

A RISHAB CHAND BHANDARI (D) BY LRS. & ANR.

v.

NATIONAL ENGINEERING INDUSTRY LTD.

(Civil Appeal No. 1320 of 2005)

SEPTEMBER 17, 2009

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[MARKANDEY KATJU AND ASOK KUMAR
GANGULY, JJ.]

C *Rajasthan Premises (Control of Rent & Eviction) Act,*
1950

s.3(iii) – 'Landlord' – Plaintiff filing suit for eviction of tenant from premises belonging to Trust claiming that it was authorized by Trust to do so – Defendant's plea that he was paying rent to employee of the Trust and did not commit any default in payment of rent – Suit decreed by trial court – Held: A purposive, and not literal, interpretation has to be given to the definition of 'landlord' in the Act - It is well settled, if a literal interpretation leads to absurd consequences, it should be avoided, and a purposive interpretation be given – In the instant case, plaintiff has not been able to show that it was authorized in writing to act on behalf of the Trust either by a power of attorney or any other written document – Unless there is some documentary proof that the Trust had authorized its agent to file a suit for eviction on its behalf, it cannot be said that plaintiff had any right to file such a suit, even though it had actually let out the premises to tenant and collected rent – Plaintiff is admittedly not the owner of the premises, and only claims to be the agent of the Trust – On the facts and circumstances of the case, this aspect of the matter needs to be gone into by trial court – Accordingly, judgments and order of Division Bench and Single Judge of High Court are set aside and the matter is remitted to trial court – Before the trial court, plaintiff shall also implead the Trust as proforma-defendant and will have liberty to produce any documentary

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**RISHAB CHAND BHANDARI (D) BY LRS. & ANR. v. 663
NATIONAL ENGINEERING INDUSTRY LTD.**

evidence to show that the Trust had authorized it in writing to receive rent and file suit for eviction on behalf of the Trust – Interpretation of statutes – Purposive construction – Party. A

Words and Phrases

'Landlord' – Connotation of in the context of rent control and eviction matters. B

Shri Madan Lal vs. Shri Bazara Singh 1977 (2) RLR, 641 – Approved

Case Law Reference: C

1977 (2) RLR, 641 approved Para 10

CIVIL APPELLATE JURISDICTION : Civil Appeal No. 1320 of 2005. D

From the Judgment & Order dated 17.1.2005 of the High Court of Judicature at Rajasthan in D.B. Civil Special No. 172 of 2001.

Pallav Shishodia, S. Sukumaran, Rajesh Khaware and D.N. Mishra for the Appellants. E

J.C. Gupta, Nalin Sangal, Deba Prasad Mohanaty and Anil Kumar Sangal for the Respondent.

The following Order of the Court was delivered by F

O R D E R

1. Heard learned counsel for the parties.

2. This appeal has been filed against the judgment and order dated 17.01.2005 of the Division Bench of the High Court of Judicature at Rajasthan Bench at Jaipur whereby the learned Division Bench has set aside the order of the learned Single Judge dated 23.08.2001 and restored that of the Trial Court, i.e., the Addl. District Judge No. 5, Jaipur City, Jaipur dated G
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A 31.07.1993.

3. The respondent-plaintiff filed a suit for eviction against the appellants-defendants and for deposit of arrears of rent. The said suit was decreed by the Trial Court. In appeal the said decree was set aside by the learned Single Judge of the High Court, which order has been set aside by the learned Division Bench by the impugned order. Hence, this appeal by special leave.

4. The facts in brief are that the suit premises admittedly belonged to Sitaram Bhandar Trust (hereinafter for short 'the Trust') and the Trust is the owner of the suit premises. The respondent, claiming that it was authorized by the Trust to do so, alleged that it had let out the premises in dispute to appellant No.2 (defendant No. 1 in the suit) and was collecting rent from it. However, thereafter, the defendant No. 1 started paying rent to one Ram Das Modani who claimed to be an employee of the Trust. The respondent then filed a suit for eviction and arrears of rent against the appellants alleging that the appellants had committed default in payment of rent.

5. Under the Rajasthan Premises (Control of Rent & Eviction) Act, 1950, under Section 3(iii) the word 'landlord' has been defined as under:-

"landlord" means any person who for the time being is receiving or is entitled to receive the rent of any premises, whether on his own account or as an agent, trustee, guardian or receiver or any other person or who would so receive or be entitled to receive the rent if the premises were let to a tenant; it includes a tenant in relation to a sub-tenant".

6. Learned counsel for the appellant submitted that there were no arrears of rent as rent was being paid to Ram Das Modani, who was collecting rent on behalf of the Trust. Hence, he submitted that there was no default in payment of rent.

7. On the other hand learned counsel for the respondent submitted that the respondent company was the landlord and hence rent should have been paid to it and thus there was default in payment of rent. He further submitted that it was the respondent who had let out the premises and accordingly in terms of the Act it was entitled to receive rent.

8. We have heard learned counsel for the parties. We are required to interpret the word 'landlord' as provided under the Act.

9. In our opinion a purposive, and not literal interpretation has to be given to the definition of 'landlord' in the Act.

10. The natural landlord of a premises is ordinarily the owner. However, an expanded definition has been given in various rent statutes of many States for the reason that sometimes the owner may not himself be in a position to collect the rent and may hence appoint an agent or authorize any person to collect rent on his behalf because he may be abroad or is unable to do so for any other reason. This does not mean that the natural meaning of the word 'landlord', who is the owner of the premises, would disappear and that the owner goes out of the picture altogether. This is the view taken by the Delhi High Court in the case of *Shri Madan Lal vs. Shri Hazara Singh* 1977 (2) RLR, 641. We approve of the view taken in the said decision. If we interpret the definition of 'landlord' in the Act literally it will result in strange consequences. It will mean that even if the owner, who is the natural landlord, does not want to evict a tenant, his agent may do so. Surely this is an absurd situation. It is well settled that if a literal interpretation leads to absurd consequences, it should be avoided, and a purposive interpretation be given.

11. In the present case the respondent has not been able to show that it was authorized in writing to act on behalf of the Trust either by a power of attorney or any other written document. Unless there is some documentary proof that the

- A Trust had authorized its agent to file a suit for eviction on its behalf, it cannot be said that the respondent had any right to file such a suit, even though it had actually let out the premises to the appellant and collected rent. The respondent is admittedly not the owner of the premises, and only claims to be the agent of the Trust.

12. On the facts and circumstances of the case, we are of the opinion that this aspect of the matter needs to be gone into by the Trial Court. Accordingly, we allow this appeal and set aside the impugned judgment and order of the Division Bench and that of the learned Single Judge and remand the matter to the Trial Court. Before the Trial Court, the respondent will have liberty to produce any documentary evidence to show that the Trust had authorized it in writing to receive rent and file suit for eviction on behalf of the Trust. The respondent-plaintiff shall also implead the Trust as proforma-defendant before the Trial Court.

13. The Trial Court shall decide the suit uninfluenced by any observations made by us in our order or the observations made by the Division Bench and learned Single Judge of the High Court or the earlier decree of the Trial Court. All contentions are left open to the parties to be urged before the Trial Court.

14. Appeal allowed. No order as to the costs.

F R.P.

Appeal allowed.