

COMMON CAUSE

VOICE OF "COMMON CAUSE"

WE REQUEST YOU

People must take things in their hands to seek redress against acts involving arbitrariness, discriminations, aberrations, anomalies and distortions, whether they emanate from the functionaries of the government or from municipal bodies or banks, insurance companies, airlines or any other authorities entrusted with responsibilities towards the public. The authorities must be made to realise that they cannot take people for granted.

The objective of COMMON CAUSE, in all its programmes and activities, has been to identify the areas of arbitrariness and discriminations, and to initiate action for redressal. This has been its sustained educative process so that people should come to recognise their rights and to find the means to assert them.

Our resort to the Supreme Court for redressal of the arbitrariness involving, for instance, deprivation of benefits of pension liberalisation to pre-1979 pensioners or of deprivation of pensionary benefits to widows of pre-1964 pensioners, or of aberrations in the house tax assessments by Delhi Municipal Corporation, or of the discriminations involved in the high differential of house tax levy in the areas of Delhi Municipal Corporation and the contiguous areas of New Delhi Municipal Committee, or in the matter of out-of-turn allotments of Maruti cars, or in relation to defaults of performance by the telephone authorities, have all been of the nature of path-indicators to the people of what can be done in seeking removal of such aberrations. It is a matter of great satisfaction to us that the people now feel emboldened to initiate activities of similar nature and to sponsor public interest action for redressal. Practically all over the country measures of this nature have started being initiated by public interest organisations and individuals.

In this issue we have highlighted the problem of amendment of the antiquated rent control law. We are most keen that this problem should get amicably resolved, because further deterioration of the relations between owners and tenants, and further hardening of attitudes, can prove disastrous. We request you to involve yourself in this problem. The least you can do is to persuade all your friends and acquaintances, and yourselves, to address letters to the Prime Minister on this important issue, picking up material, where necessary, from this periodical. Let hundreds of thousands of letters reach his office. The weight of these will not be easy to disregard. Let views of the people prevail and let not matters of such seriousness be decided by mere whims, predilections and interests of the politicians.

We request you to involve yourself in such matters of public interest and to act.

Rent Control Muddle
Annual Report & Accounts

House Tax Problems
For Pensioners

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The publication is not a monthly. It is at present issued once a quarter. There is no subscription.
It goes free to Members of COMMON CAUSE.*

RENT CONTROL MUDDLE

On the vexed question of Rent Control COMMON CAUSE recently issued a booklet emphasizing the importance and urgency of settling this matter in the interest of restoring harmony between the tenants and landlords and for avoidance of a class conflict which any further dithering in solving this problem is likely to cause. Requests from all over the country were received for supply of copies of this booklet.

In the present issue of this periodical we have considered it necessary to highlight the necessity and importance of early settlement of this problem through amendment of the existing legislation relating to Delhi which is expected to set the pattern for amendment of the rent control laws of the States and Union Territories. We reproduce below an article on this subject written by the Director of COMMON CAUSE, which recently appeared in issues of the INDIAN EXPRESS at various places in the country. We have received thousands of letters on this subject. Out of these we reproduce in this issue a few which bring out the agony being caused by the present rent control laws. These include mostly the letters from single house-owners. The letters received from tenants have also been reproduced. We have considered it appropriate not to give detailed addresses of the writers of these letters. Originals of all these letters are available with us for reference.

We earnestly hope that the Prime Minister will not allow any further delay to be caused in the submission of the amending Bill before the Parliament in the winter session. This problem cries out aloud for a speedy and satisfactory solution in the interests of tenants as well as owners. We request all members of COMMON CAUSE, wherever they are, to write letters to the Prime Minister conveying their views on this subject and urging him to get this matter satisfactorily settled without any further delay.

Monsoon session of the parliament has come and gone. The rent control muddle remains unresolved. Of course, there were other major developments which naturally attracted greater concern and took precedence. But, people complain that this has now happened to the rent control problem once too often. Every recent session of the Parliament has had this item on the agenda, but everytime it has got passed over. Therefore, the people feel greatly perturbed.

People's exasperation in this matter has got compounded also by the general feeling that the amendments proposed to be effected in the Delhi Rent Control Act have been sabotaged, neatly and completely, in their passage through the Delhi Metropolitan Council. The proposed amendments, diligently worked out by the Ministry of Works & Housing of the Government of India, have been thoroughly scuttled by the manoeuvring of certain vested interests. All the main proposals have been shot down

one after the other in the Metropolitan Council, and what has emerged from it is the barest skeleton, shorn of all the essentials. Though it is recognised that the views of Metropolitan Council are not in any way binding, and reference of the proposed amendments to it was more of a formality, this episode has given a rude jolt to the people who are looking forward to a rational modification of the antiquated law to bring it in accord with the present day realities. Amendment of Delhi Rent Control Act was felt to be specially important because it was to set the pattern for amendment of rent control laws of other States and Union Territories. There had been already inordinate delay in dealing with this matter. There was scepticism in the minds of the people, arising from the dilly-dallying over the issue for the past many years. For over five years the successive Housing Ministers of the Government of India had been declaring that the Bill for amending the law

would "soon" be bought before the parliament. This has not happened, and in the bargain the proposals have been battered by the Delhi Metropolitan Council.

A general feeling has grown that the delay in tackling this important problem has caused it serious deterioration and aggravation. It should have been tackled with firmness and finality years ago. Instead, the government over the years sought to wear it out by referring it to various committees and commissions. In this matter, the problem is being compared to those of Punjab, Assam and the issue of reservations which assumed ugly manifestations through delays. Hope is now pinned on the effective handling of this problem by the present administration.

PRESENT LAW

The present Rent Control law has played havoc. It has vitiated life in towns perhaps more than any other law. More than any other law it has been responsible for degradation of moral scruples; clandestine transactions, puggies, black wealth. It has inhibited the expansion of construction activity, leading to extreme housing inadequacies in the face of sprawling urban expansion, which in turn has led to the soaring vulgar rents and has made it impossible for new tenants to secure any accommodation for renting. Owners prefer to keep their houses and flats vacant rather than risk losing them in perpetuity. They deliberately avoid repairs and maintenance so that buildings may crumble, depleting the existing housing stock, in the hope of getting the valuable land underneath vacated.

Relations between the tenants and owners have dangerously embittered. Their disputes are clogging the courts. It is estimated that there are not less than about 25 lakh rent control cases in the courts of the country. In the lower courts of Delhi alone there are more than 16,000 cases. In the High Courts and the Supreme Court they form quite a high percentage. They drag on for years, decades, sometimes generations, corroding faith in justice and the courts. These cases have perhaps done more than any others

in generating ill-will among sections of the society, threatening to disrupt it and lead it to class conflict. Already these disputes make substantial contribution to the law and order problem.

It is indisputable that the present law is heavily tilted in favour of the tenants. The circumstances of its enactment decades ago, in the conditions prevailing during and after the war, necessitated it. There has since been a sea change. There are no longer any landlords who build houses for renting them. There are now mostly single homeowners who have built houses for living in them, and in some cases for deriving benefit by part-renting. While, therefore, the interests of weaker sections among the tenants need to be protected, in the present circumstances the interests of weaker sections among the owners also need to be equally protected. Perpetuation of tenancy and freezing of rents, which were justifiable decades ago, are anachronistic in the present circumstances. Outgo on various items including ground rent of lease land, income tax, house tax, repairs and maintenance render it impossible for the owner to secure return comparable even to bank interest.

All tenants are not poor, nor are all owners rich. Over the decades small industries, business, trade and professions have led to the growth of middle class who are no longer among poor tenants by any stretch of imagination. Freezing of rental at old levels, excessive protection of tenancy rights and extreme difficulty of recovering possession of accommodation even for the most legitimate requirement of the owner himself have hit very hard the owners of modest means.

The Government of India has known all these problems for years, recognising that these are aggravating and worsening with passage of time. Unfortunately counting of votes has weighed more with the politicians. Vote banks of the tenants and of the slums and unauthorised colonies have meant more for them than solving this serious problem. After a series of committees, culminating with the report of Economic Administrative Reforms Commission and its examination by the Committee of

Secretaries of the Government of India, a series of proposals emanated for amending the existing law. That was near a year ago. Since then the politicians have played games with these proposals. Absurdity of the present day functioning would be evident from the threat which was held out by an M. P. that CBI enquiry should be instituted against the officers who have made these proposals. Another senior party dignitary has gone to the extent of declaring that after 25 years of tenancy the tenants will become owners. It is in the light of these facts that serious apprehensions and scepticism prevail among the people about the capacity of these politicians to be able to dispassionately and objectively look at the proposals for solving this problem amicably and for restoring harmony among the tenants and owners.

PROPOSED AMENDMENTS

Among the proposed amendments one of paramount importance is the need of simplification of existing procedures relating to the disposal of rent control cases in courts. It is proposed that the trial should be of summary fashion, based on documents and affidavits of the disputants rather than on oral evidence excepting where absolutely indispensable. It is also suggested that procedures of payment and recovery of rent should be simplified and not allowed to be indefinitely prolonged.

The existing law and its interpretations have made the tenancy heritable in perpetuity, from generation to generation. The proposed amendments aim at limiting the heritability to three years irrespective of whether the dependants were or not financially dependant, for enabling adjustments on demise of the tenant. In line with the provisions operating at present in States like Tamil Nadu and J & K the proposals also envisage that while weaker tenants must continue to be provided protection, the more affluent tenants, who are paying above a specific rent (limit of Rs. 1500 has been proposed for Delhi) would not need the protection and relations between them and the owners should be regulated under the other laws such as transfer of property act and contracts act. Where a tenant has in his own name, or in the name of his wife or dependant children, acquired a house in the

same city, he should not be eligible for protection under this measure. It is felt necessary to compel corporations and banks etc. to construct residential accommodation for their staff, so that housing availability in the cities should multiply, and with this objective it is proposed that residences occupied by such staff should also be exempted from rent control law. All newly constructed premises, and all owner-occupied premises including newly constructed are proposed to be exempted from operation of the law for five years from the date of renting

Another measure of importance incorporated in the proposed amendments is to establish linkage between the rents and inflationary increases measured on the basis of cost of living index though in this measure it has been provided that the increase should not be effected at one stretch and should be spread over instalments. Formula has been provided for calculation of standard rent which should prevail in future, providing that in effecting revision of rent the increase should be divided on 50:50 basis between the owner and the tenant. The rent agreed upon in the case of newly constructed premises will constitute the standard rent even after the first five years. Where required, the rent controller will determine the standard rent on the basis of 10% of the cost of construction and market price of the land instead of the present ratio of 8½%.

Provision for securing eviction of the tenant on the ground of bona fide requirement of the owner, which has led to the spate of disputes and litigation in courts, has been made more explicit. In future it should be possible for the owner to seek eviction on the ground of genuine personal requirement unless he owns alternative accommodation in the same city or if he can satisfy the court that the other available alternative accommodation is too small for his family. It has been also proposed that if the premises are sold, vacant possession thereof should be made available in six months. In the case of government servants and personnel of defence forces it has been specifically provided that these should be enabled to get possession of their premises on retirement or posting to Delhi provided they do not own alternative accommodation in the city.

A proposal of far-reaching importance is to exempt all commercial premises from the operation of rent control. Protection is sought to be given only to petty shopkeepers, occupying specified areas in congested areas of the city. The application of this measure to shops, wherein goodwill and business has been built up over many years, has caused legitimate concern and it is felt that the total withdrawal of protection from the shops, which provide goods and services, may lead to demands of heavy puggress from the existing tenants. Whereas the withdrawal of protection of rent control from the offices of commercial establishments may not prove irksome, it is argued that the requirements of goodwill and business built over many years cannot be disregarded, and suitable via media of appropriate revision of rent will need to be devised.

Questions are beign raised by the smaller house-owners as to why their interests are being sacrificed by prescribing that those tenants who pay rent of more than Rs. 1500 alone will not get protection under the rent control. In this context it needs to be borne in mind that while the premises of lower rental will remain within the purview of rent control, the law itself is proposed to be streamlined and simplified in such manner that legitimate interests of the small houseowners are provided as much protection as the interests of weaker section of the tenants.

RESISTANCE TO REFORMS

It is a matter of serious concern that the proposals, which have emanated after study of the problem over many years, are being enveloped in the heat, dust and confusion raised by vested interests. Loudest in condemning these proposals are some politicians who are known to have special vested interests of tenancy.

It would be a sad day indeed if this serious festering sore of the body politic of cities of the country is allowed to further deteriorate instead of finding solution to this vexed problem through processes of give and take, for restoring hermony and good relations between the owners and tenants. The government must realise that any further vacillation in regard to this measure can be disastrous.

SOME LETTERS RE : RENT CONTROL

Copy of letter from Smt. Bimla Kumari,
Chandigarh

"My husband is a Central Government Pensioner, now a paralytic. He was allotted a house MIG-II category by the Chandigarh Housing Board Chandigarh on instalment bassis in 12/80. The house was let out on rent to a tenant for residential purposes orally, in order to pay the monthly instalment to the Chandigarh Housing Board. The tenant misused the house and is running a school in the residential building. I asked the tenant to vacate the house for the personal use of the family, as at present there is no other accommodation at the disposal of the family of the retired person, to live in. The tenant refused to vacate the house and also stopped the payment of monthly rent from 1.1.1984.

I sold my ornaments filed two suits for vacation of house and recovery of rent in the court of Senior Sub-judge Chandigarh in July, 1984. More than 18 monts have passed, the tenant has neither vacated the house, nor paid the rent. Now he has brought an ex-parte stay order from the Supreme Court of India, New Delhi, stopping the proceedings of my cases in the Trial Court of Chandigarh for recovery of rent and vacation of house. It has become impossible for the large family of a retired person to live without a house after retirement. It is also difficult to make both ends meet out of the meagre pension, as I had to pay Rs. 470/- p.m. out of the pension as monthly instalment to the Housing Board.

There is no justice in India for the down-trodden, helpless and starving families. You are therefore requested to intervene and advise remedy to save the family from starvation. A retired person cannot get his only house vacated for personal use after retirement."

Copy of letter from Mrs. Kishan Singh
New Delhi

" I and my widowed old mother, who is also heart patient, live on the ground floor of our own

house. There is no male member in the family. To maintain ourselves we let out first floor, hoping that we would have some regular income, and also some one to come to our aid in time of need. But our hopes have been belied. Our tenant has turned out to be nasty person. Knowing that we are only two defenceless females in the house, he has started harassing us in various ways.

He has stopped paying rent for the last nine months, has started using the premises as liaison office, has made additions and alterations without our permission, and has also sub-let the part of premises without our consent. Over and above that he shouts and abuses us to keep us cowed down.

Under the existing Rent Control law we small houseowners, specially unattached women, have no protection and we have either to suffer in silence the tyranny perpetrated by such tenants or face long drawn out and costly litigation.

I understand that the Government are proposing to make some amendment in the Rent Control Act to give relief to the long suffering small houseowners by making eviction easier for bonafide requirements or for non-payment of rent etc. and also simplifying the existing procedures to expedite adjudication of cases. I suggest that a provision also should be incorporated in the Amending Act making a ground of eviction cases where tenants become nasty and try to harass their houseowners?"

**Copy of letter from Major H.S. Trehan
New Delhi**

"I am a Retired Army Officer 73 years old and in distress. With my life savings, I built house in New Delhi. On account of economic necessity I let out the ground floor of my house from July 1974. In 1979 my wife (63 years) was declared a heart patient with two chambers not working. She was advised not to climb stairs. I requested the employee of the tenant company to vacate the ground floor. The lease deed was to expire on 20 March 1980. He promised to vacate as soon as his accounts are

settled as he was leaving the company. This continued till June 1982 when he handed over the key to the company, who put another employee of theirs in the ground floor.

Following this 2½ years wait and repeated commitments and let down, I had no option but to file a suit for eviction. Despite the urgent nature of the case it has not as yet reached the stage of eviction. I don't know when I shall receive back my premises or whether I can ever give my wife her due share of comfort.

From all this it seems that I have committed a sin by building this house. And in the duration of one's own life time one must surrender the house as per current interpretation of the Delhi Rent Control Act. Whereas the plot of land and indeed the house taking shape has always been interpreted as the gift of a grateful nation to a Defence Personnel.

Sir, can this great injustice be allowed to be perpetrated regardless of the dire medical need? Can our entire life of having served the country be just a farcical play? It is an appeal for help and kindly disregard any emotional excesses"

**Copy of the letter from Mr. R. K. Bhola
Lucknow**

"I am the most depressed owner of a small house in Delhi-Shahdara, and currently posted at Lucknow. Unluckily I had obliged one of my distant relatives by giving him a small portion of the house in Delhi-Shahdara for their stay in view of emergent needs because they were rendered homeless by way of eviction by their own real brothers. On the pity of my wife I gave them a shelter for a small period. Now when my children have grown up, holding Class I status in Army and in Engineering Profession and my wife needing Specialised Medical treatment for her Thyroids coupled with Chronic Heart Depression and Diabetes, available only in Delhi at AIIMS (treatment not available in Lucknow) on a referred case, and her continued treatment is desired at Delhi and our family's stay in Delhi is needed for self use, and whereas we have no place except a 6 Ft x 6 Ft store our distant

relative/tenant is neither vacating the accommodation required for our own use, inspite of our requests for the last 3 years nor paying the rent for the last 3 years. I have been compelled to move the Court. God knows how much time it will take and what shall be our fate when we need the accommodation urgently for the medical treatment of my wife."

**Copy of extract from letter of Mr. T. L. Sehgal
Dehra Dun**

"My mother widow for the last 52 years aged 83 yrs, has undergone a great many vicissitudes in her life. She was left with six children on her widowhood time eldest being girl and the youngest being 5 months old. She had to let the portion of her house under compelling circumstances and when children were away. The present tenant a retired official for the last 12 years or so occupies a portion of the house about 700 Sq. ft. (540 covered) area since 1956 and pays rent Rs. 20/- The law providing eviction on the ground of self use is subject to arbitration and it is very difficult for us to get the court orders in our favour inspite of the fact that my brother who is at Jalandhar in business and wishes to settle down here in view of the disturbed conditions prevailing there affirms on affidavit. We offered to pay back the whole rent collected so far in 29 years but he is unwilling to vacate despite the fact that he has four earning sons, One of them has his own separate house and other three (one married) stay with him. My mother who has not many more years to live will go from this world with uneasy and tormented soul."

**Copy of the letter from Mr. O. P. Gupta
Allahabad**

"An old lady widow is suffering very heavily due to this law. She is the owner of a house in Defence Colony, a very fine building on the main road. One advocate is occupying major portion of the building. The building can fetch rent Rs. 2000/- P.M. easily He is paying Rs. 250/- p. m. and for that too the poor lady has to run to courts paying heavily to her counsels. Can you help her?"

**Copy of letter from Smt. Mohini Chopra
New Delhi**

We have a house in a colony of New Delhi on plot of 375 sq. yds., the ground floor of which we rented out 25 years ago (as my husband was in Government Service and we were not in Delhi) to a bachelor who died 9 years ago. A married lady with two grown up children had started living with him and is still living here after his death. She has a big business of export and has also taken another flat near our house in the same colony in her daughter's name at Rs. 1500 rent. We have filed a case against her in the court for the last 7 years. My husband has retired and we are getting only Rs. 510 as rent which was fixed 25 years ago. I understand that Common Cause is advocating Rs. 1000 p.m. as the highest rent for application of the New Rent Control Act. You will agree that Rs. 510 p.m. for a house in this excellent colony is ridiculously low in the context of present day prices. The maximum rent for application in the new rent control Act should have relation to the date when it was initially fixed and then held down by the present Rent Control Act, that is if a house let out today for more than Rs. 1000 p.m. is not covered in the Rent Control Act then a house for which the rent in 1985 was fixed at more than Rs. 250 p.m. should also be outside its purview. This is based on the fact that present cost price index is four times that of 1958 prices. I shall be grateful if you will kindly consider my suggestion and lead the potent advocacy of Common Cause for its acceptance by the Government and Parliament".

**Copy of letter from Mrs. Jagtiani,
New Delhi**

"I am a single unmarried woman aged 50 years living alone on ground floor of my flat. My mother who was the owner of the house passed away 7 months back. Before her death the flat on the 1st floor of the house was given on rent from 1.10.82 under an agreement for a period of 11 months.

The tenant has continued to occupy the house without any renewal of the agreement inspite of our repeated requests to vacate the flat. The accommodation is required by me for my elder sister, who is at

present in USA and is due to retire from the service soon. The tenant has not only refused to vacate the house, but has misbehaved with me and threatened me with dire consequences. Further to this, he has also made an application for standardisation of rent which is defended by me. The tenant had made alternations and additions in the house without any prior intimation or permission and has broken the walls and sublet the house thereby creating stay of undesirable persons in the house.

I am living under great stress and tension in my own house as I am under constant threat from the tenant to my life and honour. We have filed a suit in the Court of Rent Controller for eviction of this tenant as he has also not paid rent for the flat for 15 months. My late mother, who was ailing for some time was also harassed by the tenant and died of shock and distress".

**Copy of letter from Mr. K. A. Bhatnagar,
Model Town, Delhi**

"I own the abovementioned house, having invested all my life-earnings and all that I had got on my retirement. It took me 7 years to get the house vacated from the Indian Oil Corpn. which had taken it on lease for one of its officers. What faith one can have in the government when its own undertakings do not honour legal document promising to vacate the premises on the expiry of two years. I had to be on the street on my retirement but the IOC did not take pity on my unenviable condition until I was able to get someone to get the house vacated out of court. I need not say that someone in the IOC expected money to help me to get it vacated. Thanks to someone higher up who helped me and got me the possession after his efforts for three years.

I am one of the many silent admirers of your efforts".

**Copy of letter from Mr. M. L. Mehta
Adarsh Nagar, Jaipur**

"I am having a house in Lajpat Nagar, New Delhi which I had given to a tenant 22 years ago and he is paying only Rs. 100/- as rent. I am going to retire next year. I want to occupy my house for personal use but cannot get it".

**Copy of letter from Ms. Jaya Wangu
New Delhi**

"I am a resident of Vishal Enclave (Rajouri Garden). I have let out the ground floor of my house on rent. We reside on the first floor which we couldn't complete due to financial problems. We are seven members living in just two rooms. We had filed a case to get our premises vacated on personal necessity ground. The case has been pending since last four years in the lower court. We have spent our hard earned money in the construction of our house but now we regret this investment. I am writing this letter to draw your attention towards the problem faced by most of the middle class homeowners in getting their premises vacated even for their personal necessity.

I request you to consider this problem of the house owners and do your level best to get the things made easier for the landlords to some extent atleast".

**Copy of letter from Mrs. S.B. Khanna
Varanasi**

"I would mention that I am a victim of a well-to-do tenant occupying my family house for nearly 12 years and not vacating for my personal occupation and thus depriving me of a house for my personal living. In fact, being 80 years old, the tenant is delaying the case in the court so that if my life comes to an end, then he can continue living in the house for another generation.

I wonder if you can help in pursuing the case and helping me to get the tenant hand over the house to me for personal living as tenants are now behaving as vultures".

**Copy of extract from letter of
Mr. Tej Bhan Mendiratta
New Delhi**

"The writer of this letter is an aged person who has invested the savings of his life in a small commercial property located in Delhi. The tenants occupying my property, taking undue advantage of the provisions of the present Delhi Rent Control Act are creating all sorts of problems by misusing the premises, withholding payment of rent and creating nuisance in all possible ways. They have virtually become owners of the property and do not allow alternations which are required to properly and profitably use the premises.

It was with high hopes that I heard about five years back in the year 1980 that the Congress Party was going to amend the Delhi Rent Control Act in a very judicious manner so as to equally serve the interests of not only the tenants but also the landlords. However, the matter has been unduly delayed for period of five long years which has added to the agonise of the landlords generally. Landlordship/tenants cases form the major portion of the pendency of court cases in Delhi".

**Copy of letter from a serving office
Lt. Col. K.R. Gupta**

"Like many, I am also an unfortunate sufferer. I built a small house with government loan to Defence Officers, exhausted my savings and borrowed from various relations to complete it. Given on rent, which is not being vacated, though I am on the verge of retirement from Military and do not possess any other property whatsoever".

**Copy of extract from letter of U.P. House Owners
Association Meerut**

"You may already know that the Rent Control Act, of U.P. is even more draconian in its scope than the Rent Control Acts of all other states and is being greatly abused by politicians and Govt. officials.

According to U.P. Rent Control Act, the owner cannot even use his own vacant house without obtaining the permission of the Rent Control Authority for this purpose. This permission is usually denied and the house normally allotted to influential politicians or their cronies. Thus in the name of Rent Control Act, large bungalows with nominal monthly rents of Rs 30/- to Rs. 100/- per month only are allotted to MLA's, MP's, Ministers and their henchmen and the so called Govt. officials who are anything but honest, as rewards for their services whereas the owner is denied the use of his own house under false pretences.

The criteria, therefore for exempting the houses from the Rent Control Act, should not be the monthly rent only but the plot area and the carpet-area should also be taken into account and any house which is in excess of certain plot area or carpet area should be exempted from the purview of the Rent Control Act".

**Copy of extract from a letter from the West-
Bengal House Property Owners Association
Calcutta,**

"This Association organised a seminar on Urban Housing Problem with special reference to West Bengal Premises Tenancy Act, and Calcutta Municipal Corporation Act, 1980. The meeting was presided by Dr. A.K. Saha, the eminent physicist (son of Dr. Meghnad Saha), Shri Amiya Kumar Sen, Ex-Chief Secretary, Govt. of West Bengal, was the Chief guest. Shri N.C. Ganguly, Ex-Chief Judge City Civil & Session Court was the special invitee.

The speakers criticized the West Bengal Premises tenancy Act for not recognizing the reality of inflation in fixation of fair rent ; cumbersome court procedure which makes recovery of possession of let out accommodation for own requirement extremely difficult. They also regretted embittered landlord-tenant relations, drainage of money in prolonged litigation. Mr. Sen commented that increase in house building activities will not only solve urban housing problem, but it will also generate four times more employment than by any other industries."

**Copy of letter of Mr. S. M. Sethi
New Delhi**

"I had built houses for my sons in the year 1948/49 and one of the tenants who is there for 29 years when requested to make some arrangements for himself came out with a demand of a three-roomed DDA MIG flat. The original tenant died three years back, and this demand is raised by his sons.

I have kept this house in perfect condition with annual repairs. I am about 80 and the tenants who are young people know that I am not able to run to court with my failing health and even if I do so there is no chance of my success".

**Copy of extract of letter from Mr. B.L Puri
Pune, Maharashtra**

"You must have read the statement of Ex. Municipal Commissioner of Bombay Municipal Corporation. You know what Bombay High Court has said in their judgement in a Nagpur case. You know what is the opinion of the World Bank about the rent act. Do you think our Govt. does not know that the courts are full

of the rent act cases. In Pune there was only one court for the rent cases and there now 6 courts and every year about 1500 to 1600 new cases are filed and it takes 5 to 6 years in the first court only. Then there is Session Court. After the Session Court, High Court is there and then you know the Supreme Court is there. It takes more than 15 years if you want to have your house back from the tenant. Who can afford to waste his time and money. *25% of the flats in Bombay and Pune are lying locked because of the rent act.* The courts are overloaded with the rent act cases. The house crashes and the Pugree is because of the rent act.

There are the cases where the houseowner has to pay something to his tenant every month and the poor houseowner can not get rid of the tenant. It is like this. In 1948 the rent of the house was Rs. 12 p.m. including the light in the house. Now the tenants after 35 years have got a big family have TV, radio, ceiling fans and fridge in all the rooms use electric iron. The houseowner has to pay his electric bill and the Municipal taxes which is more than the rent he gets and he cannot do anything.

Within 2 years there will be no shortage of houses if the rent act is scrapped. There is not a single soul who builds a house for rental purposes. The pugree will go. corporations revenue will increase 100 times. The courts will have less work. The trouble is these politicians are making this rent act more and more complicated every day just to get their VOTES".

**Copy of extract from letter of Mr. P.D. Pandit
Fort, Bombay**

"Annual loss of Municipal revenue is about Rs. 1200 crores in Bombay alone, due to the Rent Control and the Municipal Corpn cannot increase the Property Taxes since last 40 years.

Rent Control has provided a boon for Tenants who have given their tenements to others on Lease & Licence, Paying guest basis, conducting basis, table spacing basis and thereby they earn 100 times more than the Standard Rent, without paying a single paisa to Municipal Corpn. or to the Income Tax Department.

There are more than 2000 old buildings in Bombay which stand in the set back line of the Town

Planning ; therefore roads cannot be widened unless the buildings are pulled down and this is impossible because of Rent Control as the tenants cannot be evicted.

The Maharashtra Govt. which has failed to repair old buildings inspite of collecting several crores of rupees by way of REPAIR CESS, has introduced a Bill to make tenants the owners of Buildings by paying only 100 months rent to the landlords as compensation.

In democratic country Govt. has no right to take over private property unless market price is paid. Therefore the State Govt. is going to fool the Government of India, by getting assent on the Bill which is sure to shake up the Fundamental rights of the people. If the private properties are forcibly taken over by Maharashtra Govt. at 40 year old price when gold was sold at Rs. 80 per tola, tomorrow this Govt. may take over the wives and daughters of the people. This is a barbaric move and the Central Govt. should beware of the wiles of Maharashtra Govt. This will not solve the problem. but it will create many more disputes and quarrels if the tenants become the owners".

**Copy of letter from Mr. R. P. Oza,
Kandivli, Bombay**

"I am one of the victims of above obnoxious law; I state my grievance in brief.

My father who was a postmaster, when retired, leased out a portion of his house at Bhavnagar for a sub Post-Office as requested then by Sr Suptd. of Pos, Bhavnagar with an agreement duly registered in September '64 with condition strictly incorporated therein that this lease on rent of Rs. 75 p.m. will be for a period of 15 years only, which period expired on Sept., 1979. No regular notice was issued to us that this portion is retained beyond that period to said expiry date but we approached Suptd. of POS, Bhavnagar in writing in 1980 to vacate the premises as my father expired on February '67 and I retired in 1979 and as I wanted to live in my own house I was surviving at Bombay and living here but I strongly desired to leave Bombay on health grounds and to live with my other brothers in our own house at Bhavnagar which was economical and peaceful

there. But the Supt. of POS informed in writing that the said premise is retained under the Rent Control Act of Bombay State then applied to Gujarat State. He did not entertain our pleas of genuine requirement of my staying in my own house on health grounds duly certified by the doctors. There seems no use to approach him or other higher authorities as they say unless a suitable, less rent portion in the same locality for this Sub-P. O. is available, they shall not vacate. For this he promised to take steps but since 5 or 6 years he has not taken any step and our premises which is genuinely needed by us for my own use is being retained permanently by him under Rent Law. I am a retired Central Govt. officer unable to go to Court for long litigation. When Rent Control law is relaxed for Ex-servicemen and their dependants why it should not be relaxed for retired Govt. employees. Before I write to p.m. kindly drop me a reply/advice as how to draft a letter."

**Copy of extract from letter of Mr. B. N. Mitra
Calcutta**

"I am a 71 years old retired person with three dependents children and a wife. My pension income is small and the monthly house rent income is frozen at Rs. 180, since 1953, because of the situation created by the above Act. Ever since the tenant hired the premises in 1953, he had been defaulting in payment of rent on various pleas systematically and had been making overtures and giving pressures to sell the house to him at his terms. He became recorded defaulter several times but still I could not evict him although I have been fighting in courts of law and High Court since 1962, because the provisions are in favour of the tenant in the said Act and also due to the Civil procedure Code procedures.

I am indeed glad to learn that the government proposes to introduce the amendments in the Delhi Rent Control Act 1958 to do away with the wrong to the landlords provided in there and further give encouragement to the building economy, vis-a-vis the construction of building and others. I gather that this is a model Bill to be recommended to Governments of all states of India for their implementation.

I am sceptical of the West Bengal Government and its policies and therefore apprehend that they would resist its introduction in West Bengal, although they are vociferous of Centre-State relationship and blame the Centre for all economic ills in this state".

**Copy of extract from the letter of
Mr. Jose Philip. Goa**

There is no doubt that the existing Rent Control Act requires drastic amendments. The existing Act is unfair and unjust in a number of ways which are well known. It has nullified the very meaning of the term 'lease' and has led to sundry abuses like 'Pugree system' and consequent loss of huge revenue to the Panchayat and municipal Bodies. It has proved counter productive from the National Economy point of view.

Any Rent control Act should satisfy the conflicting interests of the owners and the lessees. From the owner's point of view, he should be able to let out his property as per the prevailing market rent and be able to retrieve it whenever he desires. From the lessee's point of view, he should be able to get a premises at a reasonable rent and be able to carry on his business without the risk of summary eviction. The owner should be able to retrieve his property, whereas the lessee should be protected from summary eviction; the owner should get market rent whereas the lessee should be protected from payment of exhorbitant rent"

**Copy of extract from letter of Mr. S.K. Narsaria
Malad**

"The Rent Control Acts in India practically and that of Bombay is out-dated and has proved to be ruinous and has caused havoc to all concerned. House collapse is a sad reminder.

The rents are pegged down to 1939 level plus such permitted increases by way increase in taxes etc. The tenants in occupation have abused every single provision. Under Sec. 12 and 13 of Bombay Rent Act which are meant to protect legitimate rights of landlords are seldom interpreted in their favour.

The pegged down rent does not permit the landlord of his necessities much less costly repairs. The same results in realisation of lower Municipal Taxes, Income Tax, Wealth Tax etc. to the government.

The occupant tenants benefit by way of huge 'Pugree'. A new class of slum lords have arisen who fleece lower class people and have no regard for law or Rent Act. No benefit of Rent Act thus reaches half the population of Bombay. Cooperative Societies are the result of such harsh Rent Acts. In Metropolitan cities the prices of flats are exorbitantly high even in far distant suburbs. As such a common man needing accommodation who can afford to pay a few hundred rupees every month from out of his income is deprived of residence."

**Copy of extract from the letter of Mr. V.N.E. Pillai,
Ranchi, Bihar**

"We the minorities, belonging to poor and middle classes, are badly affected by the present rent control law. Our houses have been occupied by tenants on small rents since a long time in some cases for over 25 years or even more on the same rent. We cannot raise the rent nor get back our houses even for personal occupation. We cannot file eviction suit in the law court as it is very costly as well as time consuming-it takes years and years and is not decided during the life time of the plaintiff in some cases. The present rent control law is to protect the interest of the tenants only, which is not fair. The rent control act should be so amended that the rents would be raised by certain percentage every three or four years and that the houseowner can get back his house unconditionally after certain years, if he so desires instead of losing it in perpetuity to tenants.

There was a ray of hope when we saw in the newspapers that the rent control act was to be revised. The then Union Works & Housing Minister Mr. P.C. Sethi in a Press conference in Chandigarh on September 3, 1980 hinted that the Rent Control Act in Delhi was likely to be amended to provide protection to landlords so that rents would be raised every three or four years. He wanted similar provisions to be enacted in all the States.

The Economic Administration Reforms Commission (EARC) headed by Mr. L.K. Jha, established early in 1981, also had proposed a series of changes in the rent control laws in various States, including grievances of houseowners to be taken into account, wherever justified

Thus the Government has over the years dithered, buying time by tossing the problem to various Committees and Commissions. For years successive housing Ministers have been saying that this law will be amended soon. But nothing is being done".

**Copy of letter of Miss Mohini Uttam,
Calcutta**

I have worked many years, am single and unmarried woman and have a responsibility of two younger sisters. My youngest sister is waiting to get married.

I constructed a small flat with Government loan for myself. At present I live in a rental flat of my deceased parents, which my youngest sister wants to occupy after her marriage. She is engaged to be married as soon as I leave the flat.

When my flat was ready I needed some money and I let it out for 11 months at the rent of Rs. 1500/- p.m. On my tenant's request I agreed to give him my flat for 11 more months. Now he refuses to go and has filed a suit against me in the Court. I am 53 years of age and have two more years to retire. I am in a soup and I have no one to help me.

More than 3 years rent has been deposited in the Court by my tenant and the court is not releasing a single month's rent inspite of my lawyer's requests. I have to pay back Government loan together with the interest to the Society plus all maintenance charges which come to nearly Rs. 2000 every 3 months. I have to pay heavy Corporation tax Rs. 1000 every 3 months. Besides I am paying lawyer's fees to fight the Court cases on my behalf. And top of it all my house property income has been added to my salary and I have been harassed by Income Tax people.

I cannot afford to pay all this as I am a mere Secretary/Stenographer in my company. I am very keen to get my sister married and see her settled in

my parents, flat where I am living. I was sincerely looking forward to a happy peaceful life after my retirement. How can I relax when so many problems have cropped up?"

**Copy of extract from a letter of Mr. M.S. Bhatt,
Pune, Maharashtra**

"Just imagine a professionally qualified couple earning, based on conservative estimate, over Rs. 15000 p.m. how much they declare to the Income Tax Department is anybody's guess paying a paltry sum of Rs. 75 p.m. as rent for a residence of over 1500 sq. ft. right in the heart of town with all facilities and amenities at arm's length. The family owns an open plot of land, has also access to another HUF property in a posh locality where additional construction of over 8000 sq. ft. is possible over and above the 4 flats already built in the name of other HUF members, owns a car, a scooter, a colour TV and even a domestic floor mill. In spite of the fact that the accommodation was provided to their father purely on humanitarian grounds, they have refused to vacate and have put obstacles in the landlord's efforts to redevelop his old property, which will enable the landlord not only to discharge his obligation to his family but would also create additional residential accommodation. The landlord has filed a suit for eviction of the family in the small causes court about three years back but there is absolutely no progress in the proceedings and with the possibility of appeals to higher courts it would be years before the landlord could ever dream of getting possession of the accommodation let to the tenant. The cost of construction has almost doubled since the landlord got the building plans approved over five years back. Knowing all these difficulties of the landlord, the tenant has put forward an extortionist demand that the landlord should provide to the tenant an equal area in the new building on the ground floor free of cost on ownership basis. The landlord has refused to give in to this extortionist demands which would amount to nothing short of a day-light robbery on the part of tenant taking shelter under the antiquated Rent Act. This illustration will show how the antiquated Rent Act has led to degradation of moral scruples and have placed obstacles in construction activity".

**Copy of letter from Mr. B. Banerjee,
Calcutta**

"I am a young man studying LI.B. course at present. My father has partitioned his two flats between his two sons, my brother's flat being the one presently accommodating our whole family. My flat is tenanted, the tenant a rich Gujarati businessman living in Ahmedabad. The flat has been kept locked and keyed for the past 6 years barring a few visits by one of his agents. I hope to become a full-fledged lawyer within a few years. Should I then hire a chamber, at an exorbitant rent, while letting my own flat be kept locked, receiving 1/10th of the present day rent? You will have the heartfelt admiration of many by modernising the obsolete tenancy laws".

**Copy of letter of Mr. Pragya Law,
New Delhi**

"I would particularly like to invite reference to the various commercial complexes which have come up in New Delhi during last decade or so. Commercial flats in such complexes are owned mainly by members of the salary earning middle class who have generally invested their entire life's savings to create a source of income for their retirement.

In our own case, we purchased a small commercial flat in 1973 by pooling my own and my husband's resources. We had to virtually scrape up 'the bottom of the barrel'. Most of my husband's provident fund, gratuity and commuted pension when he received on his retirement from the Army were also used up for this purpose. We had a choice at that time between a commercial flat or a residential unit. We chose the former as we felt that if we created a reasonable source of income for ourselves we could buy some residential property later. However, the spiralling prices and sharply rising cost of residential property has resulted in our hopes remaining unfulfilled.

I rented my commercial flat to large Delhi based well known Corporation for a period of three years extendable by a further three years at the tenant's option which was exercised by them. The agreement

between me and the tenant called for the signing of a fresh agreement at the end of six years on the basis of revised and mutually agreed rent and terms. In the event, however, my tenants have refused to discuss a new agreement and despite my repeated demands have refused to vacate my flat. By any norms of natural justice they are forcibly and illegally in occupation of my property, but under the existing Delhi Rent Control Act, there is no recourse available to me. I continue to receive rent at the rate of Rs. 3/- per square foot as against the current market rent of around Rs. 22 per sq. ft. in the area. Even if I had a legal recourse it would be virtually impossible for one with my very limited resources to enter into prolonged litigation against a major corporation with large financial resources."

Copy of letter of Dr. Ranjit Bhargava
Lucknow

"A property is constructed in 1974. It is occupied in 1975. It is 1st assessed by the Municipality in 1976 and is rented out. The owner wants the tenant to vacate the premises and so files a small cause nature suit in the court of the competent judge in 1978. The tenant by seeking adjournments and delaying tactics prolongs the case for seven years in that court or even in the 1st appellate court; that property gets the protection of rent control. Nothing could be a more draconian concept of justice. By its utter vagueness our rent control act makes a mockery of law and encourages corrupt practices in and out of court.

In every rent control law the provision should be clear that in deciding if a property has come under the Rent Control Act, in any litigation, the only criteria should be the date of Institution of an eviction suit, i.e. was it a rent control property when the suit was filed or not? Bringing a property under rent control by lingering a case should be made absolutely impossible."

Copy of extract from letter of
Mr. N.L. Gursahani, New Delhi

"One of the amendments approved by the Council relates to summary trial in case of disputes pertaining to Armed Forces personnel. In all fairness the pro-

vision should apply to all retiring/retired government servants also who need their house for their bonafide legitimate residence. This is all the more necessary as in normal course the disputes between tenants and houseowners go on for years together in the courts whereas the government cannot wait indefinitely and asks the concerned govt. servant to vacate Govt. accommodation at the earliest. After all a retired/retiring Govt. servant also needs protection in this matter. Where else he could go if he were not to get vacant possession of his flat or house purchased or built out of his savings, loan etc, particularly when he owns only one flat or house. Therefore, in all fairness the provision of summary trial within 6 months should also apply in case of retired/retiring Govt. servants so that a person in his old age is not victimised and made to run from pillar to post".

Copy of letter of Mr. P. K. Mahapatra
Calcutta

"Although the cost of living index has gone up many times as also other outgoings on the houses let, yet the landlords have to be content with the old rent. They can neither have the rent revised on the basis of the current outgoings nor can they get vacant possession of their houses under the present Rent Control Act.

This situation has come to such a point that it is impossible to get rented accommodation in the Metropolitan Cities without paying large sums of money disguised as advance/loan/deposits or just non-refundable unaccounted cash.

If only houseowning and rental income could be made equitable both to the tenant and the landlord then there would be spurt in house-building for renting, easing the tight accommodation situation to the benefit of all.

I know of a case where the erstwhile British-India Govt. had taken a flat in 1942 at Rs 15 p.m. In all this 43 years neither the flat has been released nor the rent revised. The Ministry of Defence continues to occupy the flat at the rent fixed in 1942; How can we houseowners go into the 21st century with our 19th century incomes?"

(Continued on page 15)

NOTICE

ALL MEMBERS OF COMMON CAUSE

The Annual General Meeting of COMMON CAUSE Society will be held on Saturday the 30th November 1985 in the Constitution Club, Rafi Marg, New Delhi, at 11 A.M. Members are welcome to this meeting. Agenda will be as follows :

- i) Consideration of the Annual Report and adoption of Annual Accounts along with Auditors' Report for the year 1984-85.
- ii) Appointment of Auditors for the year 1985-86.
- iii) Activities & Programmes.
- iv) Elections.

It may kindly be noted that in accordance with Rule 15 of the Rules & Regulations of the Society if within half an hour of the beginning of the meeting the quorum is not present, the meeting shall stand adjourned for the same day and be held after another half an hour, and the members present in the adjourned meeting shall form the quorum of that meeting.

P.D. TAYAL
Secretary
COMMON CAUSE

AUDITORS REPORT

We have audited the attached Balance Sheet of Common Cause as at 31st March, 1985 and the annexed Income and Expenditure Account of the Society for the year ended on that date which are in agreement with the books of account maintained by the Society.

In our opinion and to the best of information and according to the explanations given to us, the said accounts read with the notes thereon, give a true and fair view :-

- i) in the case of the Balance Sheet, of the state of affairs of the Society as the 31st March, 1985, and
- ii) in the case of the Income and Expenditure Account, of the excess of income over expenditure for the year ended on that date.

Place : New Delhi

Date : 4th October, 1985

A.S.R. Gopal Rao

Gopal Rao & Co.,

Chartered Accountants

ANNUAL REPORT FOR 1984-85

Activities and programmes of COMMON CAUSE continued to satisfactorily progress and expand during the year of report. There was general appreciation of its work which found expression in numerous letters from various parts of the country. Pensioners in particular have conveyed their sense of deep gratitude for our successfully espousing certain causes which have yielded them concrete benefits. Houseowners have expressed their sense of relief at our having succeeded in straightening out the problems relating to the anomalies and distortions in the levy of House Tax. As consequence of these and other activities the membership of the organisation has continued to expand. In token of appreciation of the work of the organisation a number of pensioners remitted during the year of report their contributions comprising one month's increase in the pensions consequent upon the decision of Supreme Court on the writ petition which had been filed by COMMON CAUSE. They also sought to take Life Membership of the organisation, thereby streng-

thening it with their support and involvement in its programmes. A number of common problems of the people continued to be taken up. Important ones out of these are mentioned in the paragraphs that follow.

PENSIONS

There were delays on the part of concerned offices of the government in effecting implementation of the Supreme Court judgement in relation to the payment of arrears due from April 1979 and revision of the pensions. Efforts continued to be made with the respective authorities, and the result now is that barring a few exceptions, where old records of service are not available, the needful has been done practically for all the pensioners who were to derive the benefit from this judgement. Case of pre-1972 defence pensioners continued to be pursued with the Government of India. An ex-gratia payment has since been ordered by the government for those defence pensioners who did not derive any benefit

from this judgement. A writ petition in relation to the pre-1970 defence pensioners has been filed by the Indian Ex-services League and another by COMMON CAUSE. These are yet pending.

Another major success has also since been attained by COMMON CAUSE in getting the verdict in its favour on the writ petition relating to family pensions. About 100,000 widows have benefited from this judgement of the Supreme Court. Implementation of this judgement is presently in progress.

The third major problem relating to pensioners, of effecting restoration of commutation, could not get resolved during the year of report. The writ petition relating to this problem has been pending for about three years. Indications are that this writ petition may soon be finally heard and decided.

HOUSE TAX

On the vexed matter of anomalies, distortions and aberrations of House Tax COMMON CAUSE had submitted a comprehensive writ petition to the Supreme Court. Final decision of the Supreme Court on this subject was announced on 12.12.1984. Detailed guidelines were incorporated in it about the assessment of rateable value in respect of various categories of premises namely, self-occupied, partly self-occupied and partly rented, recently constructed, constructed in stages etc. It is unfortunate that the Municipal Corporation of Delhi has even now been trying to side-track the judgement. This has necessitated our submitting a formal application before the Supreme Court to seek clarifications on some of the important issues. This matter is presently pending and is expected to be decided soon. It is recognised by the houseowners of Delhi that continuous vigilance and initiatives of COMMON CAUSE have brought substantial relief to them in the matter of House Tax, effecting significant reductions in a large number of cases, and removing the anomalies and distortions.

A related matter of sudden and outrageous increase of Scavenging Tax by the Delhi Municipal Corporation, raising it five times, from 1% to 5% of the rateable value, has been taken up by COMMON CAUSE.

RENT CONTROL

The problem of rent control assumed importance during the year of report. Arising from the recommendations of Economic Administrative Reforms Commission the Ministry of Works & Housing of the Government of India made specific recommendations

for amendment of the antiquated and outdated Delhi Rent Control Act which is expected to set the pattern for amendment of rent control law of the other States and Union Territories. Unfortunately, certain vested interests have launched move to scuttle the proposed amendments. COMMON CAUSE, through its Coordination Committee on Housing Problems, has been pursuing this matter so that harmony is restored between the tenants and owners and that the amendments are effected in such manner that the interests of both are safeguarded.

ESTATE DUTY

A major achievement, for which COMMON CAUSE can take substantial credit, has been the abolition of Estate Duty by the Government of India. Virtual crusade had been launched by us for its abolition. It is a matter of great gratification that eventually the Government of India has seen reason and effected its abolition. This achievement was very much like what we were able to earlier achieve in securing amendment of the Wealth Tax Rules for removal of serious anomalies caused due to escalation of the values of immoveable property.

OTHER MATTERS

COMMON CAUSE has continued pursuing problems over a wide spectrum. These include, for instance, our having filed a comprehensive writ petition against the telephone department in the Supreme Court which is pending, another writ petition in the Delhi High Court against the Delhi Electric Supply Undertaking against their arbitrary demands for arrears relating to earlier years, a writ petition challenging certain aspects relating to the allotment of Maruti cars, notices issued to the Director of Transport of Delhi Administration and the Managing Director of Delhi Transport Corporation in relation to fatalities caused on the roads by accidents, matters of inadequacies relating to quality of certain manufactured products, matters relating to inadequacies of equipment & performance in certain hospitals, and such like. We have established relationships with various consumer organisations all over the country and are also participating in the Consumers Forum established by the Federation of Chambers of Commerce & Industry.

For the development and expansion of these programmes and activities we are grateful for the support we have continued to derive from the members.

BALANCE SHEET AS AT 31st MARCH, 1985

LIABILITIES	AMOUNT	ASSETS	AMOUNT
	Rs.		Rs.
CAPITAL FUND ACCOUNT			
LIFE MEMBERSHIP SUBSCRIPTION		CASH IN HAND	609.00
Opening Balance 1.4 1984	81,400.00	CASH AT BANK	
ADD : Subscriptions received		In S. B. A/c with Scheduled Bank	18,387.16
during the year	<u>74,076.00</u>	STAMPS IN HAND	1,729.75
	1,55,476.00	FIXED DEPOSITS	
CORPUS FUND		With Indian Bank, Shanti Niketan, New Delhi	3,20,000.00
Opening Balance		INTEREST ACCRUED	
1.4.1984	57,554.00	On Reinvestment Fixed Deposits with Indian Bank, Shanti Niketan, New Delhi	11,240.88
ADD :		ADVANCE FOR EXPENSES	2,073.83
Donations Received		SECURITY DEPOSIT	2,000.00
During the		FURNITURE	
year	<u>1,15,970.65</u>	Opening Balance 1.4.1984	1,063.00
	1,73,524.65	ADD :	
RESERVE ACCOUNT		Additions during the year	<u>1,808.00</u>
Opening Balance 1.4.1984	<u>12,000.00</u>		2,871.00
	3,41,000.65	LESS : Depreciation	287.00
SURPLUS ACCOUNT			2,584.00
Opening Balance 1.4.1984	1,908.18		
ADD :			
Excess of income over			
Expenditure per Annexed			
Income & Expenditure			
Account	<u>15,215.79</u>		
LIABILITIES FOR EXPENSES	17,123.97		
	<u>500.00</u>		
TOTAL	Rs. 3,58,624.62		

TOTAL Rs. 3,58,624.62

NOTE : 1. Subscriptions from members have been accounted on Cash Basis
AS PER OUR REPORT OF EVEN DATE

Place : New Delhi

Date : 4th October, 1985

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 1985

EXPENDITURE	AMOUNT	INCOME	AMOUNT
	Rs.		Rs.
Printing & Stationery		SUBSCRIPTION FROM MEMBERS	
(Including Printing of Periodical)	22,476.17	Ordinary	60,293.00
Duplicating Photocopying Expenses	5,720.05	Associate	6,700.00
Postage, Telegrammes & Telephones	13,438.15		66,993.00
Part Time Staff	20,985.00	INTEREST RECEIVED	
Other Establishment Expenses	2,400.00	From S.B. Account	607.61
Conveyance Expenses	4,432.90	From Fixed Deposits with Bank	17,207.34
Hire of Auditorium	2,200.00		17,814.95
Legal Expenses	1,600.00	INTEREST ACCRUED	
Honarium to Auditors	500.00	On Reinvestment Fixed Deposits with Bank	9,113.16
Books & Periodicals	813.25		
Repairs & Maintenance	98.25		
Bank Charges	975.55		
Misc Expenses	779.00		
Contribution for Lok Adalat Programme	2,000.00		
Depreciation of Furniture	287.00		
Excess of Income over Expenditure			
transferred to Balance Sheet	<u>15,215.79</u>		
Total	Rs. 93,921.11	Total	Rs. 93,921.11

AS PER OUR REPORT OF EVEN DATE

A,S,R. GOPAL RAO
GCPAL RAO & Co,
CHARTERED ACCOUNTANTS

S. RANGANATHAN
President

P.D. TAYAL
Secretary

H.D. SHOURIE
Director

U.C. DUBEY
Treasurer

Place : New Delhi
Date : 4th October, 1985

(Continued from page 14)

Copy of the letter of West Bengal Property Owners Association, Calcutta

"This Association feels that in the interest of all residents in urban/semi-urban areas Rent Control laws in all States require to be amended as per recommendations of L.K. Jha Commission. This is felt by all sections of people that it is the one-sided (in favour of tenants) Rent Control Laws which are responsible for acute housing shortage and many other related problems in urban areas. But some politicians in the interest of vote in general elections are propagating against the proposed amendment of Delhi Rent Bill as per Commission's recommendations, which seeks to restore balance of interest between the houseowners and tenants. If national interest is ignored in parochial party interest, can we boast of healthy democratic system in India to the outside World? No we can't. We make it categorically clear, if Delhi Rent Control Act, as a model to Rent Act, in other States, is not amended, the suffering houseowners of West Bengal, which includes retired persons, helpless widows, minor children, middle class employees and businessmen, prospective houseowners will lose faith in the present political system and they will come out of their shells to launch struggle against the present order."

Copy of letter of Mr. B.D. Nagpaul
New Delhi

"After retirement in 1965, I purchased a house in Karol Bagh, sinking all my gratuity, provident fund and even commutation. I let two existing tenants remain in the house, and occupied the other portion. The tenant (remaining one) pays Rs. 110 p.m. ever since. All for the reason that the rent is only Rs. 110 he is regarded as one deserving protection as weaker section of society; but he has a telephone, a fridge, a TV (though not AC). But evicting him is impossible, as one will have to prove that the remaining accommodation is insufficient for the owner and his family a difficult and torturous affair. The present rent value is Rs. 500 or so.

What intrigues me is that when a house is let out, it is not in perpetuity. There should be some

limit 10 years, 15 years, 20 years, after which the owner should have right to get back possession of his property, giving some notice for that. After that long period there should be no question of whether the owner requires it for his use or for making additions or anything else. There must be some flaw somewhere in the law which permits holding on by a tenant to property till eternity".

Copy of letter of Mr. Maneklal Mafatlal Modi
Ahmedabad

"The plight of small landlords who put in all their savings in building small house for earning their livelihood from rent has changed over years.

The weaker section has gathered strength and have become threats. Recovery of rent is now a nightmare with cumbersome court procedures. The increased taxation, high costs of repairs have resulted in reduction of income greatly. Please set the matter right. There must be a way out."

Copy of letter of Mr. Robindra Nath Banerjee
Howrah

"I have a house in Howrah and it is my only house. This house has got two shops in front. One well-established person is enjoying these two shops at a 40 year old rent of Rupees thirty each and the building is tottering down, whereas two of my sons have become adults and without employment and that Rs. 30/- of 40 years ago has lost all value as such my sons are becoming useless and if at least one or even half of the shop is made available they can earn their living."

Copy of letter of Gp Capt. R.L. Suri
New Delhi

"If a houseowner who has sunk his life's savings does not get an adequate return on his investment, then it will not encourage others to build houses which, in turn, will affect the tenants who will find it hard to have a house for their needs.

Further, the fact that an agreement is entered into at the time of renting should be strictly adhered to and be enforceable in a Court of Law, if necessary. There should be no opportunity for any tenant to

become a statutory tenant by merely overstaying the period of agreement, and any default in the agreement should be a ground for immediate eviction. In the present set up, if a tenant does not pay rent, he cannot be evicted except after protracted litigation. Non-payment of rent, even once, should be the basis of eviction of the tenant. Also, there should be a provision for automatic increases in rent due to increase in the cost of construction and maintenance.

The institution of statutory tenancy should be done away with and nobody should be allowed to inherit tenancy except for a period of short time to enable the heirs to resettle themselves. Retired Defence personnel and government servants who own only one house should be allowed to take over possession whenever they want by giving the tenant due notice and grace period."

Copy of letter of Mr. Renu Seth,
Delhi

"Me and my family have been in litigation for one and only residential property which is in New Delhi, since August 1981, and have been living in rented houses, previously in Lucknow and now in Delhi. Part of our family business has been taken over by the Government, and the rest sold owing to unavoidable circumstances. My husband is now leading a retired life. This one house for which we are in litigation is all that we have left. Our present accommodation in Delhi belongs to a senior Govt. officer and is on a short lease expiring in May 1986 after which we will be rendered homeless. The courts are so jam packed that even a bona-fide case such as ours has been going on for many years and is expected, considering the present situation, to go on for many more.

The unfortunate part is that our tenants with whom we are in litigation happen to be one of the largest industrial houses in India who have absolutely no dearth of accommodation, wealth and means. In fact the people living on our property have their own house in a very posh area of New Delhi, but they choose for reasons best known to them not to live in it and harrass us instead, because we have no means to fight with them. It is most unfortunate that

the law which is there to protect the weaker sections of society against the strong is in actual fact benefiting these corporate giants against the common man. 'Justice delayed is justice denied.'

Copy of letter of Mrs. Vimla Sahni
Chandigarh

"I have a house in Delhi. It was built with some of our savings plus a loan from the LIC in 1971. It was given on rent for Rs. 1400 p.m. It is the only house that I have. For a long time, a case has been going on to get it vacated. As long as my husband was alive, he attended to it. After his death, I have not been able to do anything about it. At every hearing a new date is given and that is the end of it; how can I get it vacated?"

Copy of extract from letter of Mr. J. D. Dhruva
Bhavnagar

"I would like to draw your special attention to suggestion no : 7-different rules in different states-where it is brought out that in Bombay Govt. a landlord can recover the possession from the tenant for his (landlord's) bonafide use while the landlord in Gujarat state cannot.

This involves many questions, viz.

- (1) appropriateness of States in making their laws in variance of intentions and purposes of the enactment by the Parliament-Govt. of India-President of India ;
- (2) difference of application of law in one state from the other, whereby people in one state would get the advantage and the people in the other state would not get the advantage, which eradicates the confidence of the people at large in India as a whole of being united and integrated in the democratic and welfare state of India".

Copy of letter of Mr. Rama Krishna
New Delhi

"I am writing this letter to bring to your notice the iniquitous provision of the Delhi Control Act regarding payment of rent, an application for eviction on that ground is made under section 14 (1), provi-

- (a) The Rent Controller makes an order for

payment of rent under Section 15 (1). If such payment is made, the application for eviction falls through under Section 14 (2). The provision to this subsection provide for eviction of a tenant for a second default only for three consecutive months which implies that a tenant who has defaulted once gets a further licence of always defaulting in rent for two months each time and landlord is paid rent every time, being in arrears for 2 months. This is strange provision giving concession to defaulter".

Copy of extract from letter of Mr. H C. Khera
New Delhi

"I retired from the Central Govt. service in 1981 and had to vacate the Govt. accommodation thereafter and am since living in rented accommodation, the rent of which I can ill afford with my small pension. The tenant in our house has refused to vacate the premises and the eviction case against him is going on since March '82 in the court of addl. Rent Controller Delhi. Almost a year's date of next hearing has been given in the case after last hearing on March 10, 1985, and at this rate, the case may take decades to decide."

By alleging all sorts of falsehoods, tenant had secured permission to contest the case and is prolonging the same by tactics, because his allegations, although false, are required to be proved as such by the houseowner. Because of the undue provisions in the present Rent Control Act favouring the tenants, and the undue delay in the courts in deciding cases on account of heavy work load, the tenant knows that he cannot be evicted easily, however just the case of the houseowner may be. He is enjoying the rented accommodation on a very low rent since 1971 and has never tried to book his own house for himself through DDA or other agencies. He had demanded a prohibitive amount of money for vacating the house "

Copy of letter from Mr. Nand Lal Gupta
Delhi

"On 18.4.83 at midnight the said tenant threw from above stamp-ink bottle contents upon the heap of our clothes meant for laundry. Police was called in for personal inspection on the morning at 4.30.

An FIR has been filed. Kalandra has been prepared at the Police Station to be forwarded to the Metropolitan of the Ilaqa for necessary action. Two witnesses have also given written statement of what they saw in the morning and also on previous occasions re : throwing upon our heads and belongings all kinds of dirt, filth, egg-shells and stones etc. to our great 'discomfiture. Abusing in filthy language which are ear-rending."

Copy of extract from of
Mr. Hukatrai N. Vazirani
Bombay

'Are not the landlords entitled to fair return on the investment considering the present high cost of building materials, maintenance and ever rising municipal taxes which alone come to 75% of the rents realised.

Most important of all is the matter where tenants shifting and are migrating to other countries demand compensations from landlords otherwise let out the houses to unauthorised persons taking protection under the tenancy act and knowing that it would atleast take a decade for such matters to be decided in the Courts of Law. Is this not cheating and breach of trust? Cannot the Government put a stop to this recketeering by a simple amendment in the act making both the tenants and unauthorised occupants liable to be prosecuted for this illegal act?"

Copy of extract from letter of
Mr. D. S. Dannavate,
Ahmednagar, Maharashtra

"In this letter I want to draw your attention to the so-called Bombay Rent Act which has played havoc. India has changed a lot since 1940. This law is not uniform all over India, but it is certainly responsible for creating social tensions. The relations between landlords and tenants are hardly amicable these days.

Land and accommodations were easily available before 1940. Overcrowded cities were yet to come into existence. The picture has changed radically in 1985. Land has become a rare commodity and accommodation is hardly available even at Taluka places. The Rent Act has in fact defied the purpose

for which it was created. Now landlords are unwilling to let out their property for fear of losing it forever. They keep their premises locked. So accommodation exists but it is not available to the needy persons.

The remedy lies in bringing about some reforms in this outdated law. This has become a political issue as well. So only the ruling party can move the matter. The opposition parties can do little in this regard.

Recently the Maharashtra Govt. has mooted a legislation which intends to confer ownership right to tenants. As a trial the proposed law is to be applied to Bombay only. But tenants have already started clamouring for wider application of the intended bill. Such piecemeal approach is not going to solve the national malaise.

The present rent Act hardly solves any problems, but creates many. Once the parties go to the Court decades pass by before the issues are settled. Civil cases lead to Criminal ones. In practice the life of both the landlords and tenants becomes a torture. The landlord hardly gets possession of his property in his lifetime. The strained relations between landlords and tenants is one the reasons of social tensions which often result in violence."

Copy of letter from Mr. B.D. Gupta
Calcutta

"The agony and irony is that a person (landlord) who has invested his huge amount of money expecting with hope a right and just return. who has contributed in solving the housing problems, is being painted as the Monster, the Oppressor, the Brute and as Sylock, out to squeeze every penny from the innocent' tenant.

The general impression is, however rich the tenant may be, he is taken as a 'poor' man being harrassed by the 'rich' landlord. Every just plea to raise the rent because of the general rise in prices and hence maintenance cost, is considered a blow to the tenant. In the last 20 years, the cost of maintenance has increased 16 times from 1965. This is for all to see that inspite of tremendous rise in prices, taxes and

maintenance cost, the rent for the premises let out 20 years ago has remained the same,

Let me cite some tactics deployed by some tenants to harrass the landlords. Every month when they are asked to pay the rent a Bill is produced for the so called repairs, which is always interestingly, almost double the amount of the rent, when so called bills for repairs are not adjusted in the rent, they deposit the rent with the Rent Controller's Office, knowing fully well that almost after 18 months from the date of deposit, the landlord is informed and it takes further 2/3 years to withdraw the amount (rent) from Controller's office. 50% of the rent thus is eaten up or is washed away in this lengthy process, causing much inconvenience and financial loss to the landlord.

The evil of sub-letting is proving a major problem to the landlords, for it is not that easy to prove sub-tenancy and to get the premises vacated. The landlord thus becomes a helpless victim whereas the tenant makes a fortune. earning as much as 3/4 times higher amount than the rent.

Let politicians be warned, that their misguided zeal to defend the tenant (which lacks the consideration for the mutual benefit of both the landlord and tenant) could seriously hamper the new construction, which the country so desperately needs to meet its housing problems. The all round hostility against the landlords, the reluctance of the tenants to raise the rent in proportion to general rise in prices and maintenance cost and lacuna in the present Act, on the one hand humiliates the landlords and on the other hand compel them to conclude that one should never go for new construction for just returns.

Hoping that the wise counsel will prevail, I would like to suggest that not only Delhi but the entire country needs some amendments in the present Rent Act."

Copy of letter of Dr. Biman Bihari Acharaya,
Calcutta

"In Orissa after the judgement of one past Chief Justice Sri G.K. Mishra, the act has been very much skewed in favour of landlord by virtue of which evictions of tenants has become relatively easy

In brief, the above judgement incorporates that if a tenant does not pay rent within 30 days of the subsequent month he becomes a defaulter and if he does not pay for three months he becomes habitual defaulter in which case the landlord may evict him if he so desires inspite of the tenant paying subsequently in full.

This is an unique feature of Orissa HRC Act which is not practised anywhere else in India I am not a lawyer and there might be many such inequities in law in many other States for which many tenants may be suffering. I am one of the sufferers after occupying the same premises for more than 60 years".

Summary of FIRs lodged with Police by a tenant Mrs. Pushpa Lata Jain of Delhi against her landlord

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| 1. First FIR lodged at P.S. Karol Bagh | 27.5.84 | Unauthorised trespassing by the landlord of my house and her husband with other persons. |
| 2. Second FIR | 3.6.84 | Removing the locks of my main entrance by Mr. N.K. Jain husband of landlady. |
| 3. Third FIR | 6.6.84 | A request for Police protection due to threats of dire consequences & harrassment by Mr N. K. Jain. |
| 4. Fourth FIR | 26.6.84 | Increasing threatenings & possibility of manhandling. |
| 5. Fifth FIR | 3 7.84 | Continuous harrassment & threatening for which police-protection was requested, copy to Commissioner, DCP and ACP. |
| 6. Sixth FIR | 30.4.85 | Breaking of the locks once again inspite of status-quo given by Sub-judge in my favour. |
| 7. Met Lt. Governor personally | 27.4.85 | To tell him all about my problem. |
| 8. Letter to Lt. Governor | 22.5.85 | As a reminder |

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|---|---------|--------------------------------|
| 9. Letter to Lt. Governor | 11.6.85 | As a reminder. |
| 10. Letter to Chief Executive Councillor. | 2 .5.85 | In connection with my problem. |
| 11. Letter to Chief Executive Councillor. | 21.6.85 | As a reminder. |

**Copy of letter of Mr. A. N. Seth,
Dehradun**

"Since people have realised the problems of consumers and several voluntary organisations have come forward to help them, I suggest that the weaker section tenants who pay rent below Rs. 100 p.m. for their small tenements may also be treated as 'consumers' and all courts and landlords should be restrained to evict them and snatch roofs from their heads if they have lived and paid rent for more than 20 years of a particular premises during which period the landlord might have realised the cost of the house as rent and by way of other illegal dealing such as 'pugree' etc.

If such small tenants are not considered as 'consumers' they will be on the road because they cannot afford to spend a lot in contesting the litigation etc. started by the landlords. In Bombay, the Tembs Committee has rightly suggested the solution of the problem saying that tenements should be sold to tenants after 20 years' tenancy against multiple rent (approx. 10 years'). If the scheme is made compulsory for all landlords including commercial bodies like LIC of India, I hope crores of weaker section tenants will become owners of their small tenements and their families may live peacefully for their remaining life.

To begin with, atleast public undertaking like LIC of India should be directed to start selling off tenements to their tenants immediately at Dehradun who are repeatedly requesting and all eviction of tenants on flimsy grounds through their own Estate Officers should be stopped forthwith and Public Premises (unauthorised occupants) Act, 1971, may be amended accordingly banning eviction of weaker section tenants who pay rent below Rs. 100 p.m. and have lived in particular premises for more than 20 years."

FOR PENSIONERS

Numerous letters continue being received to enquire about the status of our pension commutation writ petition. We can well understand the anxiety of pensioners, but they should kindly try to understand that cases inevitably take their course in the Supreme Court. On various occasions the case has come up for hearing but for one reason or the other it could not be finally heard. During the past few weeks this case has been continuously on the "board" of the Supreme Court. It will be heard when the few cases above it have been finalised. We have repeatedly said that the news about this case will appear in the Press when it is finalised.

The case relating to pre-1972 defence pensioners has also likewise been coming up before the Supreme Court on various dates. In due course, when this case is finalised the pensioners will come to know about the decision.

Railway retirees who had opted for provident fund and are now keen to derive the advantage of enhanced pensions, have been keen that their case should be taken to the Supreme Court. This matter has now got linked up with the contemplated establishment of Central Administrative Tribunals. A pronouncement, which may also affect the pending commutation case, has now to be awaited whether with the establishment of the Tribunals matters of this nature can be taken up in the courts. This matter is already before the Supreme Court.

A writ petition was recently filed in the Supreme Court by certain central pensioners associations seeking the extension of benefit of 1973 liberalisation to the pre-1973 pensioners who have remained deprived of the benefits of this liberalisation. This writ petition has not been admitted by the Supreme Court.

We continue receiving a variety of demands for taking to the Supreme Court the problems of discriminations alleged in relation, for instance, to recent

further liberalisation applicable to post-1.4.1985 pensioners, non-refund of two months' emoluments relating to family pension entitlement, differential in dearness relief and allowance paid to pensioners and employees, problems relating to railway passes, certain other discriminations suffered by categories of defence pensioners, etc. We have repeatedly pointed out that this organisation cannot afford to get totally submerged in the problems only of pensioners. We are dealing with a number of common problems of the people. It is impossible for this organisation to take over all these various problems of pensioners, and we have been exhorting that the organisations of pensioners should take them over. We have concentrated primarily on the three major problems of pensioners, namely, the discriminations caused by the 1979 liberalisation, the discriminations caused by the family pension rules, and the difficulties caused by pension commutation rules. The former two objectives have already been achieved. We await the decision on the problem of restoration of pension commutation.

HOUSE TAX

Significant recent developments in relation to House Tax of Delhi Municipal Corporation, which would also be of interest to the owners in other towns, have been the following :-

- i) Delhi Municipal Corporation (MCD) issued a public notice on 29.7.85 stating that objections against the 1985-86 assessments had been disposed of and that assesses could inspect their assessments in the lists maintained in the zonal offices. Assesseees were advised by us to apply for copies of assessment orders in accordance with prescribed procedure and to lodge appeals wherever it was felt that the assessment had been made contrary to the guidelines incorporated in the well-known recent Supreme Court judgement of 12.12.84. Large numbers of assesseees have secured copies of the assessment orders and appeals are being filed.

Meanwhile, Director of COMMON CAUSE has submitted a long affidavit in the Supreme Court in supplementation of the previous application in which clarifications have been sought on certain specific points of this Supreme Court judgement. The judgement had categorically laid down that in cases where construction has taken place in stages the price of land cannot be computed twice in the assessment, once when the original construction took place and again when additions were made to the original construction. In the affidavit specific cases have been cited where the MCD has computed the land price twice, apportioning the area of housing plot to different stages of construction and determining the land price for the respective stages of construction. This procedure, which is stated to be contrary to the Supreme Court judgement, can be contended to be tantamount to contempt of the court.

Hearing of this application of COMMON CAUSE is likely to take place in October, after the MCD has submitted counter affidavit. Meanwhile our exhortation to the assesses is that they must exercise full vigilance and take up their cases in appeal where they feel that MCD has not followed the Supreme Court judgement in making the assessment of rateable value.

Another important matter which has caused great concern to all residents of Delhi is the sudden escalation by MCD of scavenging tax from 1% to 5% of the rateable value. For houses of rateable value

Rs. 20 000 and Rs. 40,000, respectively, the scavenging tax has suddenly increased in 1985-86 from Rs. 200 to Rs. 1000 for the former and Rs. 400 to Rs. 2000 for the latter. Bills for House Tax, which are now being received, carry this sudden imposition. COMMON CAUSE has taken up this matter with MCD and has asked for information about justification for this increase. Further action in this regard will be taken by COMMON CAUSE in the coming weeks.

Electricity-consumption rates have also suddenly been increased, practically 100%, in the areas of MCD and NDMC. This matter too is being pursued by COMMON CAUSE.

Miscellaneous

We remind members that where they have not effected renewal of membership they should kindly do so. Present renewals (excepting, of course, life memberships) will all expire by 31.3.1986. Thereafter, annual memberships will be on the basis of financial year. Secondly, we request you to convey to everybody our appeal for donations for building the corpus of the society. Give to COMMON CAUSE, not necessarily for deriving benefit from it, but for strengthening it for wider service

If you are receiving two copies of this periodical kindly send us the addressslips for correcting our record.

Published under RNI No. 39381/82

Printed Matter