

## **Raghunandan Saran Ashok Saran & Irs, ... vs Pearey Lal Workshop (P) Ltd. Etc on 15 April, 1986**

**Equivalent citations: 1986 AIR 1682, 1986 SCR (2) 537, AIR 1986 SUPREME COURT 1682, 1986 RAJLR 492, 1986 SCFBRC 300, 1986 MPRCJ 172, (1986) JT 415 (SC), 1986 2 UJ (SC) 334, (1986) 2 RENCJ 558, (1986) 2 RENCRC 381, (1986) 2 RENTLR 176, (1986) 2 RENTLR 202, (1986) 2 SCJ 413, 1986 (3) SCC 38, (1986) 3 SUPREME 359, (1986) 30 DLT 77, (1986) 30 DLT 228**

**Author: R.B. Misra**

**Bench: R.B. Misra, M.M. Dutt**

PETITIONER:

RAGHUNANDAN SARAN ASHOK SARAN & IRS, ETC. ETC.

Vs.

RESPONDENT:

PEAREY LAL WORKSHOP (P) LTD. ETC.

DATE OF JUDGMENT 15/04/1986

BENCH:

MISRA, R.B. (J)

BENCH:

MISRA, R.B. (J)

DUTT, M.M. (J)

CITATION:

1986 AIR 1682	1986 SCR (2) 537
1986 SCC (3) 38	JT 1986 415
1986 SCALE (1) 550	

ACT:

Delhi Rent Control Act, 1958, s. 14(2) - Tenant depositing arrears of rent - When entitled to protection of non-eviction.

HEADNOTE:

The appellants-landlords filed three eviction petitions against not the three respondents tenants in respect of different portions of a building situated in New Delhi under section (1) of the Delhi and Ajmer Rent Control Act 1952 (Act of 1952) on the ground of non-payment of rent. During

the pendency of the proceedings, the Delhi Rent Control Act 1958 (Act of 1958) came into force. The respondents-tenants, however, deposited the arrears and got the benefit of non-eviction under Section 13(2) of the Act of 1952 and the petitions were dismissed

The appellants-landlords again filed three petitions for eviction of the respondents on the ground that the respondents-tenants had committed a second default in the payment of arrears of rent. The respondents deposited the arrears of rent in time as contemplated by section 15 of the Act of 1958 and sought the protection of non-eviction within the meaning of sub-section 2 of section 14 of the Act of 1958. The appellants contended before the Additional Rent Controller that the respondents had derived benefit of non-eviction under section 13(2) of the Act of 1952 once and they were not entitled to get the same benefit under section 14(2) twice over in view of the proviso to sub-section (2) of section 14 of the Act of 1958. It was argued on behalf of the respondents that they had deposited the arrears of rent as provided by 8.15 of the Act of 1958 and therefore they were entitled to get the benefit of sub-section 2 of section 14 and the benefit derived by the respondents under section 13(2) of the Act of 1952 will not stand in the way of the respondents getting the benefit of sub-section 2 of section 14 of the Act of 1958. The

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Additional Rent Controller dismissed the petitions holding that the respondents were entitled to the benefit of sub-section 2 of section 14 of the Act on account of the deposit made by them in pursuance of the provisions of section 15 of the Act of 1958 and that the benefit once derived by the respondents under section 13(2) of the Act of 1952 will not attract the proviso to sub-section 2 and they are entitled to the benefit of non-eviction under sub-section 14(2) of the Act of 1958. The Rent Control Tribunal and the High Court confirmed the order of the Additional Rent Controller in the first and second appeal respectively.

Dismissing the appeals by the appellants,

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HELD: 1. The respondents cannot be deprived of the benefit of section 14(2) of the 1958 Act merely because they had obtained similar benefit under sub-section 2 of section 13 of the Act of 1952. [546 F-G]

2(i). If the words of statute are clear, there is no question of interpretation. Grammatical construction has been accepted as the golden rule. [546 F]

2(ii). Sub-section 2 of s. 14 of the 1958 Act contemplates to give the benefit to a tenant of non-eviction, if the tenant makes payment or deposit as required by section 15. Obviously, therefore, sub-section 2 contemplates that the benefit of non-eviction under this sub-section can be given only to a tenant who has made a deposit as required by section 15 of the Act of 1958.

Therefore, the deposit made under section 13(2) of the Act of 1952 has been completely excluded by sub-section 2. The proviso to sub-section 2 also puts a bar on deriving the benefit under this sub-section i.e. sub-section 2 of section 14; thus if the expressions "deposit, under- section 15 in sub-section 2 of section 14" and "such benefit" in the proviso thereto is given a meaning, there is no escape from the conclusion that no second benefit can be given to a tenant if he had already received the benefit under sub-section 2 by deposit made in accordance with the provisions of section 15 of the Act of 1958. [545 C-E]

3. Sub-section 2 of s. 57 is a saving clause and provides that notwithstanding the repeal of the Act of 1952, 539

all suits and other proceedings under the said Act pending at the commencement of this Act, before any court or other authority shall be continued and disposed of in accordance with the provisions of the said act, as if the said Act had continued in force and this Act had not been passed. In view of this clear saving clause the deposit made by the respondents must be taken to be a deposit under section 13(2) of the Act of 1952 and if the case is covered squarely by sub-section 2 of section 57, it is not at all necessary to take into consideration the other provisions of the Act. [545 H; 546 A-B]

4. There is marked difference between the provisions of 8. 13(2) of the Act of 1952 and 88. 14(2) and 15 of the Act of 1958. Section 15(2) is radically different from the provisions of section 13 of the old Act and the distinction between the two sections has been clearly made out by the Delhi High Court in Dhan Raj Jayna v. S.P. Singh, A.I.R. 1973 Delhi 297. [546 E-F]

Dhan Raj Jayna v. S,P, Singh, A.I.R. 1973 Delhi 297, approved.

J.K. Steel Ltd, v. Union of India, [1969] 2 S.C.R. 481, 497, referred to. E

#### JUDGMENT :

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 1921 of 1976 etc. From the Order dated 17.9.75 of the Delhi High Court in S.A.O. No. 144 of 1975.

Madan Bhatia and Sushil Kumar for the appellants. R.P. Bhatt and Parveen Kumar for the Respondents. The Judgment of the Court was delivered by G R.B. MISRA, J. The fate of the present connected appeals by special leave hinges upon the interpretation of section 14(2) of the Delhi Rent Control Act, 1958 (hereinafter referred to as the "Act of 1958").

Premises No. 9607 known as Pyare Lal Building, Janpath and Tolstoy Marg, New Delhi, is owned by the appellants. Three different portions of the said building were let out to three different firms,

M/s. Pearey Lal Workshop (P) Ltd., M/s. Ghaziabad Engineering Co. (P) Ltd. and M/s. Pearey Lal & Sons, on agreed rent of Rs. 400, Rs. 273 and Rs. 1094 per month respectively.

The tenants-respondents had applied for fixation of standard rent before the Rent Controller who fixed standard rent of the three premises but on appeal the order of the Rent Controller fixing standard rent was set aside by the High Court by its order dated May 22, 1972 holding that the tenants were liable to pay the agreed rent.

It appears that the tenants fell in arrears of rent and did not pay the same in spite of service of notice of demand. The appellants, therefore, were compelled to file three different petitions for eviction of the respondents under section 13(1) of the Delhi and Ajmer Rent Control Act, 1952 (hereinafter referred to as the "Act of 1952"). During the pendency of the proceedings the Act of 1958 came into force. The tenants however deposited the arrears and got the benefit of non-eviction under section 13(2) of the Act of 1952 which provides that no decree or order for the recovery of possession of any premises shall be passed on the ground of default in payment of rent if, on the first date of the hearing of the proceedings for eviction or within such further time as may be allowed by the court, the tenant pays in cash the arrears of rent then due together with the costs of the suit.

The respondents again committed a default in the payment of arrears of rent and failed to pay the same within two months of the service of notice of demand as required by Clause (a) of sub-section 1 of section 14 of the Act of 1958. The appellants therefore filed three petitions giving rise to the present appeals for eviction on the ground of second default. The respondents, however, deposited the arrears of rent within one month of the date of the order as contemplated by section 15 of the Act of 1958 and sought the protection of non-eviction within the meaning of sub-section 2 of section 14 of the Act of 1958. The appellants, however, sought the advantage of the proviso to sub-section 2 of section 14 and alleged that the respondents had derived the benefit of non-eviction under section 13(2) of the Act of 1952 once and they are not entitled to get the same benefit under section 14(2) twice over in view of the proviso to sub-section of section 14 of the Act of 1958.

These petitions for eviction were resisted by the respondents on the ground, inter alia, that they had deposited B the arrears of rent as provided by section 15 of the Act of 1958. They were entitled to get the benefit of sub-section (2) of section 14 and the benefit derived by the respondents under section 13(2) of the Act of 1952 will not stand in the way of the respondents getting the benefit of sub-section 2 of section 14 of the Act of 1958.

The Additional Rent Controller dismissed the petitions of the appellants holding that the respondents were entitled to the benefit of sub-section 2 of section 14 of the Act on account of the deposit made by them in pursuance of the provisions of section 15 of the Act of 1958. He was of the view that the benefit once derived by the respondents under section 13(2) of the Act of 1952 will not attract the proviso to sub-section 2 and they are entitled to the benefit of non-eviction under section 14(2) of the Act of 1958.

The appellants feeling aggrieved took up the matter before the Rent Control Tribunal by way of appeal but the Tribunal relying upon Dhan Raj Jayna v. S.P. Singh, A.I.R. 1973 Delhi 297 dismissed

the appeal. The appellants took up the matter to the High Court in second appeal but those appeals also met the same fate. The appellants have now approached this Court by special leave.

The only point that survives for consideration is whether the respondents are entitled to the benefit of sub- section 2 of section 14 of the Act of 1958 and the decision of this question depends upon the interpretation of sub- section 2 together with its proviso.

Section 13(1) of the 1952 Act, insofar as material, reads :

"13.(1) Notwithstanding anything to the contrary in any other law or any contract, no decree or order for the recovery of possession of any premises shall be passed by any Court in favour of landlord against any tenant (including a tenant whose tenancy is terminated.) Provided that nothing in this sub-section shall apply to any suit or other proceeding for such recovery of possession if the Court is satisfied.

(a) that the tenant has neither paid nor tendered the whole of the arrears of rent due within one month of the date on which a notice of demand for the arrears of rent has been served on him by the landlord in the manner provided in section 106 of the Transfer of Property Act, 1882 (IV of 1882); or (2) No decree or order for recovery of possession shall be passed on the ground specified in clause

(a) of the proviso to sub-section (1), if, on the first day of the hearing of the suit or within such further time as may be allowed by the Court, the tenant pays in Court the arrears of rent then due together with the costs of the suit.

The corresponding provision to s.13 of the 1952 Act is s. 14 of the 1958 Act. In so far as material it reads :

"14.(1) Notwithstanding anything to the contrary contained in any other law or contract, no order or decree for the recovery of possession of any premises shall be made by any court or Controller in favour of the landlord against a tenant. Provided that the Controller may, on an application made to him in the prescribed manner, make an order for the recovery of possession of the premises on one or more of the following grounds only, namely:-

(a) that the tenant has neither paid nor tendered the whole of the arrears of the rent legally recoverable from him within two months of the date On which a notice of demand for the arrears of rent A has been served on him by the landlord in the manner provided in section 106 of the Transfer of Property Act, 1882;

..... (2) No order for the recovery of possession of any premises shall be made on the ground specified in clause (a) of the proviso to sub-section (1), if the tenant makes payment or deposit as required by section 15;

Provided that no tenant shall be entitled to the benefit under this sub-section, if, having obtained such benefit once in respect of any premises he again makes a default in the payment of rent of those premises for three consecutive months."

The learned single Judge of the Delhi High Court in *Dhan Raj Jayna v. S.P. Singh (Supra)* dealing with the interpretation of sub-section 2 of section 14 observed as follows :

"Once the tenant pays the arrears of rent and the future rent in accordance with section 15(1) he is entitled to the benefit of section 14(2) to have the petition for eviction dismissed. The proviso to section 14(2) however, denies to the tenant such benefit for a second time. He can thus get such benefit only once, it is to be noted that the previous suit was dismissed by Shri Tandon and the dismissal was confirmed by the High Court under section 13(2) of the Delhi and Ajmer Rent Control Act, 1952. The provisions of section 13(2) were not in pari materia to the provisions of section 14(2) of the Delhi Rent Control Act, 1958. The payment under section 13(2) of the old Act was to be made on the first hearing of the suit or without such further time as may be allowed by the Court. On the other hand, under Section 14(2) of the new Act, in addition to the arrears of rent the Controller can also order the payment of pendente lite rent. Under section 13(2) of the old Act there was no provision for the payment of pendente lite rent. The benefit of section 14(2) under the new Act is available on payment of the arrears as well as the pendente lite rent. In view of these differences between the two provisions it cannot be said that the dismissal of the previous suit by Shri Tandon was under Section 14(2) of the new Act. The benefit of Section 14(2) is being given to the tenant, therefore, for the first time in the present proceedings. The proviso to section 14(2) is not therefore, a bar to the grant of this benefit to him."

Shri Bhatia appearing for the appellants contended that the aforesaid observation made in the reported case is only by way of obiter dicta inasmuch as no arguments were in fact advanced as to the true interpretation and the scope of section 14(2) of the Act of 1958 and it appears to have been assumed in this case by the parties concerned that the benefit of non-eviction on account of non-payment of rent derived by a tenant under the old Act cannot be taken into consideration under section 14(2) of the Act of 1958.

This contention, in our opinion, has no force. The High Court of Delhi had construed the provisions of section 14(2) as there was a dispute between the parties on the interpretation of section 14(2). The construction put by the High Court on the interpretation of sub-section 2 of section 14 along with the proviso thereto is fully warranted by the language of this section.

Shri Bhatia laid much emphasis on the expression "having obtained such benefit once". According to him, the expression is wide enough to include even a benefit derived under the Act of 1952. It was further contended by the counsel that if the Legislature intended to put any fetter on the wide expression used in the proviso it would have clearly said so that the benefit derived under the Act of 1952 disentitled a tenant from getting the benefit of section 14(2) of the Act of 1958. As a second limb of

his contention, Shri Bhatia, further submitted that under the Act of 1952 a tenant could commit default times without number and each time he could get the benefit of non-eviction if he deposited the rent on the first day of the hearing. A tenant could tire out the landlord by adopting such an attitude. The Legislature, therefore, wanted to remove the vice of the Act of 1952 and that is why the proviso to sub-section 2 of section 14 contemplates that the benefit of non-eviction once derived by the tenant under sub-section 2 of section 14 will not be given the benefit of non-eviction for the second time.

There is no denying the fact that the Legislature wanted to remove the vice of the Act of 1952 but to what extent the tenant will be deprived of the benefit of sub-section 2 of section 14 will depend upon the expression used by the Legislature in the section. The argument advanced by Shri Bhatia loses sight of certain words of sub-section 2 and of the proviso thereto. Sub-section 2 contemplates to give the benefit to a tenant of non-eviction if the tenant makes payment or deposit as required by section 15. Obviously, therefore, sub-section 2 contemplates that the benefit of non-eviction under this sub-section can be given only to a tenant who has made a deposit as required by section 15 of the Act of 1958. Therefore, the deposit made under section 13(2) of the Act of 1952 has been completely excluded by sub-section 2. The proviso to sub-section 2 also puts a bar on deriving the benefit under this sub-section i.e. sub-section 2 of section 14, thus if the expressions "deposit under-section 15 in sub-section 2 of section 14"

and "such benefit" in the proviso thereto is given a meaning, there is no escape from the conclusion that no second benefit can be given to a tenant if he had already received the benefit under sub-section 2 by deposit made in accordance with the provisions of section 15 of the Act of 1958.

It was further contended on the strength of the proviso to sub-section 2 of section 57 of the Act of 1958, that even if the deposit was made under section 13(2) of the Act of 1952 during the pendency of the Act of 1958, the Court or the authority shall have to take into consideration the provisions of the Act of 1958 and in that view of the matter it can safely be assumed that the deposit made by the respondents during the pendency of the Act of 1958 is a deposit within the meaning of section 15 of Act of 1958. Thus argument again ignores sub-section 2 of section 57. Sub-section 2 is a saving clause and provides that notwithstanding the repeal of the Act of 1952, all suits and other proceedings under the said Act pending at the commencement of this Act, before any Court or other authority shall be continued and disposed of in accordance with the provisions of the said Act, as if the said Act had continued in force and this act had not been passed. In view of this clear saving clause, the deposit made by the respondents must be taken to be a deposit under section 13(2) of the Act of 1952 and if the case is covered squarely by sub-section 2 of section 57 it is not at all necessary to take into consideration the other provisions of the Act.

Shri Bhatia further contended that the benefit, either under the Act of 1952 or the Act of 1958, afforded a tenant the benefit of non-eviction and this benefit was identical in both these sections 13(2) of the Act of 1952 and 14(2) of the Act of 1958. Section 13(2)

of the old Act and section 14(2) of the new Act, according to learned counsel, form one scheme, one code and re-enforce each other and in support of this contention he relies on *J.K. Steel Ind. v. Union of India*, [1969] 2 S.C.R. 481, 497. He contends that these sections are in pari materia and the modification introduced by section 14(2) and section 15 of the Act of 1958 is only regarding the mode of deposit. We find it difficult to accept this contention either. There is marked difference between the three provisions. Section 15(2) is radically different from the provisions of section 13 of the old Act and the distinction between the two sections has been clearly made out by the Delhi High Court in the aforesaid reported decision. If once we accept the interpretation put forward by the Tribunal on section 14(2) read with the proviso thereto it is not at all necessary to enter into the alterative contentions raised by Shri Bhatia. If the words of statute are clear, there is no question of interpretation. Grammatical construction has been accepted as the golden rule and so construed, the respondents cannot be deprived of the benefit of section 14(2) merely because they had obtained similar benefit under sub-section 2 of section 13 of the Act of 1952. We see no reason to differ from the view taken by the Tribunal as confirmed by the High Court.

In the result the appeals must fail. They are accordingly dismissed but in the circumstances of the case, there is no order as to costs.

M.L.A.

Appeals dismissed.