform formula whether the property is built in the twenties or the fifties. Then there will be no heart-burning or disparities. And the property would be maintained properly. The owner of the old property is accused today of neglecting it. But the day he finds that it is giving him an economic market return he would be worrying himself all the time to keep it in good shape so that it does not deteriorate and still continues giving him return. That would be a great boon for the old property and it will be saved.

Mr. Chairman: You mean that the building which was built in 1930 when the mason was paid ten annas and when the cost of cement was eight annas should be valued at the rate which will be determined on the basis of the mason getting Rs. 6, a cement bag being worth Rs. 5|10|-, and a plot of land that was worth Rs. 100 being now had at Rs. 1,000, and then 12 per cent being charged on that?

Shri Kaushish: Yes, Sir, that is the yardstick being applied on government property. They upgraded it quite a few years back, and it was done purely with that idea. And when questions were asked in Parliament, the answer given was very very sensible. They said these buildings have to be replaced and when they are going to be replaced they are not going to be replaced with ten annas mason and fourteen annas cement bag but they have to be replaced at this time. So we are following in your footsteps. Well, if we are wrong we have nothing to say; if we are right we are following in the right footsteps

Mr. Chairman: It is not in my footsteps, whatever else it may be.

Shri Kaushish: And you have to pay for the material and labour. So we cannot help that. What leads to discontent is really this. There is a gentleman who owns No. 9 Faiz Bazar in Main Daryaganj.

Mr. Chairman: Sometimes good advocates spoil their case by overstating things.

Shri Kaushish: That is right, Sir. But I feel I am still understating the facts.

That man is getting a rent of Rs. 50 because it was a pre-war property built in the early thirties. About four shops ahead of him in the same area, the Oriental Bank of Commerce is occupying another property and they are paying Rs. 1,200—twenty-four times difference, and the law recognises both of them as legal rents.

Mr. Chairman: You have given some instances. By multiplying them you will not exhaust the whole thing.

Shri Kaushish: Very well, Sir, I will proceed further. Now, we come to clause 7(1). This is for improvements and additions and alterations—increase for that. On the same principle of 12 per cent, instead of 8½ per cent, we have asked. I need not elaborate on this one.

Then I come to clause 7(2). This is very important and we want this clause to be re-worded. And the way we have asked it is like this that where a landlord pays in respect of the premises any charge for electricity or water consumed in the premises or any other charge or tax levied by a local authority having jurisdiction in the area, he may, notwithstanding any previous contracts, recover from the tenant the amount so paid by the landlord.

Dr. Raj Bahadur Gour: In the earlier portion of your amended clause you are talking of electricity, water, etc. They are services. But in the subsequent portion you have said "any other charge or tax".

Shri Kaushish: Local tax.

Dr. Raj Bahadur Gour: That means anything other than for services, like property tax?

Shri Kaushish: I will explain it. This is how it works. In pre-war times in the cities in 90 per cent of the properties the occupancy was normally two people to a room probably. It was given for Rs. 10 a

month. It included one light point, a tap connection, and the rate of municipal house tax was 2—3 per cent. So the landlord, instead of calculating everything apart, said, "All right, I will charge you Rs. 10 and it is all included in that." Now, under your present Bill, if that contract is there it will still continue, but the situation has changed. Due to the scarcity of accommodation, instead of two people, about fifteen are living there. And that one light point with a multi-plug in it is being used also for electrical gadgets. At that time there was no meter on the water tap. You could get three taps for Rs. 2 a month. Now there is meter everywhere. And naturally, when fifteen people are there, water is needed for their daily use for their washing and all that. So the water bill goes up very high. It used to be 2—3 per cent, the house tax. It has shot up to 10 per cent. And the Corporation is making a provision in the Act that it might shoot up to 20 per cent. If all these taxes are paid out of that artificial rent, then naturally the man will wind up with nothing.

And coming to the matter of these Corporation taxes, there is one thing, this fire tax, conservancy tax, etc. It is recognised all over the world that the man who lives in the area enjoys the amenities provided by the Corporation. The house tax provides street lighting, drainage, roads. The tenant who is living there and enjoying these amenities, in all fairness, is the man who has to pay for them. If there is fire tax and conservancy tax it is for his protection and convenience. Why should the houseowner be asked to take it out of his earning? So these are some of the recognised principles into which we need not go in detail. Because, on the very face of it these are the responsibility of some one else who is enjoying it and not of the houseowner.

Dr. Raj Bahadur Gour: Would you not distinguish between the service taxes and the property tax when it is the question of passing on that burden to the tenant?

Shri Kaushish: I have not followed it very well.

Mr. Chairman: The question is a simple one. House tax should be distinguished from electricity tax or water tax or conservancy tax, because the latter are meant for the service of the tenant direct. The former is not so directly related to the occupant of the property. That is his question.

Shri Kaushish: Well, Sir, I do not agree with that interpretation, because even if it is indirectly related it is meant for the convenience of the resident of the locality; it is not meant for the houseowner.

Mr. Chairman: For all the people of the locality.

Shri Kaushish: Yes, Sir, all the people. It is distributed. Maybe some are paying less and some are paying more. Water, electricity and the local taxes will be in addition to 12 per cent.

An Hon. Member: Then it will go up to 25 per cent.

Shri Kaushish: Then reduce the taxes; they are in your hands. We now come to clause 7(3)(a)(i) and (ii). This clause deals with certain monetary adjustments relating to sub-tenancy and what it lays down is this. If a tenant sublets a premises, he could charge 25 per cent more than what he is paying to his landlord. That is in the case of residential accommodation. It is 50 per cent more than what he is paying to the landlord on business or other accommodation. Thus out of 25 and 50 per cent more he gets from the subtenant, a tenant has to pay 12½ and 25 per cent respectively to the landlord; thereby he makes a hundred per cent profit on subletting. I do not know how this class of profiteers is protected by law; it does not seem to be just. That is merely justice in social aspect of it. Coming to the other aspect of it, a tenant would always be anxious to have a sub-tenant to supplement his income and create

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overcrowding, thereby leading to slum conditions. We do not want that there should in law be any legal encouragement whereby a tenant would like to go out of his way and put a sub-tenant.

Shri N. R. Ghosh: If it is with your consent in writing?

Shri Kaushish: Allow that increase if you want.

Shri N. R. Ghosh: You want a bigger share of the profit?

Shri Kaushish: One thing is certain. It is my property. I have got to have the profit out of it. The tenant is still a tenant and the house does not belong to him. We, therefore, ask for the amendment of this clause accordingly so that the tenant gets no profit and if any increase is given it must go to the landlord. In the proviso to clause 12, there is discretion to enhance the time for the entertainment of a dispute for the fixation of the standard rent. Now that you have increased it to one year from the previous six months, this distinction must not vest with the Controller. That is our plea. Practice shows that the plea of standard rent is raised merely to prolong the litigations and to create unnecessary bitterness. If a man has not been able to raise a dispute within one year's time and he is found to have been paying the rent, just for some flimsy excuse, he must not be given another chance to go and start a new dispute. We want the proviso to this clause 12(b) be dropped.

Shri Mulka Govinda Reddy: That is only in exceptional cases where that application was prevented by.....

Shri Kaushish: In practice, exceptional cases become usual; that is what we have found.

Shri N. R. Ghosh: There is no time-limit fixed at all in some cases because there are some ignorant people who do not file all these things.

Shri Kaushish: You could do it in this case provided you accept our suggestion. You fix it according to the P.W.D. schedule. Then, there will be no point in keeping this clause and for asking for the fixation of standard rent. Actually that produces another one of the headaches.

Dr. Raj Bahadur Gour: Would you accept the obligation that you will have to educate the tenant on the legislation of the country because you want to reduce the time-limit you want to give little margin for his ignorance.

Shri Kaushish: Certainly if you would give us lead, we will co-operate with you.

Dr. Raj Bahadur Gour: You would like monetary assistance even for that?

Shri Kaushish: Whatever you consider just in the circumstances of the case—we will leave it to you.

Shri Khushwaqt Rai: Can you give me any idea as to in how many cases this six months' time was utilised for extension? In the old Act, the time was six months. You have said that it has been the custom and not an exception. Can you give us figures?

Shri Kaushish: There is no single exception, when you file a suit for non-payment of rent, where the plea of standard rent is not taken. You will hardly find a case where a tenant by himself has gone for the fixation of a standard rent. When he stops paying rent and a suit is filed, he takes the standard rent plea.

I now come to clause 14(1)(b). We have asked for the addition of the words 'without obtaining, in writing, the consent of the landlord' at the end of this clause and we have also asked for the deletion of the rest of the sub-clauses (i) and (ii).

There is a very important reason for this. When the Act was passed, a clause has been put in saying that after the commencement of this Act, there shall be no subletting without the consent of the landlord in writing. It is given in clause 13(i)(b) of the old Act. But when that came up, all the sub-tenants, genuine and other-

wise, produce a set of witnesses in a court of law and they have said that the sub-tenancy was verbal. That was abused. Anyway we put up with that. Under the law made by Parliament in 1952, no subletting is recognised unless it is in writing. Why should you then say again that before the commencement of this Act, it need not be in writing and after the commencement of this Act, it has to be in writing. If the provisions of the 1952 Act were seriously meant, then there is no other way out than what you suggested. That is a fair thing to do, and that should be done. Otherwise, subletting would be legalised through the backdoor, not merely in this clause but in other clauses too. On the face of it it appears that you are discouraging subletting. But all the provisions of the Bill taken together subletting is easier today than it was ever before. All that a man has to do is to get into somewhere and then put in an application and say: "I am a subletter." Then the Controller would come and give his finding. So, we suggest that these two complicated provisions should go. Therefore, we have asked for the deletion of clauses 14(1)(b) (i) and (ii).

Then, coming to clause 14(1)(c), that relates to the eviction of a tenant who uses the premises for a purpose other than for which they were let. There we suggest the addition of the words "without obtaining the consent, in writing, of the landlord" at the end so that there is no dispute about a verbal consent having been given for change for the user. On the very basis of the subletting clause, we ask for the deletion of sub-clauses 14(1)(c) (i) and (ii).

Coming to clause 14(1)(d), this relates to keeping the premises unused for six months so that the tenant can be evicted if he does not use them. As we have requested you in the beginning, "business premises" should be taken away from the purview of this Act. So, we have made a consequential change by dropping the words "the premises were let for use as a residence and". That means that it will apply to all kinds of premises.

I now come to the very controversial sub-clause 14(1)(e) relating to bona fide personal use. This time the Bill has drastically curtailed the rights of the owner to use the premises for his family. The situation is such, as the Bill intends to make it, that you cannot have it vacated for your own children. Now, that is a very very hard condition. As it is, this sub-clause applies to residence only and we have asked for its extension to other kinds of things. Go to Bombay or Punjab or other places. There you can have all kinds of premises, business or residential, vacated for personal use. The law provides that. But here you confine it to residence only and then too, only to yourself, not even to your children. Sir, I think that is the height of social injustice. If a man, in his better days when his children were small and going to school, let out his building with the idea that when his children attain majority and when he retires they can live together, you are now depriving him the use of that. You will find people who are known as landlords who, on account of the artificially pegged rents, are paupers today, because they have no income. They just get a token rent, and that is the end of it. So we want that for the legitimate rights of the owner and his family, and as we have put down here "or for any person and his family for whose benefit the premises are held" the premises should be vacated.

I find there has been quite a lot of propaganda made that there has been mass evictions. But this is not correct, as can be seen from the figures that Government have themselves collected. In fact, the figure stands at about 4,000 and odd in a period of six years. Surely, in a population of 20 lakhs with so many houseowners, I think there would be 4,000 legitimate needs; where the families have expanded over a period of twenty years, they do want some accommodation for their children. In fact,

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I am willing to place on the Table a petition I received from a retired Government servant. This man, out of his savings and his provident fund and all that, in the late 1930s made a house and rented it out, keeping two rooms to himself. Now his four children have grown up, one daughter is M.B.B.S., another one is married and yet another one is employed in Government. He says: "I have given my children very good education and I have put all my money in the house. I have no other saving. Now my tenants are not prepared to vacate. My sons are not married, because all of us are huddled together in one room and there is no privacy." Of course, it is rather a hard case. You cannot by one sweep in this manner disregard the rights of the landlords. They have to be taken care of and so our request to you is that the clause should be revised.

Shri N. R. Ghosh: You feel that this militates against the fundamental conception that it is your property. You feel that you are not able to get it back even for your own sons and daughters.

Shri Kaushish: That is right. When you invest money on houses this is what you get. If you invest that money on shares your sons and daughters will get an uninterrupted flow of dividends.

Then I come to sub-clause (g). That sub-clause is rather strange in the present context of things in Delhi. If you look into the Bill you will find that they want additions and alterations very much restricted and replacements completely ruled out. In fact, the Bill mentions that the premises should be constructed for the same purpose for which they were being used. Now, that is a very hard restriction. There are so many slum areas where there are so many dilapidated houses, rather hutments; water is stagnant everywhere. Now if these premises are to be reconstructed after a lapse of 40 to 60 years and if they are to be turned into sheds again, there will be no development in the city. It is necessary that the law allows the replacement of premises in keeping with the development pattern of the area. If the area around Karol Bagh is now to be developed, it must be developed as a residential area, because it is a predominantly residential area. But in the case of the Ajmal Khan Road, which was purely a residential area in the olden days, it has now developed into a commercial locality. The Improvement Trust have themselves declared it as a commercial locality. By what your planners are wanting this clause to do, the development will not be there. That latitude must be there. We do agree that if a building is being reconstructed for the same purpose,—it would be a legitimate right of the local authority to see what kind of building is going in place of the old one—we recognise the right of the tenant to come back, but not in the manner laid down in the Act. In the Bill it is said that he comes back on the same terms and conditions. How is it humanly possible? If he has been paying Rs. 10 for a shed, and you spend Rs. 1 lakh, you can't take him back on Rs. 10. It has to be on revised rates and not on the same terms and conditions. This is the change I have asked for in sub-clause (g). I can give you some examples why a wider use of sub-clause (g) is needed.

Mr. Chairman: Don't give examples. Move on to the next.

Shri D. C. Kaushish: It is in the memorandum. You can have a look at it, because 1000 houses fell down in two months in the last monsoon and the Corporation pulled down another 1000 houses.

Mr. Chairman: What is the total number of houses in Delhi?

Shri D. C. Kaushish: We asked this question about 18 months ago and the Government have not still replied.

Mr. Chairman: You can't reply?

Shri D. C. Kaushish: I can't because I do not have that machinery to count them.

Mr. Chairman: Whatever information you have, that does not enable you to make a sort of a reliable estimate?

Shri D. C. Kaushish: I would not hazard a rough guess.

Mr. Chairman: Proceed.

Shri D. C. Kaushish: In clause 14, we have asked for the addition of two sub-clauses. You have up to clause 14(1)(k). We have asked for the addition of (1) (l), "that the conduct of the tenant is such that it is a nuisance or that it causes annoyance to the occupiers of the neighbouring premises or other occupiers of the same premises." It has always been there. We do not know why it has been taken away. It affects the landlords in such cases where they themselves live in a part of the house. That is again about 95 or 97 per cent. of the houseowners in old Delhi. It affects the tenants no less. It would suffice to say only this much, that complications of a social nature have been going up after we embarked upon a policy of prohibition and enforcement of the suppression of Immoral Traffic Act. My locality is not free from it; any locality in the city is not free from it. What effect it is going to have on our mental make up and on our morals, it is difficult to judge today. But, if this goes on unchecked, I am sure, the results would be disastrous. We believe that this law should be there, even though there have not been many suits under this clause in the past.

Mr. Chairman: How many suits have there been?

Shri D. C. Kaushish: I am told that it is less than 200 in six years. But, this is a great deterrent and we must not lose the deterrent effect of this. It is in the interests of the tenants and owners. This should be there.

We have asked for the addition of a sub-clause (m)

> "that the tenant has cause or permitted to be cause overcrowding in the premises let to him."

This has become very necessary because every house whether it was in pre-war times or now has been let out for normal occupancy. But, after the house has been occupied, the occupants seem to increase. May be, it is a natural increase in the family or relatives have moved in or friends have moved in or sub-lettees have moved in. But, the fact remains that a place for two caters for twenty. With the enforcement of the Slum Clearance Act, 90 per cent. of Old Delhi has been declared a controlled area under that Act. What are slum conditions? Over-crowding. They have not been created by the landlord. If it is the fault of the tenant, why should my property be snatched away on payment of three years' rent as compensation? It is virtually depriving me of my property. As it is in all the enlightened foreign countries, even the Bombay Housing Board has as is seen from the Patil report, a good provision that over-crowding would be a ground for eviction. We want that in some form. It should be here in the form we have suggested.

Shri Deokinandan Narayan: May I know who is to decide this over-crowding: the controller or the landlord?

Shri D. C. Kaushish: There are set principles followed in different countries and even followed in this country. They lay down that so many cubic feet per head of the conscripted area would be the occupancy area. A limit will be prescribed, say 5000 cubic feet. You will take the cubic volume and say so many people can live here. It will be easy to do that.

Mr. Chairman: There are municipal regulations to deal with these matters, to prevent over-crowding.

Shri D. C. Kaushish: Yes, Sir. But, the municipal regulations might ask for providing this limit. But, the rent law will not allow me to evict. I will just be helpless. Eviction is not under the municipal regulations; it is under the Rent Act.

Mr. Chairman: You may not evict; but the Board can proceed under the law.

Shri D. C. Kaushish: There is nothing from the side of the local authority today in Delhi.

Shri D. C. Kaushish: You are making the suggestion; they may, I think, benefit by it.

Shri D. C. Kaushish: Now, I come to clause 14(5).

Mr. Chairman: I hope you have almost covered the whole of your memorandum.

Shri D. C. Kaushish: Half way through, Sir.

Mr. Chairman: You were to have taken an hour and a quarter. It is now more than an hour and a half.

Shri D. C. Kaushish: I will try to hurry up.

Clause 14(5) gives discretion to the Controller to condone misuse of the property which is covered by clause 14(1)(c). We do not want this discretion to remain with the Controller. If it is proved that it is misuse, it does not have to be further dragged on. The Controller may think it is beneficial or against the interests. If I am the house-owner and I am living in a part of it, and if somebody has taken on rent and he starts running a school, it is naturally going to be inconvenient to me. The Controller might regard that it is not detrimental to the interests of the house-owner.

Clause 14(6) gives the tenant six months' time to vacate after a decree on the ground of personal need has been given. We want its deletion because it takes such a long time in eviction, why prolong it for another six months? In fact, in the Act it was three, now it has been made six.

Clause 14(7): This relates to clause 14(1)(g)—building and rebuilding. I have almost covered the whole ground in my previous argument. So, the change as suggested in this one may be carried out.

Clause 15(7): This is a clause where if the tenant fails to pay the rent, then the defence is struck off against him, but the Bill provides that the controller shall proceed with the hearing of the application. If the defence has been struck off, what is the point in continuing hearing the application? It is an unnecessary strain on the judicial system, and a harassment of the houseowner to pass through all those stages.

Shri N. R. Ghosh: Suppose you do not make an *ex parte* case to the controller; you do not prove your case; in the absence of the defendant, if your case is so weak? This is followed in every law.

Shri Kaushish: If you kindly read clause 15(7) it says: that if a tenant fails to make payment or deposit as required by the section, the Controller may order the defence against eviction to be struck out. So, the law has already made a demand on him. The question of *ex parte* does not arise.

Dr. Raj Bahadur Gour: Why then in that case strike off the defence?

Shri Kaushish: The tenant is flouting the Controller's own orders. He has been ordered and given a time of 60 days to deposit the money in court and he does not do it. On the 61st day you say defence is struck off but you will still proceed with the application. When defence is struck off, it is not going to be taken into consideration either at that stage or at a later stage, what is the point of pursuing the proceedings?

Mr. Chairman: That is a minor point. Proceed on to the next.

Dr. Raj Bahadur Gour: The point is that justice should be done to the tenant, that is all.

Shri Kaushish: Clause 16: This again relates to sub-letting. Actually this is one of the clauses that allow sub-letting through the backdoor, and we have asked for its deletion.

Clause 17(2): This again relates to sub-letting, and we have asked for its deletion for the same reason as I have given on the main clause.

Clause 17(3) also is again legalisation of sub-tenants through the backdoor, and we have asked for its deletion for the same reasons.

Clause 19: We have asked for its deletion as well. This clause provides that if the tenant has been evicted under clause 14(1)(f) and (g), the Controller shall ascertain from the tenant whether he elects to be placed in occupation of the premises or part thereof from which he is to be evicted when it is reconstructed. It further goes on to say that if the house-owner does not start construction within one month, he will be liable to such and such penalty. If he does not build within such and such time, he will be liable to a further penalty.

As you are aware, due to shortage of steel and other things, it sometimes becomes physically impossible to complete building within the prescribed time limit. It is beyond the control of the landlord. Again, some difficulties crop up with the local body. You are not able to begin it in one month and finish it in the prescribed time. Then, the penalty is so severe that the man would be really ruined. So, we have asked for the deletion of this clause.

In clause 25 we wish to add a proviso. One feature of this Bill, as you know, is that it is providing too many deterrent punishments for the landlords and is a big departure from the rent law. There are imprisonments, lots of them, fines and all that. This one relates to the issue of receipt. If the receipt is not issued, there are heavy fines. There should be a just balance in this clause because if I issue a receipt, and I have no proof that I have issued it to the tenant. So, by this proviso I have asked....

Shri Deokinandan Narayan: But you will have the counterfoil.

Shri Kaushish: It does not say in the Bill, so the tenant can jolly well refuse.

Shri Deokinandan Narayan: Will not the landlord preserve the counterfoil?

Shri Kaushish: The tenant will say that the landlord has just thrown away the original and kept the counterfoil. I want the tenant's signature on the counterfoil as a token of his having received the receipt. It is a very legitimate demand and I am sure this would be conceded. Probably it was left by oversight.

Shri N. R. Ghosh: That is usually the practice.

Shri Kaushish: In clause 25(3) there is a penalty provided for the landlord for not issuing the receipt. We have asked for the addition of clause 25(4) which provides exactly the same penalty for the tenant if he refuses to sign the counterfoil. This is with a view to minimise disputes later on.

Shri Kalika Singh: On the other hand, it will increase the disputes.

Shri Kaushish: Then we come to the chapter relating to the appointment of controllers and their powers and functions—clauses 34 to 42.

This Bill makes a very grave departure from all the previous rent control laws in the sense that the dispensation of justice under the rent law is being taken away from the judiciary and placed in the hands of the executive. I should like to add in all humility that this is contrary to all the progressive tendencies in any democratic country because where the legislation concerns the largest number of people, they always like to keep it away and still further away

[Shri Kaushish]

from the executive, and place it in the hands of the judiciary where they feel that extra-judicial influences may not court, and there could not be a more vulnerable aspect than the rent law where lakhs of people are concerned, and there might be influences exercised which would complicate the matter.

Mr. Chairman: I wonder if you have been informed that this procedure was in a way introduced with the consent of both the parties, tenants as well as house owners. I expressed my dissent even then. In fact, we had a long discussion, and the Chairman was good enough to hear me. I objected to it very strongly even then. I have no objection to whatever designation you give to the man who is trying these cases, but he must be directly under the High Court. The reason was repeated to me that this was being done with a view to expedite these cases. I at once gave them my reason, and it was noted down at that time, and I do not know whether it was forwarded to you or not.

We had said that in Delhi, we had an institution called commercial sub-judge, which has been there for ages. The Delhi Administration writes to the Punjab High Court to try certain categories of commercial disputes, saying, we want a sub-judge of such and such experience. And to him, no other judicial work is given except the commercial disputes of that category. I had at that time told the chairman that our position was the same. Call him controller, or call him rent control sub-judge, but he should be under the control of the district judge and the High Court; he must not be under the control of the executive.

The reason was advanced to me that these people whom Government have asked for are from the judicial service, and they must have so much length of service. I at once told them that the moment they came out from the overall control of the High Court, they were under a different influence altogether. It is for that reason that we want this institution to be continued.

Dr. Raj Bahadur Gour: Could you tell us why and in what manner the executive officer would be bad or the judicial officer would be good?

Shri Kaushish: Probably, you would know it better than I do. If I explain, there will be again an adverse comment on my explanation. But I am quite certain that you appreciate it as well as I do.

Dr. Raj Bahadur Gour: We would like to know what your practical experience has been.

An Hon. Member: The less said, the better.

Shri Kaushish: You have heard the famous maxim,—I do not know who said it—that power corrupts and absolute power corrupts absolutely.

Dr. Raj Bahadur Gour: There may be corruption with no power also sometimes.

Shri Kaushish: Following that maxim, I would wish that these people are still kept under the judiciary and not under the executive.

Shri Kalika Singh: We should not give too much power to the judiciary also, because they will also be corrupted.

Shri Kaushish: No, I am proud of my judiciary; they are still very much better than so many others. We have produced Chaglas.

Mr. Chairman: Appeals do lie to the High Court.

Shri Kaushish: Only on matters of law. If there is no matter of law, and there is only a matter of fact, then the Controller has such wide and discretionary power that he can decide it either way, and the moment I go to the High Court, I shall just be told 'What for have you come here? It is a matter of fact, which we cannot go into; it is not a matter of law', and my application is thrown out.

Mr. Chairman: And rightly, I think.

Shri Kaushish: That is a matter of opinion.

Mr. Chairman: For, the man who hears the evidence is in a better position to assess its value and worth.

Shri Kaushish: Provided, he is in an independent atmosphere, and he has no fear excepting the fear of God that he has got to dispense justice.

Mr. Chairman: He is absolutely independent but for the influences that can be borne on him by the advocates.

Shri Kaushish: But there are more influences than that of the advocates. Unfortunately, that goes on, and we cannot help it. That has got to be remedied.

Shri N. R. Ghosh: But these people will be recruited from among judicial officers.

Shri Kaushish: It makes no difference. The moment a judicial officer has got to work under the instructions of the executive, he loses his independent judicial entity.

Shri Kalika Singh: That might be so with regard to an ordinary officer, but in the case of judicial officers, you can rest assured that such will not be the case. After all, the judicial officer is to have so much length of service.

Shri Kaushish: The moment he is taken away from the jurisdiction of the High Court, he loses his independence. For instance, you have got your manager and you transfer him to another firm; he is then no more under your control; he is under the control of the other firm.

Shri Rami Reddy: What does it matter? He holds office as a judicial officer.

Shri **Kaushish:** It matters quite a lot, because I can walk down to the executive officer, but I cannot afford to walk down to a judicial officer, though I may be the highest man in the land.

Shri Rami Reddy: Certainly, you cannot walk down to an officer.

Shri **Kaushish:** But they do.

Shri Rami Reddy: But you cannot talk to any officer even.

Dr. Raj Bahadur Gour: We only want that the litigation should not be a long-winding one, and for every small thing, you should not be allowed to go to the High Court. As you suggest, if he is a judicial officer, he applies his judicial mind to the problem all right. As regards the facts, evidence etc. he considers everything and then comes to a judgment. On the question of facts, you cannot have any right to appeal, but on the point of law, you will have. Suppose he is a judicial officer, will that not satisfy much of your anxiety?

Shri Kaushish: No, not at all. For, you know that he is no longer under the control of the Registrar of the High Court, of the district judge. For, there is an Under-secretary sitting in the Government of India, who has direct public dealings, and direct public contacts, and he has got to write his report and so on. I mention just one level, but the same thing happens right from the lowest up to the highest level. These are the people in the executive hierarchy who are in direct touch with the public, and even with the best of intentions,— I am not doubting anybody's honesty—it happens sometimes unwittingly that you do a thing which you may not do, if the matters were in the hands of the judiciary.

Mr. Chairman: All these disputes are likely to lie between the house-owners and the tenants, and the tenants would ordinarily be a weaker party.

Shri Kaushish: But with a bigger political backing.

Mr. Chairman: There is no question of political backing, since it is a civil dispute between individuals, and it is pending before an officer, whether it be one relating to rent or to ejectment

[Mr. Chairman]

or to anything else. Anyway, you hold that opinion.

Shri Kaushish: I hold that opinion, and actually, I hold it by experience.

Mr. Chairman: We have all experience.

Shri Kaushish: Then, we have suggested some amendments to clauses 34(1) etc. These are asking for the changes with a view to make the appointment of the rent controller under the judiciary. If you like, I can go through them one by one.

Mr. Chairman: No. You have already taken about two hours.

Shri Kaushish: I shall try to wind up. So far as clause 49 (5) is concerned, we have asked for the incorporation of a new clause, which reads thus:

> "If the landlord applies for delivery of possession with the police aid, the Court shall pass an order to that effect at the time of issue of warrants of possession or at any other stage of execution.".

Just for illustrating the need for this, I have given an example of a man who was murdered when he went to take possession, and the only punishment that the tenant got was three months' imprisonment. In another case, the tenant tried to shoot the landlord, and of course, there was no punishment in that case, because the landlord was not killed, but the landlord was in the hospital for a few months. I am sure no administration would tolerate this kind of lawlessness, but it is a defect in the present law at the moment that it does not empower the presiding officer to give him the fullest help. I am told that such a provision is there in Bombay to give aid liberally, because they want continuance of law and order.

Mr. Chairman: How does the question of tenant and landlord come in here, because if a man is murdered, there is murder?

Shri Kaushish: But we do not want that eventuality to arise.

Mr. Chairman: Nobody wants it to arise. It is not particularly connected with the law of landlord and tenant. Nobody wants that there should be any occasion for such happenings, because they are bad and they are dismal.

Shri Kaushish: At the time of taking possession, you will hardly find a single example where there is no bickering or no abusing and coming to fits or something of that kind. We do not want that kind of situation to continue. For one thing, it is not good for us. For another, we want our safety, if you would kindly concede us that much.

Shri N. R. Ghosh: You want to avoid lawlessness.

Shri Kaushish: Yes.

Shri N. R. Ghosh: There is such a provision in the Civil Procedure Code.

Shri Kaushish: It takes about six months. If the sub-judge hears the application and is satisfied, he forwards it to the District Judge. The District Judge again examines the merits of the whole case and if he also agrees, he forwards it to the District Magistrate. The District Magistrate also goes through the whole thing and if he is satisfied, sends it to the IG of Police, and if the IG is also satisfied, then police help is given. This will take six months. Here is one prominent house-owner with us. It has happened in his case and it has happened in mine.

Seth Girdharilal: I went in 1945. I took over in 1957 and that too only with police help.

Shri Kaushish: Because it goes so many times back and forth. If anyone of the four officers does not consider that police help is not necessary, police help is not given.

Mr. Chairman: You mean that if there is a summary procedure, such situations will not arise.

Shri Kaushish: What is the harm if police help, where needed, is given?

Mr. Chairman: There is no bar and no ban.

Shri Kaushish: Thank you. The last amendment that I have asked to be made is in respect of clause 52. We have asked for the deletion of "the Slum Areas (Improvement and Clearance) Act, 1956 or the Delhi Tenants (Temporary Protection) Act, 1956" for the simple reason that the Delhi Tenants (Temporary Protection) Act was meant for two years. If this law is passed, why should it be continued? It was a temporary law till this came.

The other thing is that there are a large number of decrees today which have been lying with the houseowners because 90 per cent of Delhi has been declared a slum. Even if you possess your decree from the Supreme Court, you cannot execute it, unless you have an authority from the competent authority under the Slum Clearance Act, an executive officer.

Now, I did not want to say anything at that time as to the differentiation between the executive and the judiciary, but if you call for statistics, as to how many of the decrees have been sanctioned in those areas, they are only exceptions where big pressure was put from many fries. I asked them what is the reason. Why should a decree passed by the High Court or Supreme Court be held back? Apart from the executive aspect of it, they said one of the reasons was that they did not want improvement to take place in that area, because when we acquire the property under the Slum Clearance Act, in addition to the three years' compensation, we will have to pay for the improvement also. It is a very strange policy. Under the Slum Clearance Act, as I read out earlier from Shri Patil's Report, Government are going very very slow, the reason being that they cannot overcome it. If the private owner wants to do it, you want to discourage him. So we want that if any eviction order has been given, it must not be stayed because of an area having been declared a slum area under the slum clearance law.

Having finished that, I would conclude by a few observations. Unfortunately, too much sentiment and passion has been displayed in the matter of rent law. If statistics were made available and studied dispassionately, the picture would have been very much different. In a total period of over 5½ years, ejectment suits filed for non-payment of rent have been 7811. Suits filed for sub-letting are 4233; suits filed for *bona fide* personal requirements 4298; suits filed on other grounds 3392. The total number of suits in about 6 years is 19,714, out of which about 60 per cent are for non-payment of rent and sub-letting. How many decrees have actually been executed? That is an eye-opener. Out of 20,000 suits filed, just 2270 tenants have been actually evicted.

Mr. Chairman: How many suits out of these have been decreed?

Shri Kaushish: I do not have the figures.

Shri N. R. Ghosh: I think 70 per cent of them were dismissed.

Shri Kaushish: About 80 per cent are dismissed. The odds are so overwhelmingly against, 4278 *bona fide* personal requirements.

Mr. Chairman: That is a different thing. I wanted to know if you have any figures.

Shri Kaushish: These are the figures. For a population of 20 lakhs, 60 per cent of cases are for non-payment and sub-letting. If you examine the statistics, I am sure you would not say that it is the houseowners who are harassing the tenants. Out of 20,000, only in the case of 2000 has the verdict gone to the other side, because there were far too many wrong-doers. There is a fear on the part of a section of the houseowners that in spite of default on the part of tenants, they would not go to a court of law. They say that the law is such that in spite of the other side having done wrong, the verdict would not be on their side.

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So this is the state of affairs which has to be removed and a healthy balance achieved in the interest of creating harmony and in the interest of society. Otherwise, it will get worse and worse every day. The result would be that construction—that is the most important aspect of it—would suffer. 99 per cent of the owners in the city are only small middle-class and lower middle class people who own pre-war built property. They have made it their social security. Now, they have been robbed of it. The bigger investor, ever since these complications came up, has stopped constructing for the common man who rushes to the city in search of a job and is helping in expanding industry, because he says 'If I build for the small man, he is amenable to political dynamite; so I am not going to build for him, I will build in Diplomatic Enclave'. The poor man has been sadly neglected during the past several years. Who was constructing for him? It was the small man, small artisan, clerk who had saved some money, built a house, is living in a portion of it and has let out the other portion. He is scared today. When somebody goes to him, abuses him and his children and insults his family, he is no longer interested in putting up a house. If a balance is not achieved, the construction for the poor man who needs it most in this city will be completely at a standstill. Government have their own difficulties; they cannot construct and it is only this section which can construct. Something must be done in this law to restore their confidence so that they are able to help the Government, help themselves and help the tenants.

Shri N. R. Ghosh: Can you give us figures to show how many houses are owned by small owners.

Shri Kaushish: I had asked for information from Government and it has not been supplied to me. But, as I said, more than 99 per cent and less than 100 per cent are small owners and the point something are only big owners.

Mr. Chairman: Whom do you call big owners and whom small?

Shri Kaushish: The small owner is one who lives in a part of the house or at best up to one owning two houses.

Shri N. R. Ghosh: The average rent is Rs. 300 or Rs. 400 or how much per month.

Shri Kaushish: If those houses were fetching economic rents, they would be worth nearly Rs. 300 to Rs. 400 per month today. But, they are fetching Rs. 50 in the city today. I am speaking mostly about the city because if you take the example of New Delhi it will be a very bad example. When we talk of the city we talk of the common man who needs it.

Mr. Chairman: You have said that 99 per cent of the owners own small houses. What would be the average income according to the rates prevailing today? I am not asking about what they would fetch.

Shri Kaushish: According to the formula I have given, they would be fetching Rs. 300 or so.

Mr. Chairman: What do they get today?

Shri Kaushish: The owner is getting Rs. 50.

Mr. Chairman: So, would it be true to say that 99 per cent of the houses owned by the people in the city are getting only Rs. 50 per month?

Shri Kaushish: Yes; Rs. 50 per unit; that is what they are getting if you take the average.

Mr. Chairman: When you talk of these 99 per cent of people, how many houses do they own each?

Shri Kaushish: Some of them one; some of them two, as I have said.

Mr. Chairman: What would be the proportion of those owning two?

Shri Kaushish: It may be evenly divided.

Mr. Chairman: That is, one half own one house; the other half own two houses. Would the income in each case, on an average, not be more than Rs. 50 per month?

Shri Kaushish: Yes—per unit. If it is one house, one unit; if it is two houses, two units.

Mr. Chairman: Is it net or gross?

Shri Kaushish: In some cases, it is gross because you have got to pay electricity, water and local rates.

Mr. Chairman: When you talk of averages we take all these together.

Shri Kaushish: I would not hazard a guess on this.

Mr. Chairman: It makes a great deal of difference whether it is gross or net.

Shri Kaushish: I shall be very glad to collect this information and forward it to you later on.

Shri N. R. Ghosh: Can you give us information about the number of owners of one house only who occupy a part of it and let the remaining portion to tenants?

Shri Kaushish: I cannot give you the exact number. But, as I replied to the Chairman, it will be about 50 per cent. in the small owners group.

Mr. Chairman: Is it that the smaller owners occupy one half and share the other half with the tenants?

Shri Kaushish: It is different with different localities. In Daryaganj, where there are four flats in a small building, the owner lives in one and—as I gave you the example of the doctor and his sons—the tenants live in the other flats. The buildings are built on that pattern of flats of two rooms each. The man is still living in one unit.

Dr. Raj Bahadur Gour: The gentleman who has just spoken seems to have been well briefed. Therefore, I do not think, he will mind if I tax him a little.

The whole Committee—and for that matter the Parliament and Government—are worried on one point, and that is the cost of construction. You would probably know that the Housing Ministers' Conference also laid stress on this question of bringing down the cost of construction. The cost of construction in any scheme of rent control goes to the root of the quantum of rent that is fixed. The Government has got control over steel, cement and other things. Still, would you tell us how you would like to bring down the cost of construction and what help you need?

We are also worried about the artificially inflated cost of construction when you go to the Rent Controller for fixing the standard rent. There is that human tendency. Can you tell us what guarantees can be had against this artificial inflation?

Shri Kaushish: My Federation, in the past, has done a lot of work on this aspect and sent the results to Government also on various occasions. This actually covers three or four questions straightaway.

In these days, the majority of investment that accounts for high rent is the cost of the land. Except in a few far-flung colonies, you cannot buy land except from Government. If a man who is working in the city wants to live within a radius of 3 miles from his work, he has got to live on government land leased out to private people. That land costs, today, upwards of Rs. 100 per sq. yd. Before war, it was varying from 6 annas to Rs. 16. In Karol Bagh people were not willing to pay even six annas; and today you cannot buy land in that locality for less than Rs. 200 per sq. yd. Government is releasing such lands in parcels, so that there is a scarcity in release. If 100 plots are released, there are 10,000 buyers and the open bid goes up in auction. When I put up a tenement on a piece of land for which I have paid over Rs. 100 per sq. yd. about half the income out of it I am charging for the money that

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I have paid to Government. I am getting nothing out of it. I am merely a collecting agency. One method by which you can reduce the cost of construction and bring it within the reach of the common man is for Government to develop vast tracts as they have done in other democratic countries and give them to building societies or individuals who are willing to invest.

In those countries the basis is that they charge 3 per cent interest on the cost of development. But they do not charge this on the cost of development in respect of certain categories of houses.

Coming to the other aspect where you say that the human tendency is to increase the figure, what they did in England and America to safeguard against this was that when they gave the land they also gave the plans. Then they say: "These are for one-room tenements; these are for two-room tenements; these are for three-room tenements, etc. You are getting this land free; our approximate calculation of the cost is so much; you will be guaranteed this much of return on your investment; if you do not have all the money to put in, you will be given a cheap loan to be repaid over a longer period". On this basis they constructed houses. So, at two stages the inflated cost was reduced. One is by restricting the plans to certain types. The other is by working out their cost very scientifically. There is a third aspect also and I think it is an important factor and that is this: When you are making the same thing over and over again, the cost necessarily goes down.

Here, even if you give the land, the Government do not pay money. And the banks will not give money against the security of property. Here, the Reserve Bank has issued instructions to all the Scheduled Banks to the effect that no loan is to be advanced against the security of property. Previously, when the insurance business was not nationalised, you could get money for construction from the insurance company. But today LIC is also following the rules of the Reserve Bank. In fact there is a case of a man who just got a loan from the Lakshmi Insurance Company some weeks before it was nationalised. That man is paying 8 per cent interest on that loan to the LIC.

Dr. Raj Bahadur Gour: They accept even immovable property as a collaterial security.

Shri Kaushish: I don't know. So far as I know they just keep it far away from them. In other countries, if you have a broken-down machinery, you can raise a loan against it, either from a bank or from an insurance company or from anybody you know. Foreign Governments have encouraged banks and private institutions to give loans upto 90 per cent of the value of the property. Here, you might even possess Rs. 50 lakhs worth of property, but you cannot raise 50 naye paise either from Government or from the LIC. I understand that the LIC is getting Rs. 10 lakhs a day of its income....

Dr. Raj Bahadur Gour: You have missed my question. You are going into the sources of finance for construction of buildings. My question was simply this: How could you reduce the cost of construction? This was the point pointedly raised by Mr. K. C. Reddy at the Darjeeling Conference.

Shri Kaushish: Sir, we had a discussion with Mr. K. C. Reddy for about 90 minutes on this point. I think we have almost succeeded in convincing him that the three steps to be taken to achieve this object are as I have explained, namely, one thing is to give cheap land on the rough basis that I gave you. Another thing is to restrict plans to definite patterns without allowing multiplicity of designs depending upon the number of rooms. The third one is this: When you restrict your plans to certain designs, you will obviously develop certain techniques on use of materials etc. which will certainly bring down the cost of construction because at every stage you

would not find it necessary to run to an architect or an engineer. The thing would have become standardised by that time.

Mr. Chairman: Obviously you can get land free and materials at a nominal price and get a reasonable return on what you are supposed to have spent on buildings.

Dr. Raj Bahadur Gour: If I remember correctly the witness has pointedly laid emphasis on houses built before 1939. But I may say that the percentage may be the same because the cost of construction was less in those days. I wonder whether you have gone through the Bombay Act which separates the question of substantial repairs—I do not mean ordinary repairs like white-washing etc. If instead of making the expenses incurred for such substantial repairs part of the rent—say, you separate it altogether—you get a part of that expenditure reimbursed by the tenant, how would you like that scheme of things?

Shri Kaushish: I think, on principle there may not be very great objection to that. But here again, there is an element of human factor. There will be innumerable disputes on a single agreement. I know of a house-owner who has spent Rs. 10,000 and the tenant was asked to give Rs. 5,000. Even after five years it has not been decided who should spend and what. The best thing is to charge a percentage because a tenant may not have Rs. 5,000 but he can certainly pay an interest on Rs. 5,000. I think, personally, it would not work out satisfactorily.

Dr. Raj Bahadur Gour: I will go to the next question. I do not want to spend more time on this point because we have heard your views on it, already. My third question will be this: You have quoted liberally from S. K. Patil Committee report. That Committee suggests that for some standard houses, certain loans must be granted to you for repairs or rebuilding, or whatever you may call it. If you invest part of your wealth in Government and the Government gives you the loan, how would you like that scheme of things?

Shri Kaushish: I think we would, provided our rents on buildings reach that standard of flexibility according to the formula which I have mentioned to you. Otherwise, this is not going to work.

Dr. Raj Bahadur Gour: You want loan facilities. At the same time, you want an immediate increase as well.

Shri Kaushish: Otherwise, as S. K Patil Committee report has mentioned, all money will go waste—if it is not maintained.

Dr. Raj Bahadur Gour: Suppose we separate residential premises from business premises for purposes of fixation of standard rent. How would you like that scheme of things?

Shri Kaushish: I have already expressed my view on that. Business premises should be outside the purview of the Rent Controller.

Dr. Raj Bahadur Gour: Suppose the quantum of rent will be different in the two cases?

Shri Kaushish: What is the quantum of rent referred to? One would like to know that.

Dr. Raj Bahadur Gour: It will be a little higher than in the other case.

Shri Kaushish: Supposing it is reasonable, we will agree.

Shri Kalika Singh: How do the Courts here in land acquisition cases arrive at the price of premises? Suppose, they have got annual rental value, then what multiples they adopt.

Shri Kaushish: In what cases?

Shri Kalika Singh: In land acquisition cases.

Shri Kaushish: In land acquisition cases they take up 16 times of the market value.

Shri Kalika Singh: Suppose they have got annual rental value, then what multiples do the Courts adopt? They must have got some fixed number of multiples.

Shri Kaushish: I will give you that formula of Section 8 of this Land Acquisition Act.

Shri Kalika Singh: I am talking of Section 23—Courts.

Shri Kaushish: They take up 20 years' market value. It has been laid down by the High Courts that the potential value of a property shall be taken into consideration. That is what is paid under the Land Acquisition Act.

Shri Kalika Singh: Are you sure that it is 16 per cent? I think it is 10 per cent in most of the cases.

Shri Kaushish: I am giving you the figures from memory. I stand corrected. That is my impression. But I am very certain about one thing that both the market value and potential market value of the property are taken into consideration.

Shri Kalika Singh: There are three or four ways in which they calculate. One of these methods is on the basis of annual rental value.

Shri Kaushish: There are so many ways. That is one of them.

Shri V. P. Nayar: You were discussing about the functions of the Controller and you said that he must be directly under the judiciary. In so far as superintendence and control is concerned, the Controller should naturally come under the High Court. You will also agree that there will be a spate of such cases. Would you like it that in cases of appeals there should be some restrictions, say, for example, there can be no appeal on questions of fact.

Shri Kaushish: I agree with you on that point if he is directly under the judiciary and there is no interference from the Executive. I would be happy to place it that beyond first stage there should be no appeal on a matter of fact.

Shri V. P. Nayar: Even at the first stage?

Shri Kaushish: Yes.

Mr. Chairman: What do you mean when you say beyond the first stage?

Shri Kaushish: That is the Controller stage and you have not to go to the Rent Control Tribunal.

Mr. Chairman: Where the Controller is the original Officer trying the cases, then what do you suggest?

Shri Kaushish: If I understood Mr. Nayar's question correctly, it was, "if a case has been decided by the Controller on a matter of fact, would you agree that there should be no appeal to the Rent Control Tribunal?". That was the question I answered.

Shri V. P. Nayar: I do not follow your answer.

Shri Kaushish: My answer is, if the Controller is under the judiciary, a judicial Officer of standing, I would certainly welcome your suggestion because this will reduce time and litigation.

Shri V. P. Nayar: The second question to which I would like to get an answer is this. Could you give us an indication of the percentage of buildings constructed after 1952 which could be called as low income housing as opposed to the others in Delhi?

Shri Kaushish: None has been constructed. I can say that with fairly good amount of confidence.

Shri V. P. Nayar: My third question is this. You gave us some examples of how pre-war rent collected from business houses still remains at pre-war level. You gave us an instance of the Imperial Hotel, as also of the M/s Spencers & Co., and some Theatres. Dr. Gour asked you whether you would like a differentiation between the two standards, one standard for concerns which do profit making business and the other for residential purposes. How far do you

think the residential buildings occupied for residential purposes should derive an advantage from the house-owner as opposed to the buildings rented out for profit making commercial purposes?

Shri Kaushish: Sir, we have also given some thought to this problem and we for one have not been able to find any satisfactory formula by which you could segregate the commercial premises. So, we decided under the circumstances.....

Shri V. P. Nayar: Leave it to us.

Shri Kaushish: To keep them outside the Rent Control Law.

Shri V. P. Nayar: That is not the point. I would put it in this way. Would you like it that the rent in so far as the commercial establishment is concerned be subjected for fixation by the Controller within a certain margin to be prescribed under this Law, say, from 10 to 15 per cent or from 6 to 10 per cent, depending upon the circumstances of the particular business?

Shri Kaushish: No; we would not like to leave it to the Controller.

Shri V. P. Nayar: Even when the Controller is under the judiciary, you would not like to leave it to the Controller?

Shri Kaushish: You cannot work out such a satisfactory formula for business industry.

Shri Nayar: You certainly want your cost of construction or other expenses to be believed and you do not want the Controller to arrive at a decision on the basis of accounts submitted by others.

Shri Kaushish: In Britain today, though all business premises are outside the purview of Rent Control Law, but still when a landlord applies for eviction of a tenant under the ordinary law of the land, the Court calls for the Auditor of the tenant and studies the figures and then says, "No, your figures are wrong. You should pay so much to the landlord." If you have some such kind of formula, we certainly have no objection to putting it within the purview of the Act. I think, it is again going to create complications.

Shri Gopikrishna Vijaivargiya: I want to put a question. Our friend was quoting an illustration of England, but in England all the buildings were demolished by War and they have to give some incentive for the construction of buildings.

Shri Kaushish: No, Sir, I do not think it will be a very correct statement that all the buildings had been demolished during the War. In fact, if you see the preliminary report, you will find that more buildings have been damaged ten times due to neglect of white-washing.

So far as the question of incentive is concerned, if you ask me, honestly I can say that five years' rent holiday is not attractive, because I merely have the satisfaction of getting that much from the tenant and paying it to the government in the form of high taxes. If you exempt all new constructions from payment of income-tax for a period of five years it will be of some assistance. If you really want to give some incentive to construct houses, instead of giving five years' holiday from rent, you put it down as five years' holiday from income-tax and a substantial part of the corporation tax. That would really be an incentive. But, at the moment, the higher the rents charged, the higher the taxes he pays to the government. He is merely collecting it for somebody else.

Shri Deokinandan Narayan: You said that about 99 per cent of the landlords are middle class people. I would like to know how many are paying income-tax. ,

Shri Kaushish: Today everybody pays income-tax. Even a pakoda-seller has to pay income-tax.

Shri Deokinandan Narayan: You can give an aproximate figure of the landlords who pay income-tax.

Shri Kaushish: That information will be available to government. Probably, I cannot give you a satisfactory answer.

Mr. Chairman: You said that their total annual income would be about Rs. 600, that is, Rs. 50 per month. Then, obviously only a few would be liable to income-tax.

Shri Kaushish: But they have other income too. Today a mason earns Rs. 5 per day. His wife gets Rs. 2. His son earns another Rs. 2.

Mr. Chairman: Do you suggest that in addition to the rent that they collect, their income from various other sources would bring them within the ambit of the Income-tax Act?

Shri Kaushish: It becomes all the more harder because....

Mr. Chairman: It may be harder or softer. I want to know....

Shri Kaushish: Exemption from income-tax is not for ever; only five years' tax holiday on the new constructions.

Mr. Chairman: I have understood that. Well, you own some houses, I presume.

Shri Kaushish: Yes.

Mr. Chairman: And you have been repairing them?

Shri Kaushish: Yes, as best as I can within my means.

Mr. Chairman: May I know what difference there has been in the cost of repairs during the last five or six years?

Shri Kaushish: Regarding the cost of repairs, I should be quite honest. If I were given a free hand.....

Mr. Chairman: You have to make some standard repairs. You had been doing it previously. As far as the cost is concerned, suppose it was X some 5 or 6 years ago, what would it be today?

Shri Kaushish: For the buildings constructed in the 50s, making a rough hazard, it will be 10 per cent. more.

Mr. Chairman: That is to say, if you had to spend Rs. 10 on repairs at that time, you will have to spend Rs. 11 now.

Shri Kaushish: Yes.

Mr. Chairman: How many of the houses are duly repaired by the house owners in your area?

Shri Kaushish: For the old ones only those house-owners repair them well who have other means of income.

Mr. Chairman: Why don't others repair?

Shri Kaushish: Those who have limited incomes and no incomes from other sources cannot obviously do it. The number of houses which are collapsing is an index of it. There are a row of houses in Chandni Chowk, two-roomed houses, which are rented out for a controlled rent of Rs. 11. I think it will not be fair to expect him to keep it in tenantable condition, as required by the law, with Rs. 11 a month.

Mr. Chairman: You said that the increase in cost of repairs would come to about 10 per cent. So, if there is an increase of 10 per cent. in rent, it would be even.

Shri Kaushish: It will increase the dilapidation by another ten per cent. Because of the lack of income, he is not able to carry out the repairs and the buildings are deteriorating further. So, you would be making it ten per cent. more difficult for him. It will not cover any expenditure. It is actually worse.

Mr. Chairman: How do we make it 10 per cent. more difficult?

Shri Kaushish: Because the cost has gone up.

Mr. Chairman: It has gone up by 10 per cent. The rent is also raised by 10 per cent.

Shri Kaushish: That does not account for the rise in prices of various commodities.

Mr. Chairman: If the cost of repairs was originally 5 per cent, it is now 5½ per cent. So, the percentage of rent also rises along with the rise in cost of repairs.

Shri Kaushish: Well, I think in most cases it has not been even quite enough for the annual white washing. I will put it that way.

Mr. Chairman: What is not enough?

Shri Kaushish: The pegged down rents that we are getting. One month's rent that you legally want us to spend on repairs is not enough even for the white-washing of the premises.

Mr. Chairman: How much do you need for repairing the houses and keeping them in good order?

Shri Kaushish: Suppose I give the example of a two-roomed tenement, that would need a minimum of, if not more than, say Rs. 125—150.

Mr. Chairman: I have not been able to follow it. What is the Rs. 125—150? What is the rent that the landlord gets for that house?

Shri Kaushish: Rs. 11 per month.

Mr. Chairman: Then the total repair bill will exceed the rent that he is getting.

Shri Kaushish: Yes; I had this particular building in mind when I gave the example.

Mr. Chairman: What is the general position?

Shri Kaushish: It would be round about it; may be 10 to 15 per cent. more or less.

Mr. Chairman: Then you say that the rent which the house owner gets today is not enough even to cover the cost of repairs?

Shri Kaushish: In a very large number of cases that is true. I would not say in all cases it is so.

Mr. Chairman: Have houses gone out of repair?

Shri Kaushish: It does not require any proof. The index is the number of houses that are falling.

Mr. Chairman: Most of them are in a very bad state?

Shri Kaushish: There is not the least doubt about it.

Mr. Chairman: Under those circumstances, the house owners are not able to repair the houses adequately. Well, would you suggest any means by which these houses could be repaired without the house owner intervening in the matter and finding it difficult to do so? Because, you said they are not doing it because they cannot do it. Someone else has to do it.

Shri Kaushish: If the Government has resources, they may do it.

Sardar Ranjit Singh: I will give an example. I have got a house at 6—8 Jantar Mantar Road. That house was built in 1920 or 1921 and the rent was Rs. 250. In 1940 that house was taken over by Government, rather requisitioned by Government, and the Government was deducting one or two months' rent as repair charges. After 18 years when the house was de-requisitioned, the house was in a bad state of repairs and it cost me Rs. 18,500 to carry them out. The repair charges that the Government agreed to pay was only Rs. 4,500. From the roof plaster was falling; doors were broken. Even the money promised by Government has not been paid for the last two or three years and I do not think there is any possibility of getting it. During the last 20 years the house could not be properly repaired at all. I think that within the next 20 or 30 years most of the houses will be in a very bad position, because the repair cost is going up. Even the stone flooring requires repairs badly. As the house grows older repair cost becomes higher. It has now gone 5 to 6 times higher than what it was in 1939.

Mr. Chairman: Since 1951?

Sardar Ranjit Singh: Since 1951 I think about 10 or 12 per cent. I am a contractor; I have been doing work here. My father was also a contractor. My father built the Rashtrapati Bhavan. On the house in which I am living every year I used to spend Rs. 250 to Rs. 300 on repairs. I don't do it every year nowadays; I do it

[Sardar Ranjit Singh]
only in alternate years. It costs me Rs. 1,500.

Mr. Chairman: Have you any idea of the total number of tenants that we have in Delhi?

Shri Kaushish: We asked for that figure; this figure is not available even with Government.

Shrimati Sucheta Kripalani: You gave the instance of a house the rent of which is Rs. 11 per month, and which cannot therefore be repaired. Have you any idea of the percentage of such houses in Delhi?

Shri Kaushish: That category will be in the vast majority. In the Old City you will see nothing else excepting that.

Shrimati Sucheta Kripalani: Will it be 60 per cent or 70 per cent?

Shri Kaushish: I would put them even at 90 per cent.

Shrimati Sucheta Kripalani: You mean to say that 90 per cent. of the houses come in that category?

Shri Kaushish: In the City, New Delhi apart. I am talking of the common man, common tenant, common house-owner all the time.

Shri Radha Raman: According to Sardar Ranjit Singh cost of construction has gone up by five or six times since 1939. Twice Government have allowed the landlords to increase the rent, 12½ per cent. and later by 25 per cent. I just want to know what will be your reaction if a decision is taken that 25 per cent. is deducted from the rent which is now recovered and the responsibility of repairs is left to the tenant? I only say deduce the present rent by 25 per cent. which they have already increased in the case of residences and 50 per cent. in the case of business premises. You take the rent which was prevalent in 1939 and you put the entire burden of white-washing, repairs, maintenance, etc., on the tenant. Will it be satisfactory?

Shri Kaushish: Surely it will be, with one proviso: if you give me wheat at 1939 price; shirts at 1939 prices; schooling at 1939 prices; doctors who will treat me at 1939 charges and transport at 1939 rates. We do not live on air; we also eat food.

Shri Onkar Nath: That applies only to 1 per cent?

Shri Radha Raman: In the year 1939 and previous to that, what do you think satisfied the landowner as fair return on investment?

Shri Kaushish: As an old citizen of Delhi you and I know that for purposes of valuation of property, for exchange or sale, a house used to be valued at 6 per cent. net market value before war.

Shri Radha Raman: What was the actual fair return to the landlord?

श्री कौशिश : वही आठ आने का ब्याज था । आपको भी मालूम है और मुझे भी मालूम है ।

श्री ओंकारनाथ : मैं चैलेंज करके कह सकता हूं कि लड़ाई के पहले तक चांदनी चौक और खारी बावली में प्रापर्टी पर सालाना रिटर्न ढाई तीन आना, नई सड़क पर साढ़े तीन चार आना था । १९४४-४५ तक आठ आना ब्याज पर नहीं रहा । अगर एक लाख की प्रापर्टी थी, तो उसके रिटर्न पर ढाई से चार आना तक ब्याज होता था । कश्मीरी गेट वगैरह में छः सात आने का होता था । यह सब ग्रास रिटर्न का भाव था ।

श्री कौशिश : जो आपने मिसालें दीं, हो सकता है, उनमें काफी ठीक हो सकती है, लेकिन आपने कौनसी प्रापर्टीज का नाम लिया है, which are just like gilt-edged investment. It is not like investing in B.I.C. or anything like that. It is just buying Government paper.

श्री ओंकारनाथ : जहां तक कूचा पातीराम, बाजार सीताराम और चरखेवालां वगैरह हैं उनमें छः सात आने तक था । मैं डेफिनिट हूं कि लड़ाई से पहले आम तौर पर ग्रास रिटर्न का रेट आठ आने से ज्यादा कहीं नहीं था ।

श्री कौशिश : मैं चैलेंज मंजूर करता हूं। मैं भी शहर में रहता हूं।

I accept your challenge. I will give you figures, you give us figures.

Mr. Chairman: Let challenges be reserved for a later occasion.

Shri Radha Raman: You have just made out a case that a very large majority of owners have small houses or houses which do not fetch very large rent and probably many of them have only one house, part of which is kept for themselves and the other part let out, may I know if it will satisfy your Federation if a provision is made in which persons owning one house, or having a rent of Rs. 50 or Rs. 75 per month are treated differently from those who have large income?

श्री कौशिश : ग्रान प्रिंसिपल यह बहुत साउंड चीज नहीं है, क्यों के ग्रगर मेरे चचा के पास मकान है। हम चार भाई हैं। वह मरता नहीं है। तो ग्रपनी ग्रामदनी ७५ रुपये करने के लिए उस को मार देंगे। It is not a healthy thing to do.

Shrimati Sucheta Kripalani: You will have no objection to it? You do not mind it?

Shri Kaushish: We mind it.

Shri Parulekar: What net return will satisfy you?

Shri Kaushish: If you had read the proceedings of the recent Finance Conferences in Delhi, you would have found that they had asked as much as 7 per cent., as reasonable return. Taxation varies from place to place.

Shri Parulekar: How much net return do you demand?

Shri Kaushish: It would come to round about 6. In harder cases of taxation it may be brought down to 4 and in better cases it may be 7. Our average demand is 6.

Shri C. K. Nair: The house building industry is at present in the hands of capitalists. Would you like the land round about to be distributed to small owners or to a capitalist for profiteering purposes?

Shri Kaushish: Before I answer this question—I am very very honest—I have always been at a loss to understand what a capitalist means in general terminology. Does it mean a man who puts on a white shirt or a man who is a Birla or a Tata?

Shri C. K. Nair: You yourself have defined in the beginning what are all the items that your rent will cover. That alone shows the mentality of the capitalist. A man owning one or two houses would not bring forward such a list as you have brought forward covering all the items that you have covered.

Shri Kaushish: Well, Sir, you are welcome to hold your opinion about me and my mentality. But I think it is very unsound.

Shri Onkar Nath: Could you tell me the percentage of landlords covered when you are calculating the cost of insurance and so on? When you say you charge 2 per cent. on depreciation it means that after thirty years the value of the property according to the book value goes down by 60 per cent. and the cost comes down to 40 per cent. You want to raise its value to 200 per cent. I would like to know how many come under the wealth tax, death duty, etc. What is the percentage of landlords who are covered by this? Does this represent 99 per cent. of the landlords or only the two or three here?

Shri Kaushish: Well, it represents an average case, and so far as the question of these outgoings is concerned.....

Shri Onkar Nath: For instance, the insurance and collecting charges which you must admit 99 per cent. do not incur.

Shri Kaushish: But how can I meet all these out of the old rents? You don't expect me to pay insurance and all the other charges out of that old rent. If there is a uniform rent policy according to the market value, everyone would insure because of the simple fact that your property is guaranteed.

Shri Onkar Nath: At present it does not apply to all.

Shri Kaushish: At present in most cases where the rents are pegged, how can you? That has been my thesis, because you are not getting any money.

Shri Onkar Nath: What is the membership of your Federation?

Shri Kaushish: If the Chairman would allow me to answer this question if it is relevant to the Bill, I shall answer it.

Shri Onkar Nath: We want to know the percentage of landlords that your Federation represents.

Shri Kaushish: As I put it in the beginning, we represent the common landlord who has the common tenant.

Mr. Chairman: He wanted to know the strength of your Federation, the number of members that you have.

Shri Kaushish: You know ours is a Federation with a constitution of the federating type. Now, in every area they have small House-owners' Associations. You go to Patel Nagar, Subzi Mandi, Daryaganj. We have individual membership also from those places. But all associations are our members, which makes us fairly representative, as I would put it, in the democratic terminology.

Mr. Chairman: What is the number of your individual members?

Shri Kaushish: We have different categories of individual membership also. For instance, in respect of widows and minors we do not charge even one rupee. If you go down to Balli Maran and Chitli Kabar area we charge a rupee from them; they are very poor landlords.

Mr. Chairman: And from others?

Shri Kaushish: We charge five rupees.

Mr. Chairman: Five rupees per year?

Shri Kaushish: Yes, Sir.

Mr. Chairman: How many individual members have you got?

Shri Kaushish: In the five rupees category we would have roughly about four to five hundred people. Then our remaining people are about half or one rupee members or even less than half a rupee. The others are those who have just filled up the forms and put their problems as best as they could.

Mr. Chairman: Is it a Federation started only recently?

Shri Kaushish: Yes, Sir, it has in fact assumed this form in 1956. But all these units have been there for a long time. For instance my friend behind me has been carrying on from 1939. Most of our members, about fifty of them, association members, are pre-war.

Dr. Gour: How many associations have you got in the Federation?

Shri Kaushish: Fifty of them, small ones.

Dr. Gour: What will be the aggregate membership of all these?

Shri Kaushish: It is again the same way that those who are slightly better off.....

Dr. Gour: The total.

Shri Kaushish: It depends upon the area, but probably in each area you will find anywhere between 200 to a thousand. It depends upon the area.

Dr. Gour: I want the aggregate of all the fifty associations.

Shri Kaushish: For all the fifty associations, I would put it something like an average of about 300.

Shrimati Sucheta Kripalani: You told us that in Karol Bagh land is sold at Rs. 200 per sq. yd. May I know in which part of Karol Bagh? My information is that in Karol Bagh land is sold at prices between fifty to seventy-five rupees per square yard. So I would like to know the particular area where prices are so high.

Shri Kaushish: Ajmal Khan Road, Madam.

श्री ओंकार नाथ : अभी आप ने बतलाया कि ८० परसेन्ट केसज रिजेक्ट हुए मगर वह तो एग्जिकयूटिव के कंट्रोल से नहीं हुए बल्कि हाई-कोर्ट द्वारा नियुक्त जजों ने किये हैं जिन्हें आप कन्ट्रोलर से बेहतर मानते हैं। आपने यह भी कहा कि जो केसेज थे वह सबलेटिंग या एरियर्स आफ रेंट के थे। इससे तो यह साफ साबित होता है कि आप उन लोगों के खिलाफ सबलेटिंग या एरियर्स के इल्जाम जो हैरेस करने को लगाये थे साबित नहीं कर सके, जिसकी वजह से वह केसेज रिजेक्ट कर दिए गए।

Shri Kaushish: आप का यह ऐसम्शन बिल्कुल गलत है। आपका कानून ही ऐसा है। The law in itself is defective. And this goes to the credit of the judiciary that even a bad law they are willing to implement faithfully. They see that it is unjust but they are hide-bound and they cannot go beyond the provisions of the law. That is not the fault of the landlord but the fault of the law.

Shri Onkar Nath: Have you any judgments to cite?

Shri Kaushish: I gave you one example, namely, can any High Court think it reasonable that a tenant can go on paying Rs. 200 and charging Rs. 1,800 for his own house elsewhere but which is not suitable for him? If the High Court had the discretion to say that this man owns a property elsewhere and he no longer enjoys the protection of this Rent Act then the case would have gone before the High Court under the Transfer of Property Act and the High Court would have said that the disparity is too unjust, and they would have said "yes, you have to pay the market value, whether it is Rs. 1,800 or whatever it is".

Mr Chairman: Generally, you would like all these control laws to be scrapped?

Shri Kaushish: I would say that it is time Government started thinking in terms of progressive decontrol. We may achieve that in ten years' time or even fifteen or twenty years. If control is there, it will be an artificial thing and it will always be asking for further adjustments which will be very difficult.

Mr. Chairman: Supposing the control is withdrawn, how would the rents go up? What is your idea.

Shri Kaushish: Then there would be some dislocation and hardship as all house-owners are angels.

Mr. Chairman: We assume there are very few angels, you being included as one. How much would the rents jump up?

Shri Kaushish: I think if the rents go up everywhere for about a month or so there may be complete confusion.

Mr. Chairman: I am not asking for confusion.

Shri Kaushish: But the rents will stabilise anywhere between five and six times. I am talking of stabilisation compared to the prewar level.

Mr. Chairman: I am asking about rents as they are prevalent today. I am not talking of prewar or postwar. As the rents are today, what would be the result if controls were withdrawn?

Shri Kaushish: There will be confusion for a little while and then they will stabilise.

Mr. Chairman: What would be the rise?

Shri Kaushish: For the pre-war properties, it will certainly be as high as the figure I gave you. I gave you the example in Chandni Chowk. But it will all depend on individual cases.

Mr. Chairman: Five or six times they would go up.

Shri Kaushish: The existing rents would go up five or six times.

Mr. Chairman: We are talking in terms of the existing rents, not as they existed fifty years ago.

Shri Kaushish: In the case of the new properties, in certain cases, it will come down.

Mr. Chairman: What is new property?

Shri Kaushish: Built after 1950.

Mr. Chairman: On the houses built before 1950 what would be the effect of the withdrawal of controls?

Shri Kaushish: A large part of them would be doubled, in the next category it may be trebled; then it may even be four or five times. The rents would go up by 2 to 5 times; it will depend upon individual property.

Mr. Chairman: The range would be between 2 to 5.

Shri Kaushish: It may vary from two to six times approximately.

Mr. Chairman: Very well. Thank you very much.

(The witnesses then withdrew.)

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PRINTED AT THE PARLIAMENTARY WING OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI AND PUBLISHED BY THE LOK SABHA SECRETARIAT UNDER RULE 382 OF THE RULES OF PROCEDURE AND CONDUCT OF BUSINESS IN LOK SABHA (FIFTH EDITION).