

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

R.S.A. No. 5229 of 2012 (O&M)

Date of decision:- 05.05.2015

Ravi Kumar

...Appellant

Versus

Municipal Council & another

...Respondents

CORAM: HON'BLE MS. JUSTICE RITU BAHRI

Present:- Mr. Rajeev Dev Sharma, Advocate
for the appellant.

RITU BAHRI J. (Oral)

The present regular second appeal is directed against the judgment dated 24.09.2011 whereby the appeal filed by defendant/respondent No. 1 (for short 'respondent No. 1') was allowed, which was against the judgment dated 08.08.2007 whereby the trial Court decreed the suit of the plaintiff/appellant (for short 'appellant').

The appellant filed suit restraining respondent No. 1 from enhancing rent on the shop, which was purchased by the appellant in auction on rent on 11.08.1982 at a monthly rent of Rs.460/- per month. Thereafter, the rent was enhanced in the year 1995 as per Government instructions. After 1995, the appellant filed a suit in the year 2003. Both the Courts had observed that the present appellant had not filed any petition to the said enhancement of rent before respondent No. 1. Moreover keeping in view the judgment passed by this Court in a case i.e ***Mulkh Raj Mutnesja, Ex***

Municipal Commissioner vs. State of Punjab, 1996 (1) RRR 567

wherein it was held that the Government is justified in issuing uniform criteria to generate funds to manage the affairs of Municipal Committees by periodical increase in rent of Municipal properties. In para 22 of the judgment, it has been observed as under:-

22. It deserves notice that the relationship between the landlord and tenant is of a purely contractual nature. The provisions of the rent restriction law do not apply. Still further, the Council which is the owner of the property has a right to fix the rent or provide for its periodic increase. ON account of populist considerations, the Council may agree to fix certain terms. However, if the State Government in exercise of its statutory powers feels compelled to lay down a uniform criteria, it cannot be accused of having acted unfairly or arbitrarily. Undeniably, there is an all-round increase in prices. The cost of works to be executed by the Committees is increasing. The projects undertaken by the Committees or the usual functions of maintenance of roads etc make it incumbent for it to look for additional resources. Whenever there is an effort to levy a new tax or fee, there

is all-round resistance. On the other hand, the expenses on account of wages and even cost of maintenance are continuously rising. The inflation is a fact of life and has to be recognized. In this situation, the State Government was fully justified in laying down a recognized. In this situation, the State Government was fully justified in laying down a uniform policy for the periodical increase in rents and for the transfer of tenancy. Its action in doing so was only a recognition of the existing situation. It was calculated to provide additional resources to the Committees. The state Government cannot be said to have acted unfairly or arbitrarily. Its action calls for no interference. It is in larger public interest and deserves to be upheld.”

Applying the ratio of the above said judgment, the suit of the appellant has rightly been dismissed by the lower Appellate Court and does not require any interference by this Court. No substantial question of law arises for consideration by this Court.

The appeal is dismissed.

May 05, 2015
G Arora

(RITU BAHRI)
JUDGE