

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO(s).4471 OF 2014
(Arising out of SLP) No.1173 of 2007)

U.P. POWER CORPORATION LTD. &ORS.

Appellant(s)

VERSUS

SHUSHILA GUPTA (DEAD) THR. LRS. & ANR

Respondent(s)

O R D E R

Heard.

Leave granted.

The order impugned simply determines and awards rent for the demised premises at the rate of Rs.2100/- per month. The premises in-question comprises a residential house with a covered area of 64.13 square meter. We are told by learned counsel for the appellant-Corporation that under the U.P. Urban Building (Regulation of letting, Rent Eviction) Act, 1972, any premises rented out to either the Government or a Government Corporation/Agency cannot be got vacated by the landlord/landlady on any ground whatsoever. All that the landlord/landlady is entitled to is a periodical enhancement of rent every five years, based on the capital value of the property let out. The capital value of the property in the instant case was determined by a government assessor and the rent for the premises in-question determined on that basis.

Apart from the fact that we see no reason why this Court ought to interfere with the assessment insofar as the capital value of the property in-question is concerned, we are of the

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view that if the legislation does purport to protect the tenant-occupant in perpetuity the same is perilously close to being unconstitutional on account of the same being unreasonable. We

do not consider it necessary to delve deeper into that aspect in the present proceedings for there is no challenge before us to the provisions concerned. Be that as it may, we are of the view

that rent determined @ Rs.2100/- per month for the premises currently occupied by the appellant-Corporation is not so excessive or unreasonable as to warrant any interference from us.

We also see no reason to interfere with the award of costs of Rs.40,000/- by the High Court but the award of interest and that too at 9% p.a. on the said amount was not, in our opinion, justified. The award of interest on the amount of costs, therefore, may require modification.

In the circumstances, this appeal succeeds but only to the extent that interest awarded by the High Court on the amount of costs shall stand deleted and the order passed by the High Court modified to that extent.

With the above modification, this civil appeal is accordingly disposed of.

.....J.
(T.S. THAKUR)

.....J.
(C. NAGAPPAN)

NEW DELHI
DATED 07th April, 2014.

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ITEM NO.35 COURT NO.5 SECTION XI

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (Civil) No(s).1173/2007

(From the judgement and order dated 30/10/2006 in CMWP No.4776/2004 of The HIGH COURT OF JUDICATURE AT ALLAHABAD)

U.P. POWER CORPORATION LTD. &ORS. Petitioner(s)

VERSUS

SHUSHILA GUPTA (DEAD) THR. LRS. & ANR Respondent(s)

(With prayer for interim relief and office report)

Date: 07/04/2014 This Petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE T.S. THAKUR
HON'BLE MR. JUSTICE C. NAGAPPAN

For Petitioner(s) Mr. Pradeep Misra, Adv.

For Respondent(s) Mr. Dinesh Kumar Garg, Adv.
Mr. Abhishek Garg, Adv.
Mr. Dhananjay Garg, Adv.
Mr. Deepak Mishra, Adv.

Mr. Gunnam Venkateswara Rao, Adv.

UPON hearing counsel the Court made the following
O R D E R

Leave granted.

In terms of the signed order, the appeal is disposed of
with the modification:

"We also see no reason to interfere with the award of costs of Rs.40,000/- by the High Court but the award of interest and that too at 9% p.a. on the said amount was not, in our opinion, justified. The award of interest on the amount of costs, therefore, may require modification.

In the circumstances, this appeal succeeds but only to the extent that interest awarded by the High Court on the amount of costs shall stand deleted and the order passed by the High

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Court modified to that extent.

With the above modification, this civil appeal is accordingly disposed of."

(Mahabir Singh)
Court Master
(Signed order is placed on the file)

(Veena Khera)
Court Master