

or you make a provision for a representative of the Metropolitan Council also in the Jamia. You have said that one representative of the Delhi Administration is to be nominated by the Union territory administration. Actually, it should be a representative of the Metropolitan Council.

SHRI P. SHIV SHANKER: I would like to submit that Parliament itself is also a legislature in a broad sense.

SHRI SATYA PRAKASH MALAVIYA: But, according to the Constitution, it is not so. That is why I brought it to your notice.

SHRI P. SHIV SHANKER: Will you kindly listen? Kindly look into the contextual part also of the whole thing. Now, when we say the definition of 'Parliament' in article 79 is related for the purpose of the law part of it, framing of the law part of it, it has been said here that the Speaker of the Lok Sabha will nominate and then the Chairman of the Rajya Sabha will nominate. And then when there is the use of the word 'Legislature', that is generic in sense. But while I am not able to exactly catch where you are finding the difficulty, so far as the Statutes are concerned I have said that the Statutes as existing today have been brought in by way of Schedule. They are liable to be amended. They will be gone into. I have already said that I have also noted the various observations that have been made by the hon. Members. I am sure that the Majlis-e-Muntazimah, when constituted, will certainly take into account the observations that have been made in regard to the Statutes.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): The question is:

"That the Bill be passed."

The motion was adopted.

DELHI RENT CONTROL (AMENDMENT) BILL, 1988.—Contd.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): There is one amendment by Shri Malaviya....

श्री सत्य प्रकाश मालवीय : (उत्तर प्रदेश) : श्रीमन् मैं अपना संशोधन प्रस्तुत करता हूँ कि :

"दिल्ली किराया नियंत्रण अधिनियम, 1958 का और संशोधन करने वाले विधेयक को राज्य सभा के निम्नलिखित सदस्यों की एक प्रवर समिति को सौंपा जाए और उसे अगले सत्र के पहले दिन तक अपना प्रतिवेदन प्रस्तुत करने का अनुदेश दिया जाए :—

1. श्री कैनाश पति मिश्र
2. श्री यशवन्त सिन्हा
3. श्रीमती रेणुका चौधरी
4. श्री बी० सत्यनारायण रेड्डी
5. श्री राम अवधेश सिंह
6. श्री ईश दत्त यादव
7. डा० आर० के० पोद्दार
8. श्रीमती विजया चक्रवर्ती
9. श्री मुस्तफा बिन कासिम
10. श्री मोहम्मद खलीलुर रहमान
11. श्री सत्य प्रकाश मालवीय

The question was proposed.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Shri Kamal Morarka. Ten minutes.

SHRI KAMAL MORARKA (Rajasthan): Sir, the Bill that has come before the House after a prolonged discussion and debate through the Press among the people is a damp squib. It has not even scratched the surface of the problem. The objects of the Bill as given in the Bill itself are three: first, to rationalise the relations between the landlords and tenants; second, to boost the housing activity; and third, to reduce litigation between landlords and tenants. Sir, I submit—I will show

[Shri Kamal Morarka]

to you—that none of these three objects can be fulfilled by this Bill. At best, this Bill can be called a starting point in the rationalisation of relations between landlords and tenants, because the major debility in this Bill is that only houses with a rental of Rs. 3500 and above are sought to be removed from rent control. Now, Sir, since this Bill relates to Delhi, how many houses in Delhi are there where the rent is above Rs. 3500/-? The percentage is very, very small. And who are the occupants of these houses? The income of the person who can pay a rent of Rs. 35,00/- must be Rs. 20,000 per month. And a house which can fetch a rent of Rs. 3500/- must be belonging to a very rich man. So it rationalises the relations between the landlord and the tenant. But which landlord and which tenant? A very rich landlord and a very rich tenant! So the basic purpose, the avowed purpose, for which the Bill has been brought, is not even touched by it. The L. K. Jha Committee which went into this matter had recommended that a rental of Rs. 1500 and above should be outside the purview of rent control. Why it was increased to Rs. 3500 is not known. Probably, there must be good reasons. But the fact is that a very small number of houses will get outside the purview of the Rent Control Act and, therefore, reduction in litigation will not follow. Nor will there be a boost to housing activity. I do not know which housing activity will get a boost. Yes, very rich people can construct houses and let them out to very rich people as a result of this Act. I do not think it is the social purpose of this legislation or the policy of this Government to provide houses to the rich. If we need a boost in the housing activity, it is for the poor. In India, I do not know whether we have companies or corporations which are willing to construct houses and rent them out to the poor. I don't think that kind of an institution exists and I don't think that by any legislation

we will be able to induce the private sector people to build houses and rent them out to the poor unless we are thinking of removing ceiling from rent in which case the poor man will have to pay more rent. So, that cannot be the purpose. So, no amount of legislation on rent control can give a boost to housing activity. This object is totally irrelevant to the purpose of housing activity.

I am surprised that one of the major objectives which has escaped the attention of the Government is that there are dilapidated houses or old built-up houses. Even large parts of Delhi which we call Old Delhi, have got this problem of collapsing houses or urban degradation. This is a problem to Delhi. All the old cities of India have this problem. Delhi also has its share. This Act does not touch that problem.

In Chandni Chowk there is a shop whose rental is Rs. 36/-. It will continue to be Rs. 36/-. Under this Act, it will increase by 10 per cent every three years. Now this is nothing. That shop-owner is making a profit of crores of rupees. What should be done? All commercial premises should be taken out of the purview of the Rent Control Act. Anybody who is renting a shop does not need protection of Rent Control Act. The very concept was to protect the poor from the rich. There was a time when the landlords were rich and the tenants were poor. Today it is not so. Today, the tenants are richer than the landlords in most cases or in a large number of cases. The Government and the law should protect the weaker person and not the tenant or the landlord. Wherever the landlord is weak, he needs to be protected. Wherever the tenant is weak, he needs to be protected. The persons having business worth crores of rupees don't need the protection of the Government. They should not be given protection. What is to be done? The minimum that the Government can do is to introduce indexation. After

all, the same landlord has rented the same shop at Rs. 36/-. In 1924 or 1936, that was the prevailing rent. Now the rent should be raised to that level. You may follow any index. But his rent should be raised according to the index and that rent should be the minimum. Now that also will not be solving the problem of upgrading all the houses. But by not touching the problem we have left a large area of people outside the ambit of whatever reform we are trying to bring.

The other problem is that 25 to 40 per cent of the population of Delhi, Bombay, Calcutta and Madars live in slums. Even today they are not under the protection of the Rent Control Act. They have their own system between the tenant, the slum lord, the Policeman and the local politician. They are living in a world of their own. It is they who need any reform that we may want to make in the housing system and we must do something to see that ultimately the place where they are living belongs to them. How to do it? It is a very complex problem. But I am trying to point out that this legislation which we are going to pass does not touch 25 to 40 per cent of the poorest of our people. It does not touch the old and dilapidated buildings. Whom does it touch? It does not touch the D.D.A. or the middle income groups or the working classes. It touches a fringe of the people who, I may humbly submit, need no protection. We need to give them no protection. In fact, it would have been much more appropriate if you had stated the objects of this Bill as (a) to enable the Government servants to resume possession of their properties after retirement. That one purpose is fully served by this Bill. I am not saying that Government servants should not get possession of their property. But as the Bill stands today, the only major reform that is taking place is that the Central Government servants or the Delhi Administration servants, one year before their retirement or one year after their retire-

ment, will be able to get their property back without tedious litigation. Sir, I submit that even if this is to be kept as it is, the minimum that we can add is that all persons above the age of 60 should be given this facility. How is a retired school teacher or a retired employee of a private sector different from the retired Government servant?

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Because the Government servants get accommodation. Private people cannot get accommodation. That is why they have made it.

SHRI KAMAL MORARKA: Thank you, Sir.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): If the teachers are getting the houses from the Education Society where they teach, that is a different matter. But I don't think there are any educational societies who give accommodation to the teachers.

SHRI KAMAL MORARKA: Sir, the avowed purpose of this is that the Government servants who are serving the Government and living in Government accommodation, and from their savings and hard-earned income if they happen to build some accommodation or buy some accommodation and if they rent it out, then when they retire they should get it back. Sir, if that is so, the interesting provision here is: Where a Government servant has more than one such premises, he can choose ... Sir, what is the signal that we are giving? His hard earned income can hardly get him one premises. A Government servant who owns three bungalows, I don't think, needs the protection of the Act. My whole submission to the Government is that the direction in which we started this rent control discussion a few years ago and how we ended it, as usual, we have totally gone at a tangent. I am not grudging Government servants getting their

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property back. I am not grudging the Armed Forces and their widows getting back their property. But, if in our wisdom we are giving this benefit, we must extend it to other widows, for which I am pleased to see an amendment has been moved by the hon. Minister. And a provision should be there that senior citizens, everybody above the age of 60 or 65 or 70, whatever the Government may think, should be able to get their property back without tedious litigation.

Sir, the other point is that the L. K. Jha Committee, in its wisdom had decided on Rs. 1500. Why? It is because they found that above Rs. 1500, if you remove from the rent control, poor people will not be hit, but a large amount of litigation will be obviated leaving the Rent Controller with enough matter which he can handle. Today, we call the Rent Control as a fast track. It is not. Even the Rent Controller is taking years to settle the matter. So, the whole idea of reducing litigation or reducing the volume of work was to keep the threshold at Rs. 1500 because even at a rental of Rs. 1500, the person will be getting a salary of Rs. 7,000 or Rs. 8,000. So, above that if we remove from rent control, I don't think we will be deflecting from our social objective in any manner whatsoever. I again submit to the hon. Minister, as many Members have suggested, to bring this Rs. 3,500 to Rs. 2,000. I would even suggest Rs. 1500 as suggested by the L.K. Jha Committee. The Government, in its wisdom, should bring an amendment and reduce it to at least Rs. 2,000 because at Rs. 3,500 there will be hardly any difference in the number of cases or the number of people benefited by this legislation.

Sir, the other point which I want to make is about the agreement. Whatever is the old law, that is a different thing. If today somebody gives a place

on rent, and if the person who is giving on rent is a literate person and the person who is taking or the tenant is a literate person, why should it be allowed that after signing that agreement if he goes to the rent control, the rent control is applicable? It should not happen. The agreement must have the force of law. Any agreement entered into—we can have whatever safeguards you want—must have the force of law if it is a rent of above Rs. 1500.

There is another thing. Instead of having this limit at Rs. 1500 or a monetary limit, we can have a limit of area such as anybody staying in a flat of more than 1000 sq. ft. That will ensure that we are protecting the poor. Somebody who is living in a flat of 2,000 sq. ft. or 3,000 sq. ft. does not need our protection. He can settle with his landlord. So, the threshold should be either Rs. 1500 or a suitable area, whatever can be worked out to see that the poor people are protected. But above that, the only protection should be the agreement between the tenant and the landlord or rather the lessor and the lessee because the landlord is a misleading word, because today the tenants are the public sector companies, multi-nationals, private sector companies. The word is tenant and they are far richer than the landlord and what happens is that they get into somebody's house, of course, now the Central Government servants will get the protection, and not vacate it at all. But there are a lot of public sector people also, I do not know whether they are included. If not, they should be included. I know of a lot of people in the Indian Airlines and other public sector organisations who have rented their flats but when they want it back they are in difficulty because the tenant is a multi-national company, or a bank or some rich person. So, the word landlord and tenant is misleading. It should be lessor and lessee. There should be sanctity of agreement. Agreement between two

literate persons should have the force of law.

The final point is the income-tax angle. There is one provision which has been put which says that henceforward the return will be 10 per cent on the actual cost. Now this will lead to a lot of manipulations. The cost should be fixed. Everybody knows the cost of construction, fair value, should be, upgraded every three years. Once you put 'actual cost', we are again starting the same syndrome. For rent control there will be different bills, for income-tax there will be different bills, and the same syndrome and we are going round and round. I do not think it should be 10 per cent of the actual cost. It should be 10 per cent of some notionally fixed cost on rational basis. For the old rental you have provided 10 per cent increase every three years. Again, Sir, I want to ask through you the hon. Minister, that 10 per cent increase of what? If the old rent is Rs. 130, 10 per cent means nothing. So, again this 10 per cent increase on what basis, is not clear. We must first bring all old rents to a particular base and then apply the 10 per cent increase formula. Otherwise, the 10 per cent increase, even if granted, it will not serve any purpose although the purpose for which the Government puts it is very clear to me. But this Act will not serve that purpose. Thank you.

SHRI VISHWA BANDHU GUPTA (Delhi): Mr. Vice-Chairman, Sir, I am very happy that finally the hon. Minister of Urban Development has been able to bring this Bill forward and have it piloted in the Lok Sabha also. I am also happy, Mr. Vice-Chairman, that my hon. friend from the other side at least considered the Rent Control Bill as a starting point. I thought that perhaps if he had carefully gone through the clauses he would have found some merit at least in some of the clauses that have been suggested.

I would like to point out, Mr. Vice-Chairman, Sir, that there is a serious problem about the increasing population of Delhi which reflects itself directly into housing. Mr. Vice-Chairman, Sir, any rent control Bill must be just and fair to all, whether they are tenants or whether they are landlords, who are leasing out houses. However, if it is not possible to have justice for all, at least a balance for all or some fairness to all must be attempted. And I think, Mr. Vice-Chairman, that in this particular Bill that has been attempted by the hon. Minister of Urban Development.

Sir, certain good provisions have been made here. The provision for people to be able to get their houses back when they need it, specially for the Government servants, is a very good provision. The increase in rental on a fixed basis, even though as my friend from the other side has said, that if the quantum is going to be small, it will not be of much benefit, but today there is no quantum at all. So, it is a good provision and the landlord can look forward to getting a small increase.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): But what about the repairs?

SHRI VISHWA BANDHU GUPTA: Repairs have to be carried out.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): By whom?

SHRI VISHWA BANDHU GUPTA: Repairs have to be carried out and he needs some help for that. Mr. Vice-Chairman, Sir, my hon. friend from the other side has said that there is no basis for this kind of a rental. I think the large population of Delhi which is living as tenants for years together, has arrived at a certain market base. It is true that protection has been provided by the Rent Control Act and it will continue to be provided to people paying a rental of less than

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Rs. 3500/- but there is a certain anomaly as it appears to be an arbitrary figure. It is for the hon. Minister of Urban Development to see whether this is a fair and a just limit, because you have to have a point, whether at Rs. 1500 or Rs. 2000 or Rs. 3000 or Rs. 3500 and it can always be said that this is arbitrary limit and it should have been lower or higher.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Is the limit same for business or residential purposes or there is any difference? Does this limit of Rs. 3500/- apply to both?

THE MINISTER OF URBAN DEVELOPMENT (SHRIMATI MOHSINA KIDWAI): It is same.

SHRI VISHWA BANDHU GUPTA: It is so because a number of premises are being used partly for residential purpose and partly for commercial purpose. Therefore, it cannot be separate and you cannot bifurcate them. However, I would urge upon the Government to look at this figure and see whether it can be better rationalised.

As I said, the provision for the Government servants to be able to get back their premises after retirement is good. But I think this provision should be extended to widows as well because widows form a special category. It is very difficult for a widow if she is not able to get back her premises because that is the only asset left with her. I am happy about the amendment and I would urge upon the Government to accept my suggestion.

Provision with regard to death, whether natural death or death by accident, is a good provision, because in such cases the family of the deceased will need the house for their use. So, the family will continue to have a lien on that house. So I feel it is a good provision.

Giving a spurt to housing activity is one of the main objectives mentioned in the Bill. I think this Bill is going to help that activity. It is true that hundreds and thousands of new houses are not going to be built up or given to the poor, as Mr. Morarka said. But this is true certainly that those who have the means to build houses will now be in a position to do so because they will feel that they are going to get a good return and if they are assured of a return for ten years certainly this Bill is going to encourage them to build houses instead of putting money in the banks. I would urge upon the Government that in view of difficulty for private people to build houses, the Government might consider having a programme for construction of houses on a large scale for Delhi on new scientific lines with new scientific material to be given to poor and middle-income group people. I know this bill is not going to assist in that process but the question is, that this Rent Control Bill focuses and should focus attention on the major problem that the people of Delhi are facing and that is the problem of housing. Therefore the hon. Minister might consider getting a new programme, an active and a sharp programme you can call it a crash programme, to build houses on a large scale in and around Delhi, in the National Capital Region, so that the people are relieved of their difficulties. With these words, I support the Bill.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Thank you. You have been within your time. Shri Ashis Sen—Seven minutes. The National Housing Policy is also going to be discussed.

SHRI ASHIS SEN (West Bengal): Mr. Vice-Chairman, Sir, there is a provision for 15 per cent increase in the house rent. Therefore, I should be allowed 30 per cent increase in time.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): I cannot do that. I will be very happy. I would like to speak on the Bill but I am sitting here.

SHRI SUKOMAL SEN (West Bengal): You are speaking enough.

SHRI ASHIS SEN: Sir, this Bill is the outcome of the petition by certain house-owners in the city of Delhi as far back as in March, 1983. It has taken such a long time for the Government to come out with this Bill in pursuance of that.

Sir, the Statement of Objects and Reasons of the Bill says that the Bill seeks to rationalise the present rent control law by bringing about a balance between the interests of landlords and tenants, to give a boost to house building activity and maintain the existing housing stock in a reasonable state of repairs and to reduce litigation between landlords and tenants. But a bare reading of the Bill shows that—it seems so—none of these three conditions will be fulfilled looking at the manner in which the law is sought to be amended. It is apparent from a bare reading that the socio-economic realities of Delhi, the composition of its population and the existing rent structure have not been properly taken into consideration while framing the Bill.

The present Bill is a reflection of the Government's failure to frame any proper housing policy for the people of Delhi. The DDA which was entrusted with the job has miserably failed to provide houses to the middle class and economically weaker sections of the people, of the socio-economic pyramid we have here. Its projects have either ended in fiasco or the houses it has constructed have gone out of the reach of the common people. As a consequence, what has happened? People have been forced to live in slums, in *Jhuggis* and *Jhompri*s and hutments have come up. These people are at the mercy of the mafia groups which are operating in the city, which exist sometimes and vanish at the will of the ruling party—I am sorry to say this—and in collusion with the police.

Sir, the salaried class, workers employed in private factories, shops, industrial establishment and public sector undertakings form the vast majority of the people who are living in rented houses. These are the people who have borne the brunt of the situation entailing from the

Government's failure to have a proper housing policy. These are the sections which are forced to go in for uninhabitable accommodation on rent because of their meagre income. Land prices have gone up sky-high in Delhi. Workers cannot think of having a house of their own in Delhi. This is the situation. It is everybody's experience. But these are the sections which have not been provided with any succours by this amending Bill. Precisely these are the sections which have to bear the rigours of the present Bill.

Rents in Delhi have risen steeply in the recent past. At present, the salaried class has to spend almost one-third of its income on housing and the further statutory increase as proposed in the Bill would adversely affect the living standard of the working class who are residing in this type of accommodation. Persons engaged in business and tenants in non-residential premises comprise the class, who are known as landlords of residential premises. It is strange that this section left untouched when it comes to their commercial tenancy but they are given benefits and landlords of the residential premises in the proposed amended to the principal Act.

This apart, there is the question of maintenance of the premises. Newspaper reports are coming in every day. Even this morning and yesterday you must have seen reports about building collapse and arrangements are not made providing proper accommodation to these people. What is the plight of these tenants? When the houses they live in collapse either due to rains or otherwise, they cannot approach the landlords because they are not bothered, the sooner they get rid of their tenants it would be advantageous to them. That is why I say, if you go bit by bit through the provisions of the proposed amending Bill, they are contrary to the declared Objects and Reasons of the Bill. Instead of rationalising the present rent control law and balancing the interest of landlords and tenants, the amendments proposed would irrationalise the rent control law and would create an imbalance in the

[Shri Ashis Sen]

interest of landlord. The other two objects stated in the Statement of Objects and Reasons will also remain a mirage.

Clauses (c) and (d) sought to be inserted in section 3 of the Principal Act shall deprive lakhs of tenants of the protection of the Act. Clause (c) seeks to withdraw the protection of the Act from those who pay rent of Rs. 3500/- and above. The classification is not reasonable and it may come under the mischief of article 14 of the Constitution. This Bill seeks to withdraw the protection of the Act to the tenants for ten years from the date of construction of the premises. It follows from this situation that the person who comes as a tenant and the relationship is fully covered by the definition of lease, even then the tenant can be thrown out of the premises by simple suit of eviction.

The Bill further provides to increase standard rent (if at all fixed by the court) or agreed rate of rent by 10 per cent every three years. I do not know from where this idea has been brought over that there should be an increase of 10 per cent every three years.

THE VICE-CHAIRMAN (SHRI JAG-ESH DESAI): It comes to three per cent annually.

SHRI ASHIS SEN: But why? Let it be between the tenant and the landlord's combined interest, as you call it. This provision is a complete sell-out to the landlords. The rental in Delhi has gone immeasurably high in the recent past and even 10 per cent increase amounts to a substantial increase of rent. The Government is giving a lever to the landlords without creating any obligation for upkeep of the premises or corresponding increasing facilities to the tenant. There also I am told that there is move to charge interest at the rate of 7-1/2 per cent. As far as I recollect this suggestion had come in the Petitions Committee from houseowners or some societies. I do not know in whose interest it is.

By incorporating clause (b) to the clause 12 the Government is opening a flood-gate to the litigation as the landlord in the existing tenancies shall have right to file proceedings for determining the lawful increase of such rent.

Then the provision in clause 12(d) provides the proceedings for standard rent after 12 years of letting. It would create a spate of litigation and again I would like to say that it would lead to a spate of litigation between the landlord and the tenant, it will be a mirage and it may not be possible to implement the provision.

During the current decade construction of houses in Delhi has slipped away from the hands of middle class due to tremendous hike in the price of land and material, thanks to the housing policy of the Delhi Development Authority. (*Time bell rings*): I will take a couple of minutes more, I have put in some labour to formulate my views.

The Government has sought to amend the principal Act to give more benefits to the landlord. 15 per cent interest on the rent due is an exercise to squeeze the tenant and filling up the coffers of the landlord. From this provision, let me say so, the real class character of the Government becomes so much clear and apparent. Further, by amending section 38(1) the right to first appeal on facts by either of the parties is taken away. It means that finding of fact by Tribunal would be treated as final, right to appeal up to the Supreme Court being sought to be taken away I do not know what the intention of the mover of this Bill is. It does not reflect the aspirations and needs of all those who are affected.

For the above reason I am duty bound here, I feel that I should oppose the Bill and make a constructive suggestion that the Bill be redrafted. My suggestion will be that the Bill be redrafted after taking into account the views of the various sections of the people associated with it. More so, I would like that the views be taken into account of social organisations and not the organisations of the landlords, as has been done. You should

take the views of the organisations of the tenants and of course of the trade unions because there we are fighting for their house rent and other things. So, our viewpoints should also be taken into account. Till the exercise of redrafting is gone into, I would earnestly request the Minister in-charge, through you, Sir, that let there be a Select Committee. Let a Select Committee go through it and till then the present Bill should be left pending or deferred, if not withdrawn which will be my suggestion. Thank you.

THE VICE-CHAIRMAN (SHRI JAG-ESH DESAI): Shri P. N. Sukul. You can speak upto 4 o' clock.

SHRI P. N. SUKUL (Uttar Pradesh): Thank you very much, Sir. Mr. Vice-Chairman, Sir, I do support this very welcome Bill. In Delhi there are thousands and thousands of landlords.

SHRI DIPEN GHOSH (West Bengal): Thousands and thousands of landlords:

SHRI P. N. SUKUL: There is a lot of acrimony between them and their tenants.

SHRI DIPEN GHOSH: Thousands and thousands of landlords! Are so many houses there?

SHRI P. N. SUKUL: Why not? What is the population of Delhi, Dipen Da?

SHRI DIPEN GHOSH: You say house-owners. Why say landlords?

श्रीमती प्रतिभा सिंह (फिहार) : दादा लैंडलॉर्ड शब्द से मत घबराइये, मालिक लोग कपजोर वर्ग के भी हैं और जो मकान मालिक हैं वे बहुत अमीर हैं और मल्टी-नेशनल्ज हैं।

SHRI P. N. SUKUL: Mr. Vice-Chairman, in that case I will have to speak a little more.

THE VICE-CHAIRMAN (SHRI JAG-ESH DESAI): No, upto 4 o' clock only.

SHRI P. N. SUKUL: In the Bill itself the word "landlord" has been used. So I am using that word and not house owners.

SHRI DIPEN GHOSH: Then it is all right.

SHRI P. N. SUKUL: There is a lot of acrimony and unpleasantness existing between the landlords and the tenants because certain landlords who want to occupy or recover the possession of their houses are not able to do that. In Delhi most of the people are Government servants. Class I, Class II, Class III and even Class IV employees take house-building advances from the Government. Some take loans from the financial institutions. And they build their houses. While they are in service, they have to repay those advances or loans. For that they allow certain tenants to occupy their houses. But when they retire, they naturally want to recover the possession of their houses, which they are not able to get because the present law on the subject stands tilted towards the tenant instead of the landlord.

I remember, Sir—and I think you must also be remembering—that in 1983 in this very House, a petition was moved on this very subject that law should be amended as regards rent control in Delhi. That petition was considered by the Petition Committee thoroughly and the recommendations of the Petition Committee are contained in the 80th Report of the Committee which was submitted to this House in August, 1984, of which I was the Chairman at that time. So I am quite aware of the problems of quite a few small landlords of Delhi.

The Committee had recommended to the Government that in the light of the suggestions made by the petitioners as well as the suggestions contained in the Economic Administration Reforms Commission's Report—i.e. the Jha Commission—the Government should act with utmost expedition and bring forward suitable proposals for amending the Act.

No doubt the Government does not seem to have acted with "utmost expedition" in this matter because after four years this Bill has come before us. But thank God that even after four years today it is before us for our consideration.

[Shri P. N. Sukul]

As I said in the beginning, it is a very welcome Bill. The first speaker, Shri Kamal Morarka, who was speaking from there—I could not understand what he wanted to convey actually. According to him this Delhi Rent Control (Amendment) Bill is going to benefit moneyed people, rich people, the landlords because of the limit of Rs. 3500 monthly rent. In fact this enactment is not going to touch those houses whose rent is more than Rs. 3500 or even Rs. 3500. There are people who build houses which fetch a rent of Rs. 5000 or Rs. 10,000 even. That is why the proposed legislation is going to benefit only the small landlords. Mostly it is the Government servants who, with their life's savings, build houses and when one wants to occupy that house after his retirement, he is not able to get possession of that house after his retirement because of the legal processes involved and because of so many complications today. When a landlord goes to a court, it takes years and years and he is not able to get possession of his house. Even in cases involving clear violation of rent agreements or leases, there is no provision for summary trial, and the cases in law courts or tribunals drag on for years. Now this amendment is going to help such landlords in this respect.

As regards the ceiling of a monthly rent of Rs. 3,500, the Jha Commission had suggested the limit of Rs. 1,500; the houses whose rent exceeds Rs. 1,500 per month should not be under the purview of this Act. But here the limit of Rs. 3,500 has been proposed. I have before me extracts of the recommendations from the report of the National Commission on Urbanization. The National Commission had recommended that instead of monthly rent, the plinth area of 80 square metres should be made applicable so that this enactment applies to such premises, and it had suggested various things—what to do. For example, for residential tenancies in units of a plinth area of 80 square metres and more, the National Commission had suggested neutralization of the effect of inflation

from the year 1974 to the extent of 50 per cent of such inflation and, with effect from 1.1.1987 onwards, 100 per cent neutralization on year-to-year basis and, with regard to residential tenancies in units of less than 80 square metres, it had suggested that neutralization of inflation should be permitted 100 per cent with effect from 1.1.1987. So, I am also of opinion that instead of there being this provision of rent, there should be the limit of the plinth area of all houses, and, as suggested by the National Commission, it can very well be 80 square metres.

Sir, I have moved an amendment also. In my opinion, sub-clause (2) of clause 1 of the Bill should not be there because the Government should not have to issue a separate notification to proclaim from which date this is going to apply. In fact, as soon as Parliament passes the Bill and as soon as it gets the assent of the President, it should be made applicable. It should come into force immediately. So I would suggest that clause 1(2), rather, lines 5 and 6, should be deleted from the Bill.

As regards clause 2(2), as I have already said, instead of the rental, the plinth area of 80 square metres should be taken into account; it should be incorporated in the Bill.

I do not also agree that this Act should not apply for a period of 10 years from the date of completion of constructions if the constructions are made after the commencement of this Act. Why should it not be made applicable for ten years? It must be applicable to all buildings and it must be applicable at all times. Why are you going to give ten years? Suppose a Government servant builds a house next year and he retires after two years, then he will have to wait for eight years to get possession of his house. I simply fail to understand why this provision has been made that it will not be applicable for ten years on new constructions. New construction could be by a small Government servant also. As I said, if he constructs a house tomorrow and he retires two years later, then he will have to wait for eight years more to

get possession of his own house. This is a lacuna, and it should be corrected.

4.00 P.M.

As regards the amendments in section 6 to the effect that instead of 7-1/2 per cent the rent should be calculated at 10 per cent of the actual cost of construction, it is perfectly all right and perfectly in order.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Please conclude now.

SHRI P. N. SUKUL: Similarly also for constructions made after the enactment of this Bill, the definition of standard rent that it should be calculated on the basis of 10 per cent of the actual cost of construction and the market price of the land is also perfectly in order. But here we must also take into account the fact that the market price of the land will go on increasing day after day. The cost of construction will not increase, but the market price of the land will increase, and that will necessitate a further upward revision of the rent.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Please conclude now.

SHRI P. N. SUKUL: Sir, as regards section 6A proposed to be inserted in the Act to the effect that the rent can be increased by 10 per cent every three years, I think, it is also very logical because generally our banks allow 10 per cent interest for three-year fixed deposits. So, to me it seems quite all right.

In the proposed section 14C, Sir, there is a very good provision that any employee who is going to retire, before one year of his retirement he can apply to the Controller to revert the possession of the house. But, Sir, here it has been provided in the Bill that an employee of the Central Government or the Delhi Administration can apply to the Controller, not other employees. In Delhi there are thousands of State Government employees who are on deputation. They have houses, Madam. If they stay here for 10 years, 20 years of course, they can construct houses. They can take the house-building advance and can construct houses.

Here State Government employees or employees of public institutions should also be included. Why not MLAs and MPs? Suppose, there is an MP here for 20 years and he constructs a house or takes a flat, you will not allow him to take recovery of his flat or his house. MPs are also paid people, and you give them pension when they retire. So, I think, even MPs, those who are able to construct their own houses or flats, should also be allowed the benefit of the application of this Act in respect of their premises.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Now conclude please. Over now? The last point.

SHRI P. N. SUKUL: Sir, regarding the possession of a residence, as I said earlier, after the enactment of this Bill if in certain cases it cannot be made applicable for ten years, for ten years the Act will remain infructuous for those houses, for those landlords. So, this Bill must apply to all houses that are covered under it, and it should not be made applicable after ten years of construction, as I said, future constructions.

With these words, Sir, I support the Bill.

SHORT DURATION DISCUSSION ON THE SITUATION IN SRI LANKA

SHRI V. GOPALSAMY (Tamil Nadu): Mr. Vice-Chairman, Sir, I would seek your kind permission to initiate the debate from the front bench.

Sir, the situation in Sri Lanka is very grave. Blood-and-tears soaked tragic history of Tamils in Sri Lanka continues without an end in sight. Death is parading in the streets of the North and the East of the island, concealed in the mask of peace. Valiant youths of Tamil race are striving and struggling in the middle of conflagration, continuing to fight for the cause of their race, standing at the precipice of imminent death. Our own soldiers are getting killed, and our own kith and kin are being liquidated.