

Karnataka Rent Act, 1999

14 of 1999

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CONTENTS

CHAPTER 1 :- Preliminary

1. Short title, extent and commencement
2. Application of the Act
3. Definitions

CHAPTER 2 :- Regulation of Rent

4. Tenancy agreement to be in writing
5. Inheritability of tenancy
6. Rent payable
7. Standard rent
8. Other charges payable
9. Revision of rent in certain cases
10. Notice of revision of rent
11. Unlawful charges not to be claimed
12. Controller to fix standard rent, etc
13. Fixation of interim rent
14. Limitation for application for fixation of standard rent etc
15. Refund of rent, premium, etc
16. Receipt to be given for rent and other charges paid

CHAPTER 3 :- Deposit of Rent

17. Deposit of rent and other charges by the tenant
18. Time-limit for making deposit and consequence of incorrect particulars in application for deposit
19. Saving as to acceptance of rent and other charges and forfeiture of rent in deposit

CHAPTER 4 :- Registration of Middlemen or Estate Agents

20. Registration of Middlemen or Estate Agents
21. Middlemen or Estate Agents to file information and returns
22. Limitation of liability of middleman

CHAPTER 5 :- Controllers, their Powers and Procedure

23. Appointment of Controllers

24. Powers of Controller

25. Procedure to be followed by Controller and time-limit for deciding cases generally

26. Appeal

CHAPTER 6 :- Regulation of Eviction

27. Protection of tenants against eviction

28. Right to recover immediate possession of premises to accrue to certain persons

29. Right to recover immediate possession of premises to accrue to members of the armed forces, etc

30. Right to recover immediate possession of premises to accrue to employee of State or Central Government

31. Right to recover immediate possession of premises to accrue to a widow

32. Restriction on sub-letting

33. Notice of creation and termination of sub-tenancy

34. Sub-tenant to be tenant in certain cases

35. Recovery of possession for occupation and re-entry

36. Recovery of possession for repairs and re-building and re-entry

37. Recovery of possession in case of tenancies for limited period

38. Special provision for recovery of possession in certain cases

39. Permission to construct additional structures

40. Special provision regarding vacant building sites.

41. Vacant possession to land lord

42. Procedure to be followed by the Court

43. Dispute of relationship of landlord and tenant

44. Court to promote negotiated settlement of disputes

45. Deposit and payment of rent during the pendency of proceedings for eviction

46. Revision

CHAPTER 7 :- Special Obligations of landlords and tenants

47. Landlords duty to keep the premises in good repair

48. Duties of tenant

49. Cutting off or withholding essential supply or service

CHAPTER 8 :- Miscellaneous

50. Jurisdiction of Civil Courts barred in respect of certain matters

51. Proceedings by or against legal representatives

52. Landlord and tenant to furnish particulars

53. Cognizance of offences and power to prosecute

54. Offences and penalties

55. Offences by companies etc

56. Controllers to be public servants

57. Protection of action taken in good faith

58. Controller to recover fines as arrears of land revenue

59. Procedure in Appeals

60. All proceedings before the Controller to be judicial proceedings
61. Decisions which have become final not to be reopened
62. .
63. Finality of orders
64. Amendment of orders
65. Costs
66. Power to make rules
67. Rules and Notifications to be laid before the State Legislature
68. Removal of difficulties
69. Transfer of pending cases
70. Repeal and Savings

SCHEDULE 1 :- Areas to which Chapters I to III and V to VIII apply

SCHEDULE 2 :- Areas to which Chapters I and IV apply

SCHEDULE 3 :- SCHEDULE

SCHEDULE 4 :- SCHEDULE

SCHEDULE 5 :- SCHEDULE

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STATEMENT OF OBJECTS AND REASONS L.C. BILL N~~o~~4 OF 1999
(As appended to at the time of introduction) Economic Administration Reforms Commission and the National Commission on Urbanisation have recommended reform of the Rent Legislation in a way that balances the interests of both landlord and the tenant and also stimulates future construction. The Government of India have formulated a model rent control law and recommended to the State Governments to undertake amendments to existing rent control laws or enact new laws on the basis of the model law. It is considered necessary and expedient to bring about a new legislation to provide for regulation of rent and eviction in the spirit of modern economy in a manner more suited to our State, by adopting some provisions of the model rent control law and some of the existing law of rent control in the State. Therefore it is proposed to enact new legislation to replace the existing Karnataka Rent Control Act, 1961, which is due to expire by 31-12-1999. Following are some of the features of the proposed measure. (1) Its application is now restricted. (i) to any residential building the standard rent of which does not exceed rupees 3,500 per month in

the areas covered by Karnataka Municipal Corporations Act, 1976 and rupees 2,000 per month in other areas and a commercial building having plinth area of not exceeding 14 square metres. (ii) to buildings which are more than 15 years old. (2) The Rent Deed is required to be in writing and registered. (3) Tenancy is made inheritable to a limited extent. (4) Provision is made. (a) for collection of standard rent in relation to the investment on property and for enhancement of rent, and for determination of Standard Rent by Rent Controllers; (b) for registration of middlemen and estate agents; (c) for adjudication of eviction application by Rent Courts, with only Right of Revision, but no appeal; (d) for immediate eviction of tenants of State or Central Government Employees, members of Armed Forces, widows, handicapped persons and persons above the age of 65 years under certain circumstances; (e) to lay down Special Procedure for trial of cases before the Controllers and also the Courts so as to achieve quick disposals and negotiated settlement. (f) to impose certain Special obligations on the landlords and tenants, etc. Certain other necessary consequential and incidental provisions are also made. Hence the Bill.

CHAPTER 1

Preliminary

1. Short title, extent and commencement :-

- (1) This Act may be called the Karnataka Rent Act, 1999.
- (2) It extends to the whole of the State of Karnataka.
- (3) It shall come into force from such date as the State Government may, by notification, appoint and different dates may be appointed for different areas or for different provisions of this Act.

2. Application of the Act :-

- (1) Chapters I to III and Chapters V to VIII of this Act shall apply to areas specified in the First Schedule.
- (2) Chapters I and IV shall apply only to areas specified in the Second Schedule.
- (3) Nothing contained in this Act shall apply.
 - (a) to any premises belonging to.

- (i) the State Government or the Central Government or a local authority;
- (ii) a Muzarai or religious or charitable institution;
- (iii) a Wakf.

Explanation. If any doubt arises whether any institution referred to in sub-clauses (ii) and (iii) above is a muzarai or religious or charitable institution or a wakf, the decision of the Divisional Commissioner shall be final.

(b) to any building belonging to a Co-operative Society registered or deemed to be registered under the Karnataka Co-operative Societies Act, 1959 (Karnataka Act 11 of 1959) or the Multistate Co-operative Societies Act, 1984 (Central Act 51 of 1984);

(c) to any building belonging to a Market Committee established under the Karnataka Agricultural Produce Marketing Regulation Act, 1966 (Karnataka Act 29 of 1966);

(d) to any tenancy or other like relationship created by a grant from the State Government or the Central Government in respect of any premises taken on lease or requisitioned by the State Government or the Central Government;

(e) to any premises, deemed rent on the date of commencement of this Act or the standard rent of which exceeds.

(i) three thousand five hundred rupees per month in any area referred to in Part A of the First Schedule; and

(ii) two thousand rupees per month in any other area.

Explanation. "Deemed rent on the date of commencement of this Act" shall be the rent calculated in the manner provided in Section 7, together with revision, if any, as provided in Section 9 and decreased in the case of premises constructed after the commencement of this Act at the same rate as the rate of enhancement stipulated in the Third Schedule to reflect the position on the date of commencement of this Act;

(f) to any premises constructed or substantially renovated, either before or after the commencement of this Act for a period of fifteen years from the date of completion of such construction or substantial renovation.

Explanation I. A premises may be said to be substantially renovated if not less than seventy-five per cent of the premises is built new in accordance with the criteria prescribed for determining the extent of renovation;

Explanation II. 'Date of completion of construction' shall be the date of completion as intimated to the concerned authority or of assessment of property tax, whichever is earlier, and where the premises have been constructed in stages the date on which the initial building was completed and an intimation thereof was sent to the concerned authority or was assessed to property tax, whichever is earlier.

(g) to any premises used for non-residential purpose but excluding premises having a plinth area of not exceeding fourteen square metres used for commercial purpose;

(h) to any building or group of buildings or premises which the State Government may by notification exempt in public interest from all or any of the provisions of this Act.

(4) The State Government may by notification apply all or any of the provisions of this Act to such other areas or class of buildings within any area from such date or dates as may be specified in the notification.

(5) The State Government may at any time by notification, direct that all or any of the provisions of the Act shall cease to be applicable to any area whether or not specified in Schedule I or II, from such date as may be specified in the notification, or to any class of buildings within any area and from that date the said provisions shall cease to be applicable to such area or class of buildings:

Provided that Section 6 of the MYSORE GENERAL CLAUSES ACT, 1899 shall apply when any provision of this Act ceases to be applicable to any area or class of buildings in any area as if it had been repealed by a Karnataka Act: Provided further that the issue of a notification under sub-section (5) shall not preclude the issue of a notification under sub-section (4) applying all or any of the provisions of the said chapter to such area or class of buildings.

3. Definitions :-

In this Act, unless the context otherwise requires.

(a) "Building" means any building or hut or part of a building or hut other than a farmhouse, let or to be let separately and includes.

(i) the garden, grounds and out-houses, if any appurtenant to such building, hut or part of such building or hut and let or to be let along with such building or hut or part of building or hut;

(ii) any furniture or equipment supplied by the landlord for the use in such building or hut or part of a building or hut;

(iii) any fittings affixed to such building or part of a building for the more beneficial enjoyment thereof, but does not include a room or other accommodation in a hotel or a lodging house;

(b) "Controller" means a Controller appointed under Section 23 ;

(c) "Court" means.

(i) in respect of the area comprised within the limits of the City of Bangalore, the Court of Small Causes;

(ii) in such other area as the State Government, may, in consultation with the High Court, by notification specify, the Court of Civil Judge (Senior Division) having territorial jurisdiction over such area; and

(iii) in respect of areas other than those referred to in sub-clauses (i) and (ii), the Court of Civil Judge (Junior Division) having territorial jurisdiction over such area;

(d) "Family" in relation to a person means the wife or husband of such person and his or her dependent;

(e) "Landlord" means a person who for the time being is receiving or is entitled to receive, the rent of any premises, whether on his own account or on account of or on behalf of or for the benefit of any other person or as a trustee, guardian or receiver for any other person or who would so receive the rent or to be entitled to receive the rent, if the premises were let to a tenant;

(f) "Lawful increase" means an increase in rent permitted under the provisions of this Act;

(g) "Local area in relation to the premises let" means the area of jurisdiction and surrounding area as specified in the First Schedule, of the local authority within which the premises let is situate;

(h) "Local Authority" means.

- (i) a City Municipal Corporation constituted under the Karnataka Municipal Corporations Act, 1976 (Karnataka Act 14 of 1977);
- (ii) a Municipal Council or Town Panchayat constituted under the Karnataka Municipalities Act, 1964 (Karnataka Act 22 of 1964) including a Contonment Board constituted under the Contonment Act, 1924 (Central Act 2 of 1924);
- (iii) an Urban Development Authority constituted under the Karnataka Urban Development Authority Act, 1987 (Karnataka Act 14 of 1987);
- (iv) a Grama Panchayat, a Taluk Panchayat or a Zilla Panchayat constituted under the Karnataka Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993);
- (v) an Improvement Board constituted under the Karnataka Improvement Boards Act, 1976 (Karnataka Act 11 of 1976);
- (vi) The Bangalore Development Authority constituted under the Bangalore Development Authority Act, 1976 (Karnataka Act 12 of 1976); or
- (vii) any other authority, as the State Government may by notification, declare to be a local authority;

(i) "Premises" means.

(i) a building as defined in clause (a);

(ii) any land not used for agricultural purpose;

(j) "Public Institution" includes any educational institution maintained out of State Funds or aid received out of State Funds or free hostel attached to such educational institution, library, a Government Hospital charitable dispensary, orphanage, disabled home and destitute home;

(k) "Residential purpose", "Residential user" or "Purpose of residence" include letting out for running a public institution;

(1) "Schedule" means a Schedule appended to this Act;

(m) "Standard rent" in relation to any premises means the standard rent referred to in Section 7 or where the standard rent has been increased under Section 9 , such increased rent;

(n) "Tenant" means any person by whom or on whose account or

behalf the rent of any premises, is or but for a special contract would be, payable, and includes.

(i) a sub-tenant;

(ii) any person continuing in possession after the termination of his tenancy, but does not include any person to whom a licence as defined in S.52 of the Indian Easements Act, 1882 (Central Act 5 of 1882) has been granted;

(o) "Urban Area" means the areas specified in the First or Second Schedule.

CHAPTER 2

Regulation of Rent

4. Tenancy agreement to be in writing :-

(1) Notwithstanding anything contained in Section 107 of the Transfer of Property Act, 1882 (Central Act 4 of 1882), no person shall, after the commencement of this Act, let or take on rent any premises except by an agreement in writing.

(2) Where in relation to a tenancy created before the commencement of this Act no agreement in writing was entered into the landlord and the tenant shall enter into an agreement in writing with regard to the tenancy and deposit a copy of thereof before the prescribed authority: Provided that where the landlord and the tenant fail to present jointly a copy of the tenancy agreement under this sub-section such landlord and tenant shall separately file the particulars about such tenancy with the prescribed authority in such form and in such manner and within such time as may be prescribed.

5. Inheritability of tenancy :-

(1) In the event of death of a tenant, the right of tenancy shall devolve for a period of five years from the date of his death to his successors in the following order, namely.

(a) spouse;

(b) son or daughter or where there are both son and daughter both of them;

(c) parents;

(d) daughter-in-law, being the widow of his predeceased son:

Provided that the successor has ordinarily been living or carrying on business in the premises with the deceased tenant as a member of his family up to the date of his death and was dependent on the deceased tenant:

Provided further that a right to tenancy shall not devolve upon a successor in case such successor or his spouse or any of his dependent son or daughter is owning or occupying a premises in the local area in relation to the premises let.

(2) If a person, being a successor mentioned in sub-section (1), was ordinarily living in or carrying on business in the premises with the deceased tenant but was not dependent on him on the date of his death, or he or his spouse or any of his dependent son or daughter is owning or occupying a premises in the local area in relation to the premises let to which this Act applies such successor shall acquire a right to continue in possession as a tenant for a limited period of one year from the date of death of the tenant; and, on the expiry of that period, or on his death, whichever is earlier, the right of such successor to continue in possession of the premises shall become extinguished.

Explanation. For the removal of doubts, it is hereby declared that.

(a) where, by reason of sub-section (2), the right of any successor to continue in possession of the premises becomes extinguished, such extinguishment shall not affect the right of any other successor of the same category to continue in possession of the premises but if there is no other successor of the same category, the right to continue in possession of the premises shall not, on such extinguishment, pass on to any other successor specified in any lower category or categories, as the case may be;

(b) the right of every successor, referred to in sub-section (1) to continue in possession of the premises shall be personal to him and shall not, on the death of such successor, devolve on any of his heirs.

6. Rent payable :-

(1) The rent payable in relation to a premises shall be.

(a) the rent agreed to between the landlord and the tenant as enhanced in the manner provided in the Third Schedule; or

(b) the standard rent specified under Section 7 , as revised under

Section 9 .

(2) In the case of a tenancy entered into before the commencement of this Act, the landlord may, by notice in writing to the tenant within three months from the date of such commencement, enhance the rent as specified under Section 7 , and the rent so enhanced, shall be payable from the date of such commencement.

7. Standard rent :-

(1) Standard rent in relation to any premises, shall be the rent calculated on the basis of ten per cent per annum of the aggregate amount of the cost of construction and the market price of the land comprised in the premises on the date of commencement of the construction:

Provided that the standard rent calculated as aforesaid shall be enhanced in the manner provided in the Third Schedule.

(2) For the purpose of this section.

(a) cost of construction shall include cost of electrical fittings, water pumps, overhead tanks, storage tank and other water, sewerage and other fixtures and fittings affixed in the premises;

(b) in case any fixture and fittings referred to in clause (a) are in common use by more than one occupant in a building, such proportion of cost of the fixtures equipment and fittings shall be included in the cost of construction of the premises as bears proportion to the plinth area of such premises to the plinth area of that building;

(c) the cost of construction shall be the actual amount spent on construction, and in a case where such amount cannot be ascertained, such cost shall be determined as per the scheduled rates of the State Public Works Department for cost of construction for similar construction for the year in which the premises was constructed;

(d) the market price of the land shall be the price for which the land was bought as determined from the deed of sale registered under the Registration Act, 1908 (Central Act 16 of 1908), if construction commenced in the year of registration or the land rates notified by the State Government or a local authority for the year in which construction was commenced, whichever is higher;

(e) the land comprised in the premises shall be the plinth area of the building and such of the vacant land up to fifty per cent, of the plinth area as is appurtenant thereto;

(f) in a case where a premises forms part of a building having more than one premises, such proportion of price of land forming part of such building shall be taken to be the market price of the land comprised in the premises as is equal to the proportion of the plinth area of such premises to the plinth area of that building;

(g) notwithstanding anything contained in clauses (c) and (d), the cost of construction and the market price of the land comprised in the premises purchased from or allotted by the Government or a local authority shall be the aggregate amount payable to such Government or the local authority for the premises:

Provided that the Controller may, for the purpose of arriving at, the cost of construction and the market price of the land comprised in the premises, allow in addition, subject to a maximum of thirty per cent of amount payable to the Government or the local authority, to the amount so payable for any expenditure incurred by the landlord or by the first or any subsequent purchaser or allottee for any improvement addition or structural alteration in the premises.

8. Other charges payable :-

(1) A tenant shall be liable to pay to the landlord, besides the rent, the following charges, namely.

(a) charges, not exceeding fifteen per cent of the rent for the amenities as specified in the Fourth Schedule or as agreed to between the landlord and the tenant;

(b) maintenance charges at the rate of ten per cent of the rent;

(c) without prejudice to the liability of landlord to pay the property tax to the local authority, the pro rata property tax in relation to the premises.

Explanation. For the purpose of calculating the monthly charges payable by the tenant to the landlord towards the property tax, the amount paid or payable as property tax for the immediately preceding year or the estimated tax payable shall form the basis.

(2) The landlord shall be entitled to recover from the tenant the amount paid by him towards charges for electricity or water

consumed or other charges levied by a local or other authority which is ordinarily payable by the tenant.

9. Revision of rent in certain cases :-

(1) Where a landlord has at any time, before the commencement of this Act with or without the approval of the tenant or after the commencement of this Act with the written approval of the tenant incurred expenditure for any improvement, addition or structural alteration in the premises, not being expenditure on decoration or tenantable repairs necessary or usual for such premises, and the cost of that improvement, addition or alteration has not been taken into account in determining the rent of the premises, the landlord may lawfully increase the rent per year by an amount not exceeding ten per cent of such cost.

(2) Where, after the rent of a premises has been fixed under this Act, or agreed upon, as the case may be, there has been a decrease, diminution or deterioration of accommodation in such premises, the tenant may claim a reduction in the rent.

10. Notice of revision of rent :-

(1) Where a landlord wishes to revise the rent of any premises under sub-section (1) of Section 9 , he shall give the tenant a notice of his intention to make the revision and, insofar as such revision is lawful under this Act, it shall be due and recoverable from the date of improvement, addition or structural alteration,

(2) Every notice under sub-section (1) shall be in writing signed by or on behalf of the landlord and given in the manner provided in Section 106 of the Transfer of Property Act, 1882 (Central Act 4 of 1882).

11. Unlawful charges not to be claimed :-

(1) It shall not be lawful for the tenant or any other person acting or purporting to act on behalf of the tenant or a sub-tenant to claim or receive any payment in consideration of the relinquishment, transfer or assignment of his tenancy or sub-tenancy, as the case may be of any premises.

(2) Nothing in this section shall apply.

(a) to any payment made in pursuance of an agreement entered into before the commencement of this Act;

(b) to any payment made under an agreement by any person to a landlord for the purpose of financing the construction of the whole or part of any premises on the land belonging to, or taken on lease by, the landlord if one of the conditions of the agreement is that the landlord should let to that person the whole or part of the premises when completed for the use of that person or any member of his family but not exceeding the amount of agreed rent for a period of five years, for the whole or part of the premises to be let to such person.

Explanation. For the purpose of clause (b) of this sub-section, a member of the family of a person means, in the case of an undivided Hindu family, any member of the joint family of that person and in the case of any other family, the husband, wife, son, daughter, father, mother, brother, sister or any other relative dependent on that person.

12. Controller to fix standard rent, etc :-

(1) The Controller shall, on an application made to him in this behalf, in the prescribed manner, fix in respect of any premises.

(i) the deemed rent for the purpose of clause (e) of sub-section (3) of Section 2 ;

(ii) the enhancement in rent in the manner provided in Third Schedule;

(iii) the standard rent as per the provisions of Section 7 ;

(iv) the other charges payable as per the provisions of Section 8 ;
and

(v) the revision in rent as per the provisions of Section 9 :

Provided that it shall not be permissible for the landlord to apply for the fixation of standard rent as per the provisions of Section 7 in the case of a tenancy entered into after the commencement of this Act.

(2) In working out the cost of construction of any premises or the market price of land comprised in such premises for the purposes of Section 7 or the expenditure incurred for any improvement, addition or structural alteration or the decrease, diminution or deterioration of accommodation in a premises for the purpose of Section 9 , the Controller may take the assistance of a prescribed

valuer who shall carry out the assessment in the manner prescribed.

(3) In fixing the standard rent of any premises or the lawful increase or decrease of the rent or determining the other charges payable, the Controller shall fix or determine an amount which appears to him to be reasonable having regard to the provisions of Section 7 or Section 8 or Section 9 and other circumstances of the case.

(4) In fixing the standard rent of any premises part of which has been lawfully sub-let, the Controller may also fix the standard rent of such part sub-let.

(5) Where for any reason it is not possible to determine the standard rent of any premises on the principles set forth in Section 7, the Controller may fix such rent as would be reasonable having regard to the situation, locality and condition of the premises and the amenities provided therein, and where there are similar or nearly similar premises in the locality, having regard also to the rent payable in respect of such premises.

(6) The standard rent shall in all cases be fixed for a tenancy of twelve months:

Provided that where any premises are let or re-let for a period of less than twelve months, the standard rent for such tenancy shall bear the same proportion to the annual rent as the period of tenancy bears of twelve months.

(7) In fixing the standard rent of any premises under this section, the Controller shall fix the standard rent thereof in an unfurnished state and may also determine an additional charge to be payable on account of any fittings or furniture supplied by the landlord and it shall be lawful for the landlord to recover such additional charge from the tenant.

(8) In fixing the standard rent or lawful increase or decrease of rent or determining the other charges payable in respect of any premises under this section, the Controller shall specify a date from which the amount, so fixed shall be deemed to have effect:

Provided that, in no case the date so specified shall be earlier than the date of filing of the application for the increase or decrease of the standard rent:

Provided further that if the increase is because of improvement, addition or structural alteration, it shall come into effect from the date of completion of such improvement, addition or alteration.

(9) The Controller may, while fixing standard rent or lawful increase or decrease in rent or other charges payable, order for payment of the arrears of amount due by the tenant to the landlord in such number of instalments as he deems proper.

13. Fixation of interim rent :-

When an application for fixing the standard rent or for determining the lawful increase or decrease of such rent and other charges payable is made under Section 12 , the Controller shall, as expeditiously as possible, make an order specifying the amount of the rent and other charges payable or the lawful increase to be paid by the tenant to the landlord pending final decision on the application and shall specify the date from which the rent and other charges payable or lawful increase so specified shall be deemed to have effect.

14. Limitation for application for fixation of standard rent etc :-

Any landlord or tenant may file an application to the Controller for fixing the standard rent and other charges of the premises or for determining the lawful increase or decrease of such rent and other charges.

(a) in the case of any premises which were let, or in which the cause of action for lawful increase or decrease of rent and other charges arose, before the commencement of this Act, within two years from such commencement;

(b) in the case of any premises in which the cause of action for lawful increase or decrease of rent and other charges arises after the commencement of this Act, within two years from the date on which the cause of action arises;

(c) in the case of any premises constructed on or after the commencement of this Act and for which the provisions of the Act are made applicable by virtue of sub-section (4) of Section 2 , within two years from the date of such application:

Provided that the Controller may entertain the application after the expiry of the said period of two years, if he is satisfied that the applicant was prevented by sufficient cause from filing the

application in time.

15. Refund of rent, premium, etc :-

Where any sum or other consideration has been paid, whether before or after the commencement of this Act, by or on behalf a tenant to a landlord, in contravention of any of the provisions of this Act, the Controller may, on an application made to him within a period of one year from the date of such payment, order the landlord to refund such sum or the value of such consideration to the tenant or order adjustment of such sum or the value of such consideration against the rent payable by the tenant.

16. Receipt to be given for rent and other charges paid :-

(1) Every tenant shall pay rent and other charges payable within the time fixed by contract or in the absence of such stipulation, by the fifteenth day of the month next following the month for which it is payable and where any default occurs in the payment of rent or other charges, the tenant shall be liable to pay simple interest at the rate of twelve per cent per annum from the date on which it becomes payable.

(2) Every tenant who makes payment of rent or other charges payable or advance towards such rent or other charges to his landlord shall be entitled, to obtain forthwith from the landlord or his authorised agent a written receipt for the amount paid to him, signed by the landlord or his authorised agent:

Provided that it shall be open to the tenant to remit the rent or other charges to his landlord by postal money order.

(3) If the landlord or his authorised agent refuses or neglects to pass to the tenant the receipt referred to in sub-section (2), the Controller may, on an application made to him in this behalf by the tenant within two months from the date of payment and after hearing the landlord or his authorised agent by order direct the landlord or his authorised agent to pay to the tenant, by way of damages, such sum not exceeding double the amount of rent or other charges paid by the tenant and the costs of the application and shall also grant a certificate to the tenant in respect of the rent or other charges paid.

(4) If the landlord or his authorised agent refuses to accept or evades acceptance of receipt of rent or other charges payable to him, the tenant may, by notice in writing, ask the landlord to

furnish him the particulars of his bank account in a bank in the place where the premises is situate into which the tenant may deposit the rent and other charges payable to the credit of the landlord.

(5) If the landlord furnishes the particulars of his bank account, the tenant shall deposit the rent and other charges payable in such bank account from time to time.

(6) If the landlord does not furnish the particulars of the bank account under sub-section (4), the tenant shall remit the rent and the other charges payable to the landlord from time to time through postal money order after deducting the postal charges.

CHAPTER 3

Deposit of Rent

17. Deposit of rent and other charges by the tenant :-

(1) Where the landlord does not accept any rent and other charges tendered by the tenant within the time and the manner referred to in Section 16 or refuses or neglects to deliver a receipt referred to therein, or Where there is a bonafide doubt as to the person or persons to whom the rent and other charges are payable, the tenant may deposit such rent and other charges with the Controller in the prescribed manner.

(2) The deposit shall be accompanied by an application by the tenant containing the following particulars, namely.

(a) the premises for which the rent and other charges deposited with a description sufficient for identifying the premises;

(b) the period for which the rent and other charges are deposited;

(c) the name and address of the landlord or the person or persons claiming to be entitled to such rent and other charges;

(d) the reasons and circumstance for which the application for depositing the rent is made;

(e) such other particulars as may be prescribed.

(3) On deposit of the rent and other charges being made, the Controller shall send, in the prescribed manner, a copy of the application to the landlord or persons claiming to be entitled to the rent and other charges with an endorsement of the date of the

deposit.

(4) If an application is made for the withdrawal of any deposit of rent and other charges, the Controller shall, if satisfied that the applicant is the person entitled to receive the rent and other charges deposited, order the amount of the rent and other charges to be paid to him in the manner prescribed:

Provided that no order for payment of any deposit of rent and other charges shall be made by the Controller under this sub-section without giving all persons named by the tenant in his application under sub-section (2) as claiming to be entitled to payment of such rent and other charges an opportunity of being heard and such order shall be without prejudice to the rights of such persons to receive such rent and other charges being decided by a Court of competent jurisdiction.

(5) If, at the time of filing the application under sub-section (4), but not after the expiry of thirty days from receiving the notice of deposit, the landlord or the person or persons claiming to be entitled to the rent and other charges complains or complain to the Controller that the statements in the tenant's application of the reasons and circumstances which led him to deposit the rent and other charges are untrue, the Controller, after giving the tenant an opportunity of being heard, may levy on the tenant a fine which may extend to an amount equal to two months rent and other charges, if the Controller is satisfied that the said statements were materially untrue and may order that the fine realised or any part thereof be paid to the landlord as compensation.

(6) The Controller may, on the complaint of the tenant and after giving an opportunity of being heard, to the landlord levy on the landlord a penalty which may extend to an amount equal to two months rent, if the Controller is satisfied that the landlord, without any reasonable cause, refused to accept rent though tendered to him within the time referred to in sub-section (1) of Section 16 and may further order that the penalty realised or any part thereof be paid to the tenant as compensation.

18. Time-limit for making deposit and consequence of incorrect particulars in application for deposit :-

(1) No rent and other charges deposited under Section 17 shall be considered to have been validly deposited under that section, unless the deposit is made within twenty-one days of the time

referred to in Section 16 for payment of the rent and other charges.

(2) No such deposit shall be considered to be validly made, if the tenant wilfully makes any false statement in his application for depositing the rent and other charges, unless the landlord has withdrawn the amount deposited before the date of filing an application for the recovery of possession of the premises from the tenant.

(3) If the rent and other charges is deposited within the time mentioned in sub-section (1) and does not cease to be a valid deposit for the reason mentioned in sub-section (2), the deposit shall constitute payment of rent and other charges to the landlord,- as if the amount deposited had been validly tendered.

19. Saving as to acceptance of rent and other charges and forfeiture of rent in deposit :-

(1) The withdrawal of rent and other charges deposited under Section 17 in the manner provided therein shall not operate as an admission against the person withdrawing of the correctness of the rate of rent and other charges, the period of default, the amount due, or of any other facts stated in the tenant's application for depositing the rent and other charges under the said section.

(2) Any rent and other charges in deposit which is not withdrawn by the landlord or by the person or persons entitled to receive such rent shall except in cases where there is bona fide dispute of title be forfeited to Government by an order made by the Controller, if it is not withdrawn before the expiration of five years from the date of posting of the notice of deposit.

(3) Before passing an order of forfeiture, the Controller shall give notice to the landlord or the person or persons entitled to receive the rent and other charges in deposit by registered post at the last known address of such landlord or person or persons and shall also publish the notice in his office and in any local newspaper.

CHAPTER 4

Registration of Middlemen or Estate Agents

20. Registration of Middlemen or Estate Agents :-

(1) Every Middleman or Estate Agent by whatever name called who is engaged in brokerage of houses shall register his name with the

Controller of the area in which he is so engaged in such manner and within such period and on payment of such fee, as may be prescribed.

(2) A Middleman or Estate Agent shall be entitled for commission at such rate as may be prescribed.

(3) Every Middleman or Estate Agent shall renew his registration within such time and on payment of such fee, as may be prescribed.

21. Middlemen or Estate Agents to file information and returns :-

(1) Every Middleman or Estate Agent carrying on business in any area from prior to the date of application of this chapter to that area, shall within thirty days from the date of application of this part submit to the Controller, a statement in the prescribed form showing his name, place of business and area of activity.

(2) Every Middleman or Estate Agent shall within ten days from the last day of each quarter of every calendar year file return in such form and in such manner as may be prescribed, to the Controller giving details of every transaction handled by him during the quarter, and the brokerage or commission received by him in each case.

22. Limitation of liability of middleman :-

No Middleman or Estate Agent shall be liable to pay to his principal in respect of any premises any sum by way of rental charges which exceeds the amount which he is entitled to receive under this Act, from the tenant or tenants of the premises.

CHAPTER 5

Controllers, their Powers and Procedure

23. Appointment of Controllers :-

(1) The State Government may, by notification in the Official Gazette, appoint as many Controllers as it thinks fit, and define the local limits within which, each Controller shall exercise the powers conferred or perform the duties imposed on Controllers by or under this Act.

(2) A person shall not be qualified for appointment as a Controller.

(i) in any area referred to in Part A of the First Schedule unless he

has for at least five years held office as Assistant Commissioner;

(ii) in any area referred to in Part B of the First Schedule unless he has for at least five years held office as a Senior Tahsildar; and

(iii) in any other area unless he has for at least three years held office as a Tahsildar, in the Revenue Service of the State.

24. Powers of Controller :-

(1) The Controller shall have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908 (Central Act 5 of 1908), in respect of the following matters, namely.

(a) proof of facts by affidavit;

(b) summoning and enforcing attendance of any person and examining him on oath;

(c) discovery and production of documents;

(d) issuing commission for local inspection and for the examination of witnesses.

(2) For the purposes of holding an enquiry or discharging any duty under this Act, the Controller may.

(a) after giving not less than twenty-four hours, notice in writing enter and inspect or authorise any officer subordinate to him to enter and inspect any premises at any time between sunrise and sunset; or

(b) by written order, require any person to produce for his inspection all such accounts books or other documents relevant to the inquiry at such time and at such place as may be specified in the order.

(3) The Controller may, if he thinks fit, appoint one or more persons having special knowledge of the matter under consideration as an assessor to advise him in the proceeding before him.

25. Procedure to be followed by Controller and time-limit for deciding cases generally :-

(1) No order which prejudicially affects any person shall be made by the Controller under this Act without giving such person a reasonable opportunity of showing cause against the order

proposed to be made, and until his objection, if any, and any evidence that may be adduced in support of the same have been considered by the Controller.

(2) The Controller shall, while holding enquiry in any proceeding before him, follow such procedure as may be prescribed.

(3) All proceedings before the Controller shall ordinarily conclude within six months from the date of first appearance of the respondent in response to the summons issued for his appearance in the case, or from the date on which the respondent is set ex parte:

Provided that the Controller may extend the hearing of the case beyond six months for reasons to be recorded by him on each day of hearing.

(4) In the case of an application under Section 49 , the Controller shall commence the hearing of the application within seven days of the filing thereof and shall dispose off the same as per may be possible within thirty days of start of such hearing, unless for reasons to be recorded the Controller adjourns the case beyond such time.

26. Appeal :-

Any person aggrieved by an order passed by the Controller under the provisions of Chapters II, III or IV may within thirty days from the date thereof, appeal.

(i) to the Deputy Commissioner when the officer passing the order is an officer not below the rank of an Assistant Commissioner; and

(ii) to the Assistant Commissioner in any other case, and the Appellate Authority may pass such order in appeal as it deems fit.

CHAPTER 6

Regulation of Eviction

27. Protection of tenants against eviction :-

(1) Notwithstanding anything to the contrary contained in any other law or contract, no order or decree for the recovery of possession of any premises shall be made by the Court, District Judge or High Court in favour of the landlord against a tenant, save as provided in sub-section (2).

(2) The Court may, on an application made to it in the prescribed

manner, make an order for the recovery of possession of the premises on one or more of the following grounds only, namely.

(a) that the tenant has neither paid nor tendered the whole of the arrears of the rent and other charges legally recoverable from him within two months from the date on which a notice of demand for payment of has been served on him by the landlord in the manner provided in Section 106 of the Transfer of Property Act, 1882 (Central Act 4 of 1882):

Provided that a tenant shall not be entitled to the benefit of service of notice by the landlord under this clause where, having obtained such benefit once in respect of any premises, he again makes a default in the payment of rent and other charges payable in respect of those premises:

Provided further that where in a proceeding for eviction of a tenant on the ground specified in this clause, the tenant is to be evicted, the Court shall make an order directing the tenant to vacate the premises unless he pays to the landlord or deposits into Court within one month of the date of order, an amount calculated at the rate at which it was last paid, for the period for which the arrears of rent and other charges were legally recoverable from him, including the period subsequent thereto up to the end of the month previous to that in which payment or deposit is made;

(b) that the tenant has.

(i) on or after the date of application of Part V of the Karnataka Rent Control Act, 1961 (Karnataka Act 32 of 1961) to the local area in relation to the premises, but before the date of application of this chapter to such local area; or

(ii) after the commencement of this Act without the consent in writing of the landlord, sub-let, assigned or otherwise parted with the possession of the whole or any part of the premises;

(c) that the tenant has used the premises for a purpose other than that for which they were let, without obtaining the consent in writing of the landlord:

Provided that no application for recovery of possession of any premises shall lie on this ground unless the landlord has given to the tenant a notice by registered post served personally on him requiring him to stop the misuse of the premises and the tenant

has refused or failed to comply with such requirement within one month of the date of service of the notice and no order for eviction against the tenant shall be made in such a case, unless the Court is satisfied that the misuse of the premises is of such a nature that it is a public nuisance or that it causes damage to the interest of the landlord;

(d) that the premises were let and.

(i) the tenant or any member of his family has not been in occupation thereof for a period of six months;

(ii) the tenant has not been in occupation thereof, without a reasonable cause for a period of two years, immediately before the date of the filing of the application for the recovery of possession thereof:

Provided that the landlord may, on request in writing of the tenant, permit occupancy of the premises by a person other than the tenant or his family not exceeding the period of tenancy.

Explanation. For the purposes of this clause and clause (r), "family" means parents, spouse, dependent sons and daughters or such other relatives as are ordinarily living with the tenant and are dependent upon him;

(e) that the premises or any part thereof have become unsafe or unfit for human habitation and are required by the landlord for carrying out repairs or re-construction which cannot be carried out without the premises being vacated:

Provided that no order for the recovery of possession under this clause, or clause (g), (h) or (i) shall be made unless the Court is satisfied that the plans and estimates of such repairs or re-construction, as the case may be, have been properly prepared and that the landlord has the necessary means to carry out the said repairs or re-construction:

Provided further that if the landlord proposes to change the use of the premises after re-construction, then, he shall so specify in his application for recovery of possession and, after such re-construction, the landlord shall, if it is otherwise permissible under law, utilize the built-up area equal to the previous area for the original use to the extent required for the purpose of sub-section (1) of Section 35 and the rest for any other use;

(f) that the premises or any part thereof are required by the landlord for the purpose of immediate demolition ordered by the Government or any local authority or the premises are required by the landlord to carry out any building work at the instance of the Government or a local authority in pursuance of any improvement scheme or development scheme and that such building work cannot be carried out without the premises being vacated;

(g) that the premises or any part thereof are required by the landlord for carrying out any repairs which cannot be carried out without the premises being vacated;

(h) that the premises are required by the landlord for the purpose of building or re-building or make thereto any substantial addition or alteration including construction on the terrace of the premises or on the appurtenant land and that such building or re-building or addition or alteration cannot be carried out without the premises being vacated;

(i) that the premises consist of not more than two floors and the same are required by the landlord for the purpose of immediate demolition with a view to rebuild the same:

Provided that where the building of which such premises or premises possession in respect of which has been recovered under clause (e), clause (f), clause (g) or clause (h) forms a part has been re-built to an extent of less than seventy-five per cent, a tenant so dispossessed shall have a right to re-entry at the new terms of tenancy in the premises in the re-built building equivalent in area to the original premises for which he was a tenant;

(j) that the tenant, his spouse or a dependent son or daughter ordinarily living with him has whether before or after the commencement of this Act, built or acquired vacant possession of or been allotted a residence or as the case may be a commercial premises:

Provided that the Court may in appropriate cases allow the tenant to vacate the premises within such period as he may permit but not exceeding one year from the date of passing of the order of eviction;

(k) that the premises were let to the tenant for use as a residence by reason of his being in the service or employment of the landlord, and that the tenant has ceased, whether before or after the

commencement of this Act, to be in such service or employment:

Provided that no order for the recovery of possession of any premises shall be made on this ground if the Court is of the opinion that there is any bona fide dispute as to whether the tenant has ceased to be in the service or employment of the landlord;

(1) that the tenant has, whether before or after the commencement of this Act, caused or permitted to be caused substantial damage to, or such alteration of, the premises as has the effect of changing its identity or diminishing its value.

Explanation. For the purposes of this clause, "substantial damage" shall mean such damage as shall involve an expenditure equivalent to six months rent or more of the premises or such less expenditure as the Court is satisfied keeping in view, the special nature of damage, justifies the same to be treated as substantial damage for carrying out the repairs for such damage:

Provided that no order for the recovery of possession of any premises shall be made on the ground specified in this clause, if the tenant, within such time as may be specified in this behalf by the Court, carries out repairs to the damage caused to the satisfaction of the Court or pays to the landlord such amount by way of compensation as the Court may direct;

(m) that the tenant or any person residing or carrying on business with the tenant has been convicted of causing nuisance or annoyance to a person living in the neighbourhood of the premises or has been convicted of using or allowing the use of the premises for an immoral or illegal purpose;

(n) that the tenant has, notwithstanding previous notice, used or dealt with the premises in a manner contrary to any condition imposed on the landlord by the Government or the Local Authority while giving him a lease of the land on which the premises are situate:

Provided that no order for the recovery of possession of any premises shall be made on this ground if the tenant, within such time as may be specified in this behalf by the Court, complies with the condition imposed on the landlord by any of the authorities referred to in this clause or pays to the authority imposing such conditions the amount by way of compensation as the Court may direct;

(0) that the tenant in his reply having denied the ownership of landlord has failed to prove it or that such denial was not made in a bona fide manner;

(p) that the person in occupation of the premises has failed to prove that he is a bona fide tenant;

(q) that the tenant after having agreed with or having informed the landlord in writing the date to vacate the premises does not do so on or after the date so agreed or informed;

(r) that the premises let are required, whether in the same form or after re-construction or re-building, by the landlord for occupation for himself or for any member of his family if he is the owner thereof, or for any person for whose benefit the premises are held and that the landlord or such person has no other reasonably suitable accommodation:

Provided that where the landlord has acquired the premises by transfer, no application for the recovery of possession of such premises shall lie under this clause unless a period of one year has elapsed from the date of the acquisition;

Explanation I. For the purposes of this clause and Section 28 , Section 29 , Section 30 AND Section 31 .

(1) where the landlord in his application supported by an affidavit submits that the premises are required by him for occupation for himself or for any member of his family dependent on him, the Court shall presume that the premises are so required;

(ii) premises let for a particular use may be required by the landlord for a different use if such use is permissible under law.

Explanation II. For the purposes of this clause and Section 28 , Section 29 , Section 30 AND Section 31 an occupation by the landlord of any part of a building of which any premises let out by him forms a part shall not disentitle him to recover the possession of such premises.

Explanation III. For the purposes of this clause, and Section 28 , Section 29 , Section 30 AND Section 31 "owner of the premises" includes a person who has been allotted such premises by the Bangalore Development Authority or any other local authority by way of an agreement of hire-purchase, lease or sub-lease, even before the full ownership rights accrue to such hire-purchaser,

lessee or sub-lessee, as the case may be;

(s) that where the landlord is a trustee of any Public Charitable Trust, the premises are required for occupation for the purpose of the trust;

(3) In any proceeding for eviction under clause (e), (f), (g), (h) or (r) of sub-section (2) or Section 28, Section 29, Section 30 AND Section 31, the Court may allow eviction from only a part of the premises if the landlord is agreeable to the same:

Provided that, in case of such part-eviction, the rent and other charges payable by the tenant shall be decreased in proportion to the part vacated.

(4) No order for the recovery of possession in any proceeding under sub-section (2) shall be binding on any sub-tenant referred to in Section 33 of the Karnataka Rent Control Act, 1961 who has given notice of his sub-tenancy to the landlord under the provision of that section, unless the sub-tenant is made a party to the proceeding and the order for eviction is made binding on him.

28. Right to recover immediate possession of premises to accrue to certain persons :-

(1) Where a landlord who being a person in occupation of any premises allotted to him by the Government or any local authority is required, by, or in pursuance of, any general or special order made by that Government or authority, to vacate such premises or in default, to incur certain obligations, on the ground that he owns, in the local area, where he normally resides or carrying on business, an accommodation either in his own name or in the name of his wife or dependent child, there shall accrue, on and from the date of such order, to such landlord, notwithstanding anything contained elsewhere in this Act or in any other law for the time being in force or in any contract (whether express or implied), custom or usage to the contrary, a right to recover immediate possession of any premises let out by him:

Provided that nothing in this section shall be construed as conferring a right on a landlord owning, in the local area where he normally resides two or more premises, whether in his own name or in the name of his wife or dependent child, to recover the possession of more than one premises and it shall be lawful for such landlord to indicate the premises, possession of which he

intends to recover.

Explanation. For the purpose of this section and Section 29 , Section 30 AND Section 31 'immediate possession' shall mean possession recoverable on the expiry of sixty days from the date of order of eviction.

(2) Where the landlord exercises the right of recovery conferred on him by sub-section (1), or Section 27 , Section 28 , Section 29 , Section 30 AND Section 31 and he had received.

(a) any rent in advance from the tenant, he shall, within a period of ninety days from the date of recovery of possession of the premises by him, refund to the tenant such amount as represents the rent payable for the unexpired portion of the lease;

(b) any other payment, he shall, within the period aforesaid, refund to the tenant a sum which shall bear the same proportion to the total amount so received, as the unexpired portion of the contract or agreement, lease bears to the total period of contract or agreement or lease:

Provided that, if any default is made in making any refund as aforesaid, the landlord shall be liable to pay simple interest at the rate of twelve per cent, per annum on the amount which he has omitted or failed to refund.

29. Right to recover immediate possession of premises to accrue to members of the armed forces, etc :-

(1) Where the landlord.

(a) is a released or retired person from any armed forces and the premises let out by him his spouse or his dependent son or daughter are required for his own use; or

(b) is a dependent of a member of any armed forces who had been killed in action and the premises let out by such member are required for the use of the family of such member, such person his spouse or his dependent son or daughter, as the case may be, may, within one year from the date of his release or retirement from such armed forces or, as the case may be, the date of death of such member, or within a period of one year from the date of commencement of this Act, whichever is later, apply to the Court for recovering the immediate possession of such premises.

(2) Where the landlord is a member of any of the armed forces and has a period of less than one year preceding the date of his retirement and the premises let out by him his spouse or his dependent son or daughter are required for his own use after his retirement, he may, at any time, within a period of one year before the date of his retirement, apply to the Court for recovering immediate possession of such premises.

(3) Where the landlord referred to in sub-section (1) or sub-section (2) has let out more than one premises, it shall be open to him his spouse or his dependent son or daughter to make an application under that sub-section in respect of only one of the premises chosen by him.

Explanation. For the purposes of this section, "armed forces" means an armed force of the Union constituted under an Act of Parliament and includes a member of the police force constituted under the Karnataka Police Act, 1963 .

30. Right to recover immediate possession of premises to accrue to employee of State or Central Government :-

(1) Where the landlord is a retired employee of the State or Central Government, and the premises let out by him, his spouse or his dependent son or daughter are required for his own use, such employee may, within one year from the date of his retirement or within a period of one year from the date of commencement of this Act, whichever is later, apply to the Court for recovering immediate possession of such premises.

(2) Where the landlord is .in employee of the State or Central Government and has a period of less than one year preceding the date of his retirement and the premises let out by him, his spouse or his dependent son or daughter are required by him for his own use after his retirement, he may, at any time within a period of one year before the date of his retirement, apply to the Court for recovering immediate possession of such premises.

(3) Where the landlord, his spouse" or his dependent son or daughter referred to in sub-section (1) or sub-section (2) has let out more than one premises, it shall be open to him his spouse or his dependent son or daughter, as the case may be to make an application under that sub-section in respect of only one of the premises chosen by him.

31. Right to recover immediate possession of premises to accrue to a widow :-

(1) Where the landlord is.

(a) a widow and the premises let out by her, or by her husband;

(b) a handicapped person and the premises let out by him;

(c) a person who is of the age of sixty-five years or more and the premises let out by him, is required for use by her or him or for her or his family or for anyone for ordinarily living with her or him for use, she or he may apply to the Court for recovery of immediate possession of such premises.

(2) Where the landlord referred to in sub-section (1) has let out more than one premises, it shall be open to him to make an application under that sub-section in respect of any one residential and one non-residential premises each chosen by him.

Explanation I. For the purposes this section, "handicapped person" shall mean a person who is as if being an assessee entitled for the time being to the benefits of deduction under Section 80U of the Income tax Act, 1961 (Central Act 48 of 1961).

Explanation II. The right to recover possession under this section shall be exercisable only once in respect of each for residential and for non-residential use.

32. Restriction on sub-letting :-

(1) Where, at any time before the date of application of Part V of the Karnataka Rent Control Act, 1961 (Karnataka Act 32 of 1961) to the local area in relation to the premises, a tenant has sub-let the whole or any part of the premises and the sub-tenant is, at the commencement of this Act, in occupation of such premises, men, notwithstanding that the consent of the landlord was not obtained for such sub-letting the premises shall be deemed to have been lawfully sub-let.

(2) After the commencement of this Act, no tenant shall, without the previous consent in writing of the landlord.

(a) sub-let the whole or any part of the premises held by him as a tenant; or

(b) transfer or assign his rights in the tenancy or in any part

thereof.

(3) No landlord shall claim or receive the payment of any sum as premium or puggree or claim or receive any consideration whatsoever in cash or in kind for giving his consent to the sub-letting of the whole or any part of the premises held by the tenant.

33. Notice of creation and termination of sub-tenancy :-

(1) Where after the commencement of this Act, any premises are sub-let either in whole or in part by the tenant with the previous consent in writing of the landlord, the tenant or the sub-tenant to whom the premises are sub-let may, in the prescribed manner, give notice to the landlord of the creation of the sub-tenancy within one month of the date of such sub-letting and notify the termination of such sub-tenancy within one month of such termination.

(2) Where, before the commencement of this Act, any premises have been lawfully sub-let either in whole or in part by the tenant, the tenant or the sub-tenant to whom the premises have been sub-let may, in the prescribed manner, give notice to the landlord of the creation of the sub-tenancy within six months of the commencement of this Act, and notify the termination of such sub-tenancy within one month of such termination.

34. Sub-tenant to be tenant in certain cases :-

(1) Where an order for eviction in respect of any premises is made under Section 27 against a tenant but not against a sub-tenant referred to in Section 32 and a notice of the sub-tenancy has been given to the landlord, the sub-tenant shall, with effect from the date of the order, be deemed to become a tenant holding directly under the landlord in respect of the premises in his occupation on the same terms and conditions on which the tenant would have held from the landlord, if the tenancy had continued.

35. Recovery of possession for occupation and re-entry :-

(1) Where a landlord recovers possession of any premises from the tenant in pursuance of an order made under clause (f) of sub-section (2) of Section 27 , OR UNDER Section 28 , Section 29, Section 30 , Section 31 OR Section 37 the landlord shall not, except with the permission of the Court obtained in the prescribed manner, re-let the whole or any part of the premises within three years from the date of obtaining such possession, and in granting

such permission, the Court may direct the landlord or unless the tenant waives the right put such evicted tenant in possession of the premises:

Provided that where a landlord recovers possession of any premises from the tenant in pursuance of an order made under clause (r) of sub-section (2) of Section 27 for occupation after re-construction or re-building, the period of three years shall be reckoned from the date of completion of re-construction or re-building, as the case may be.

(2) Where a landlord recovers possession of any premises as aforesaid and the premises are not occupied by the landlord or by the person for whose benefit the premises are held, within two months of obtaining such possession, or the premises having been so occupied are, at any time within three years from the date of obtaining possession, re-let to any person other than the evicted tenant without obtaining the permission of the Court under sub-section (1) or possession of such premises is transferred to another person for reasons which do not appear to the Court to be bona fide, the Court may, on an application made to him in this behalf by such evicted tenant within such time as may be prescribed, direct the landlord to put the tenant in possession of the premises or to pay him such compensation as the Court thinks fit.

36. Recovery of possession for repairs and re-building and re-entry :-

(1) In making any order on the grounds specified in clause (h) or (i) of sub-section (2) of Section 27 or of Section 28 , Section 29 , Section 30 , Section 31 or Section 37 , the Court shall unless the landlord has obtained permission for conversion of user of the premises after re-building and repair, for a commercial purpose ascertain from the tenant whether he elects to be placed in occupation of the premises or part thereof from which he is to be evicted and if the tenant so elects, shall record the fact of these election in the order and specify therein the date on or before which he shall deliver possession so as to enable the landlord to commence the work of repairs or building or re-building, as the case may be, and the date before which the landlord shall deliver the possession of the said premises.

(2) If the tenant delivers possession on or before the date specified in the order, the landlord shall, on the completion of the work of

repairs or building or re-building, place the tenant in occupation of the premises or part thereof before the date specified in sub-section (1) or such extended date as may be specified by the Court by an order.

(3) If, after the tenant has delivered possession on or before the date specified in the order, the landlord fails to commence the work or repairs or re-building within one month of the specified date or fails to complete the work in a reasonable time or having completed the work, fails to place the tenant in occupation of the premises in accordance with sub-section (2), the Court may, on an application made to him in this behalf by the tenant within such time as may be prescribed, order the landlord to place the tenant in occupation of the premises or part thereof or to pay to the tenant such compensation being an amount not less than three times of the standard rent of that premises as the Court thinks fit.

37. Recovery of possession in case of tenancies for limited period :-

(1) Where a landlord does not require the whole or any part of any premises for a particular period, and the landlord, after obtaining the permission of the Court in the prescribed manner, let the whole of the premises or part thereof for such period as may be agreed to in writing between the landlord and the tenant and the tenant does not, on the expiry of the said period, vacate such premises, then, notwithstanding anything contained in Section 27 or in any other law, the Court may, on an application made to him in this behalf by the landlord within such time as may be prescribed, place the landlord in vacant possession of the premises or part thereof by evicting the tenant and every other person who may be in occupation of such premises.

(2) The Court shall not

(i) grant permission under sub-section (1) in relation to a premises consecutively more than two times except for good and sufficient reasons to be recorded in writing.

Explanation. A permission granted under sub-section (1) shall not be construed to be consecutive, if a period of five years or more has elapsed after the expiry of the last limited period tenancy;

(ii) entertain any application from the tenant calling in question the bona fides of the landlord in letting the premises under this section.

(3) All applications made before the Court and revision made before the District Judge or the High Court by the tenant shall abate on the expiry of the period for which permission has been granted under sub-section (1).

(4) While making an order under sub-section (1), the Court may award to the landlord damages for the use or occupation of the premises at double the last rent paid by the tenant together with interest at the rate of fifteen per cent per annum for the period from the date of such order till the date of actual vacation by the tenant.

38. Special provision for recovery of possession in certain cases :-

Where the landlord in respect of any premises is any company or other body corporate or any public institution then, notwithstanding anything contained in Section 27 or in any other law, the Court may, on an application made to it in this behalf by such landlord, place the landlord in vacant possession of such premises by evicting the tenant and every other person who may be in occupation thereof, if the Court is satisfied.

(a) that the tenant to whom such premises were let for use as a residence at a time when he was in the service or employment of the landlord, has ceased to be in such service or employment; or

(b) that the tenant has acted in contravention of the terms, express or implied, under which he was authorised to occupy such premises; or

(c) that any other person is in unauthorised occupation of such premises; or

(d) that the premises are required bona fide by the public institution for the furtherance of its activities.

Explanation. For the purposes of this section "Public institutions" does not include any such institutions set up by a Private Trust.

39. Permission to construct additional structures :-

Where the landlord proposes to make any improvement, in or construct any additional structure on, any building, which has been let to a tenant and the tenant refuses to allow the landlord to make such improvement or construct such additional structure and the Court, on an application made to it in this behalf by the landlord, is

satisfied that the landlord is ready and willing to commence the work and that such work will not cause any undue hardship to the tenant, the Court may permit the landlord to do such work and may make such other order as it thinks fit in the circumstances of the case.

40. Special provision regarding vacant building sites. :-

Notwithstanding anything contained in Section 27 where any premises let comprise of vacant land upon which it is permissible under the building regulations or municipal bye-laws, for the time being in force, to erect any building, whether for use as a residence or for any other purpose and the landlord proposing to erect such building is unable to obtain possession of the land from the tenant by agreement with him and the Court, on an application made to it in this behalf by the landlord, is satisfied that the landlord is ready and willing to commence the work and that the severance of the vacant land from the rest of the premises will not cause undue hardship to the tenant, the Court may.

- (a) direct such severance;
- (b) place the landlord in possession of the vacant land;
- (c) refer the case to the Controller to determine the rent payable by the tenant in respect of the rest of the premises; and
- (d) make such other order as it thinks fit in the circumstances of the case.

41. Vacant possession to land lord :-

Notwithstanding anything contained in any other law, where the interest of a tenant in any premises is determined for any reason whatever and an order is made by the Court under this Act for the recovery of possession of such premises, the order shall subject to the provisions of Section 34 , be binding on all persons who may be in occupation of the premises and vacant possession thereof shall be given to the landlord by ev icting all such persons therefrom:

Provided that nothing in this section shall apply to any person who has an independent title to such premises.

42. Procedure to be followed by the Court :-

- (1) No order which prejudicially affects any person shall be made by the Court under this Act without giving him a reasonable opportunity of showing cause against the order proposed to be

made and until his objections, if any, and any evidence he may produce in support of the same have been considered by the Court.

(2) Subject to any rules that may be made under this Act and the other provisions of this Act, the Court shall, while holding an inquiry in any proceeding before it, follow as far as may be the practice and procedure of a Court of Small Causes, including recording of evidence.

(3) The Court shall not ordinarily allow more than three adjournments at the request of a party throughout the proceedings and in case it decides otherwise it shall record its reasons therefor and order to pay the other party reasonable cost of adjournment.

(4) The Court shall, in addition to, and simultaneously with the issue of summons for personal service on the opposite party, also direct the summons to be served by registered post acknowledgement due, addressed to the opposite party or his agent empowered to accept the service at the place where the opposite party or his agent actually and voluntarily resides or carries on business or personally works for gain and may, if the circumstances of the case so require, also direct the publication of the summons in a newspaper circulating in the locality in which the opposite party is last known to have resided or carried on business or personally worked for gain.

(5) When an acknowledgement purporting to be signed by the opposite party or his agent is received by the Court or the registered article containing the summons is received back with an endorsement purporting to have been made by a postal employee that the addressee had refused to take delivery of the registered article, the Court may declare that there has been a valid service of summons.

(6)

(a) Every application by a landlord for the recovery of possession of any premises on the ground specified in clauses (f), (h) or (n) of sub-section (2) of Section 27 , or under Section 30 , Section 31 or Section 37 shall be dealt with in accordance with the procedure specified in this sub-section.

(b) The tenant on whom the summons is duly served whether in the ordinary way or by registered post in the prescribed form shall not contest the prayer for eviction from the premises unless he files

an affidavit stating the grounds on which he seeks to contest the application for eviction and obtains leave of the Court as hereinafter provided and in default of his appearance in pursuance of the summons or of obtaining such leave, the statement made by the landlord in his application for eviction shall be deemed to be admitted by the tenant and the applicant shall be entitled to an order for eviction on the ground aforesaid.

(c) The Court shall give to the tenant leave to contest the application if the affidavit filed by the tenant discloses such facts as would disentitle the landlord from obtaining an order for the recovery of possession of the premises.

(d) Where leave is granted to the tenant to contest the application, the Court shall ordinarily commence the hearing of the application within seven days of the grant of such leave and shall provide day-to-day hearing and dispose off the application within thirty days of commencement of such hearing. Failing such commencement of hearing or disposal of application within such time, the Court shall make a record of its reasons therefor.

(e) Where the leave to contest under clause (c) is denied to the tenant, he may file an application for review before the Court within ten days of such denial and the Court shall endeavour to dispose of such application within seven days of its filing.

(7) Every application made to the Court shall be heard as expeditiously as possible and endeavour shall be made to conclude the hearing and to dispose off the application within six months of it being filed.

43. Dispute of relationship of landlord and tenant :-

(1) Where in any proceeding before the Court, a contention is raised denying the existence of relationship of landlord and tenant as between the parties it shall be lawful for the Court to accept the document of lease or where there is no document of lease, a receipt of acknowledgement of payment of rent purported to be signed by the landlord as prima facie evidence of relationship and proceed to hear the case.

(2) Where.

(a) the lease pleaded is oral and either party denies relationship and no receipt or acknowledgement of payment of rent as referred

to in sub-section (1) above is produced; or

(b) in the opinion of the Court there is reason to suspect the genuine existence of the document of lease or the receipt or acknowledgement of payment of rent, the Court shall at once stop all further proceedings before it and direct the parties to approach a Competent Court of civil jurisdiction for declaration of their rights.

44. Court to promote negotiated settlement of disputes :-

(1) The Court shall, in all cases where the respondent enters or is permitted to enter defence against the application, at any time before the evidence is recorded in the case, endeavour to bring about a negotiated settlement of the dispute between the parties, in appropriate cases, by referring them to the Appropriate Authority under the Legal Services Authorities Act, 1987 (Central Act 39 of 1987).

(2) Without prejudice to the provisions of sub-section (1) and subject to such rules as may be prescribed, the Court shall follow such procedure as it deems proper to promote a compromise expeditiously.

(3) Where there has been a settlement of the case by compromise, the Court shall record the terms of the compromise and pass final order in those terms.

45. Deposit and payment of rent during the pendency of proceedings for eviction :-

(1) No tenant against whom an application for eviction has been made by a landlord under Section 27, shall be entitled to contest the application before the Court under that section or to prefer or prosecute a revision petition under Section 46 against an order made by the Court on application under Section 27 unless he has paid or pays to the landlord or deposits with the Court or the District Judge or the High Court, as the case may be, all arrears of rent and other charges due in respect of the premises upto the date of payment or deposits and continues to pay or to deposit any rent which may subsequently become due in respect of the premises at the rate at which it was last paid or agreed to be paid, until the termination of the proceedings before the Court or the District Judge or the High Court, as the case may be.

(2) The deposit of the rent and other charges under sub-section (1)

shall be made within the time and in the manner prescribed and shall be accompanied by such fee as may be prescribed for the service of the notice referred to in sub-section (5).

(3) Where there is any dispute as to the amount of rent and other charges to be paid or deposited under sub-section (1), the Court shall, on application made to it either by the tenant or the landlord and after making such enquiry as it deems necessary determine summarily the rent to be so paid or deposited.

(4) If any tenant fails to pay or deposit the rent as aforesaid, the Court, the District Judge or the High Court, as the case may be, shall unless the tenant has shown sufficient cause to the contrary, stop all further proceedings and make an order directing the tenant to put the landlord in possession of the premises or dismiss the appeal or revision petition, as the case may be.

(5) When any deposit is made under sub-section (1) the Court, the District Judge or the High Court, as the case may be, shall cause notice of the deposit to be served on the landlord in the prescribed manner and the amount deposited may, subject to such conditions as may be prescribed, be withdrawn by the landlord on application made by him to the Court in this behalf.

46. Revision :-

(1) The High Court may, at any time call for and examine any order passed or proceeding taken by the Court of Small Causes or the Court of Civil Judge Senior Division referred to in items (i) and (ii) of clause (c) of Section 3 for the purpose satisfying itself as to the legality or correctness of such order or proceeding and may pass such order in reference thereto as it thinks fit.

(2) The District Judge may at any time call for and examine any order passed or proceeding taken by the Court of Civil Judge, Junior Division referred to in item (iii) of clause (c) of Section 3 for the purpose of such order or proceeding and may pass such order in reference thereto as he thinks fit.

(3) The costs incidental to all proceedings before the High Court or the District Judge shall be in the discretion of the High Court or the District Judge, as the case may be.

CHAPTER 7

Special Obligations of landlords and tenants

47. Landlords duty to keep the premises in good repair :-

(1) Subject to any contract in writing to the contrary every landlord shall be bound to keep the premises in good and tenantable repairs in relation to matters falling under Part A of Schedule V.

Explanation. Good and tenantable repairs under this section and under Section 49 shall mean such repairs as shall keep the premises in the same condition in which it was let out, except for the normal wear and tear.

(2) Where any repairs in relation to a matter falling under Part A of Schedule V without which the premises are not habitable or usable except with undue inconvenience are to be made and the landlord neglects or fails to make them within a period of three months after notice in writing, the tenant may apply to the Controller for permission to make such repairs himself and may submit to the Controller an estimate of the cost of such repairs, and, the Controller, may, after giving the landlord an opportunity of being heard and after considering such estimate of the cost and making such inquiries as he may consider necessary, by an order in writing, permit the tenant to make repairs at such cost as may be specified in the order and it shall thereafter be lawful for the tenant to make such repairs himself and to deduct the cost thereof, from the rent or otherwise recover it from the landlord:

Provided that the amount so deducted or recoverable from rent in any year shall not exceed one-half of the rent payable by the tenant for that year and any amount remaining not recovered in that year shall be deducted or recovered from the rent in the subsequent years at the rate of not more than twenty-five per cent of the rent for a month:

Provided further that where there are more than one premises owned by a landlord in a building, the tenants thereof may jointly carry out the repairs and share the expenses proportionately.

(3) Nothing in sub-section (2) shall apply to premises.

(a) which at the time of letting out was not habitable or usable except with undue inconvenience and the tenant had agreed to take the same in that condition;

(b) which was after being let out, caused to be not habitable or usable except with undue inconvenience, by the tenant.

48. Duties of tenant :-

(1) Every tenant shall be bound to keep the premises in good and tenan table repairs in relation to matters falling under Part B of Schedule V.

(2) Where any repairs, in relation to a matter falling under Part B of Schedule V, without which the premises are not habitable or usable except with undue inconvenience are to be made and the tenant neglects or fails to make them within a period of two months after notice in writing, the landlord may apply to the Controller for permission to make such repairs himself and may submit to the Controller an estimate of the cost of such repairs, and, thereupon the Controller may after giving the tenant an opportunity of being heard and after considering such estimate of the cost and making such enquiries as he may consider necessary, by an order in writing, permit the landlord to make such repairs at such cost as may be specified in the order, and it shall thereafter be lawful for the landlord to make such repairs himself and to recover the cost of such repairs, which shall in no case exceed the amount so specified, from the tenant.

(3) The landlord or a person authorised by him shall have the right to enter and inspect the premises after notice to the tenant in the manner prescribed.

(4) The tenant shall make good all damages caused to the premises by his negligence within three months of being informed in writing to do so by the landlord failing which the landlord may apply to the Controller for permission to make good the said damages and the Controller shall decide the matter in the manner provided in sub-section (2).

(5) The tenant shall handover possession of the premises on determination of tenancy in the same condition, except for the normal wear and tear, as it was in when it was handed over to him at the beginning of such tenancy and in a case where certain damages have been caused, not being damages caused by force majeure, the tenant shall make good the damages caused to the premises failing which landlord may apply to the Controller for permission to make good the said damages and the Controller shall decide the matter in the manner provided in sub-section(2).

(6) The tenant shall not, whether during the subsistence of tenancy or thereafter, demolish any improvement or alteration carried out

by him in the premises or remove any material used in such improvement or alteration, other than any fixture of a removable nature, without the permission of the landlord failing which such demolition or alteration shall be deemed to be a damage caused by such tenant under sub-section (4) and shall be dealt with accordingly.

49. Cutting off or withholding essential supply or service :-

(1) No landlord either himself or through any person purporting to act on his behalf shall without just and sufficient cause cut off or withhold any essential supply or service enjoyed by the tenant in respect of the premises let to him.

(2) If a landlord contravenes the provisions of sub-section (1), the tenant may make an application to the Controller complaining of such contravention.

(3) If the Controller is satisfied that the essential supply or service was cut off or withheld by the landlord with a view to compel the tenant to vacate the premises or to pay an enhanced rent, the Controller may pass an order directing the landlord to restore the amenities immediately, pending enquiry referred to in sub-section (4).

Explanation. An interim order may be passed under this sub-section without giving notice to the landlord.

(4) If the Controller on inquiry finds that the essential supply or service enjoyed by the tenant in respect of the premises was cut off or withheld by the landlord without just and sufficient cause, he shall make an order directing the landlord to restore such supply or service.

(5) The Controller may in his discretion direct that compensation not exceeding fifty rupees.

(a) be paid to the landlord by the tenant, if the application under sub-section (2) was made frivolously or vexatiously;

(b) be paid to the tenant by the landlord, if the landlord had cut off or withheld the supply or service without just and sufficient cause.

Explanation I. In this section, "essential supply or service" includes supply of water, electricity, lights in passage and on staircases, conservancy and sanitary services.

Explanation II, For the purpose of this section, withholding any essential supply or service shall include acts or omissions attributable to the landlord on account of which the essential supply or service is cut off by the local authority or any other Competent Authority.

CHAPTER 8

Miscellaneous

50. Jurisdiction of Civil Courts barred in respect of certain matters :-

(1) Save as otherwise expressly provided in this Act no Civil Court shall entertain any suit or proceeding insofar as it relates to the fixation of standard rent in relation to any premises to which this Act applies or to any other matter which the Controller is empowered by or under this Act to decide, and no injunction in respect of any action taken or to be taken by the Controller under this Act shall be granted by any Civil Court or other authority.

(2) Nothing in sub-section (1) shall be construed as preventing a Civil Court from entertaining any suit or proceeding to decide any question of title to any premises to which this Act applies or any question as to the person or persons who are entitled to receive the rent of such premises.

51. Proceedings by or against legal representatives :-

(1) Any application made, appeal preferred or proceeding taken under this Act by or against any person, may, in the event of his death be continued by or against his legal representative.

(2) Where any application, appeal or other proceeding would have been made, preferred or taken under this Act by or against any person such application, appeal or other proceeding may, in the event of his death, be made, preferred or taken by or against his legal representative.

52. Landlord and tenant to furnish particulars :-

Every landlord and every tenant of a building shall be bound to furnish to the Controller or any person authorised by him in that behalf, such particulars in respect of the building as may be prescribed.

53. Cognizance of offences and power to prosecute :-

(1) No Court inferior to that of a Judicial Magistrate of the First Class shall take cognizance of any offence punishable under this Act.

(2) All offences under the Act shall be bailable and non-cognizable.

(3) The Controller or any other officer authorised by the State Government in this behalf may prosecute any person for contravention of any of the provisions of this Act or the rules made thereunder.

54. Offences and penalties :-

Without prejudice to any other action that may be taken to enforce the regulation of this Act.

(i) If any landlord or tenant fails to present copy of the lease agreement as required under sub-section (2) of Section 4 or fails to file the particulars as required under the proviso thereto, he shall on conviction be punishable with fine upto two thousand rupees or with simple imprisonment for a term upto one month or with both and shall also be liable to fine of rupees five hundred for each day of continuing default till the agreement is presented or as the case may be particulars furnished;

(ii) If any person contravenes the provisions of Section 11 , he shall on conviction be punishable with fine which may extend to a sum which exceeds the unlawful charges claimed or received by two thousand five hundred rupees or with simple imprisonment for a term upto one month or with both;

(iii) Every Middleman or Estate Agent who.

(a) fails to register his name in contravention of sub-section (1) of Section 20 shall on conviction be punishable with fine upto two thousand rupees or with simple imprisonment for a term upto one month or with both, and shall also be liable to fine of rupees two thousand for each day of continuing default till he complies with the law;

(b) fails to submit statements as required under sub-section (1) of Section 21 shall on conviction be punishable with fine upto one thousand rupees or with simple imprisonment for a term upto one month or both and shall also be liable to fine of rupees two hundred for each day of continuing default till the statement is filed;

(c) fails to file returns as required under sub-section (2) of Section 21 shall on conviction be punishable with a fine upto two thousand rupees or with simple imprisonment for a term upto on minimum with both, and shall also be liable to fine of two hundred rupees for each day of continuing default till the returns are filed;

(iv) If any tenant sub-lets, assigns or otherwise parts with the possession of, the whole or part of any premises in contravention of the provisions of clause (b) of sub-section (2) of Section 27 he shall be punishable with fine which may extend to five thousand rupees, or double the rent received by the tenant for subletting for every month till such time the cause of complaint ceases, whichever is more or with imprisonment for a term upto one month, or with both;

(v) If any landlord makes a false statement in his affidavit under item (i) of Explanation I to clause (r) of sub-section (2) of Section 27 , he shall on conviction be punishable with fine which may extend to five thousand rupees, or double the rent receivable for a period of three months in case it has been re-let, whichever is more, or with imprisonment for a term upto one month or with both;

(vi) If any landlord claims or receives the payment of any sum as premium or pugree or other consideration in contravention of sub-section (2) of Section 32 , he shall on conviction be punishable with fine upto three thousand rupees or with simple imprisonment for a term upto one month or with both;

(vii) If any landlord re-lets the whole or any part of any premises in contravention of sub-section (1) of Section 35 , he shall on conviction be punishable with fine which may extend to five thousand rupees, or double the rent the landlord receives after re-letting whichever is more, or imprisonment which may extend upto one month or with both.

Explanation. For the purpose of this clause and clause (iv) in cases where it is difficult to prove the rent which the landlord or the tenant as the case may be, is receiving after re-letting or sub-letting, the fine may extend to five thousand rupees;

(viii) If any tenant without reasonable excuse, fails to make re-entry under sub-section (2) of Section 36 within three months from the date of the completion of repairs or building or re-building, as the case may be, intimated in writing by the landlord without

reasonable excuse, he shall forfeit his right to re-entry and shall on conviction be punishable with fine equivalent to three months' rent of the premises;

(ix) If any landlord or tenant contravenes the provisions of sub-section (1) of Section 49 , he shall on conviction be punishable with fine equivalent in amount to the rent for three months or with upto one month's imprisonment, or with both, and shall also be liable to fine of one hundred rupees for each day of continuing default, commencing on the date of cutting off or withholding essential supply or service till the date the essential supply or service is restored;

(x) If any landlord or tenant fails to furnish particulars as required under Section 52 he shall on conviction be punishable with fine upto one thousand rupees or with imprisonment for a term upto one month or with both.

55. Offences by companies etc :-

(1) Where an offence under this Act is committed by a company, the company, as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1) where an offence under this Act has been committed with the consent or connivance of, or that commission of the offence is attributable to any neglect on the part of any Director, Manager Secretary or other Officer such Director, Manager, Secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation. For the purpose of this section.

(a) "Company" means any body corporate and includes a firm or other association of individuals; and

(b) "Director" in relation to a firm means a partner in the firm.

56. Controllers to be public servants :-

All Controllers appointed under this Act shall be deemed to be public servants within the meaning of Section 21 of the Indian Penal Code, 1860 (Central Act 45 of 1860).

57. Protection of action taken in good faith :-

(1) No suit, prosecution or other legal proceeding shall lie against any Controller any officer or servant of the State Government or any person acting under his direction or assisting him in respect of anything which is in good faith done or intended to be done in pursuance of this Act or rule or orders made thereunder.

(2) No suit or other legal proceedings shall lie against the State Government for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or of any rule or of order made thereunder.

58. Controller to recover fines as arrears of land revenue :-

Any fine imposed by a Controller under this Act shall be paid by the person fined within such time as may be allowed by the Controller and the Controller may, for good and sufficient reason extend the time, and in default of such payment, the amount shall be recoverable as arrears of land revenue under the Karnataka Land Revenue Act, 1964 .

59. Procedure in Appeals :-

(1) In computing the period specified in this Act for filing appeals, the time taken to obtain certified copies of the order appealed against shall be excluded.

(2) The provisions of Section 5 of the Limitation Act, 1963 , shall be applicable to appeals under this Act.

(3) On an appeal being preferred under this Act, the Deputy Commissioner or the Assistant Commissioner, as the case may be, may order stay of further proceeding in the matter pending decision on the appeal.

(4) The Deputy Commissioner or the Assistant Commissioner as the case may be, shall send for the records of the case from the Controller and after giving the parties an opportunity of being heard and if necessary after making such further enquiry as he thinks fit either himself through the Controller, shall decide the appeal.

60. All proceedings before the Controller to be judicial proceedings :-

All proceedings before the Court or the Controller shall be deemed to be judicial proceedings for the purpose of Section 193 OF THE INDIAN PENALCODE, 1860 and Section 228 of the Indian Penal Code, 1860 (Central Act 45 of 1860).

61. Decisions which have become final not to be reopened :-

The Court or the Controller shall summarily reject any application under this Act which raises between the same parties or between parties under whom they or any of them claim, substantially the same issues as have been finally decided in a former proceeding under this Act or under any of the enactments repealed by Section 70 .

62. . :-

Orders to be pronounced in open CourtEvery order passed by a Court or the Controller under this Act, shall be pronounced in open Court on the day on which the case is finally heard, or on some future day of which due notice is given to the parties.

63. Finality of orders :-

Save as otherwise expressly provided in this Act, every order made by the Court or Controller and every order passed in appeal or revision thereagainst under this Act shall be final and shall not be called in question in any suit, application or execution proceeding.

64. Amendment of orders :-

Clerical or arithmetical mistakes in any order passed by a Court, Controller or the Revisional or Appellate Authority under the Act or error arising therein from any accidental slip or omission may, at any time, be corrected by such Court, Controller or the Appellate or Revisional Authority on an application received in this behalf from any of the parties or otherwise.

65. Costs :-

Subject to such conditions and limitations, if any, as may be prescribed, the cost of, and incidental to all proceedings before the Court or the Controller shall be in the discretion of the Court or the Controller which or who shall have full power to determine by whom or out of what property and to what extent such costs, are to be paid.

66. Power to make rules :-

(1) The State Government may, after previous publication in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely.

(a) the manner of approval of valuers and the procedure to be followed by such valuers under the proviso to sub-section (2) of Section 12 ;

(b) manner of determining the extent of renovation of a building;

(c) the form and manner in which and the period within which an application may be made to the Controller;

(d) the form and manner in which an application for deposit of rent may be made the particulars which it may contain;

(e) the manner in which a Controller may hold enquiry under this Act;

(f) the powers of the Civil Court which may be vested in the Controller;

(g) the form or manner in which an application for appeal may be made under the Act;

(h) the manner in which the Court has refer dispute for negotiated settlement and procedure for disposal of cases so referred;

(i) for appointing the authority for registration and renewal of registration of Middleman or Estate Agents and prescribing his qualifications and terms of appointment;

(j) brokerage or commission chargeable by the Middleman or Estate Agents for residential user and the term and manner in which they shall file returns;

(k) the manner of service notice under the Act; and

(1) any other matter which is required to be provided by rules for in giving effect to the provisions of this Act.

67. Rules and Notifications to be laid before the State Legislature :-

Every rule made under this Act and notification issued under

Section 2 or under Section 68 , shall be laid as soon as may be after it is made, before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is also laid or the session immediately following, both Houses agree in making any modification in the rule or notification or both Houses agree that the rule or notification should not be made, the rule of notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or notification.

68. Removal of difficulties :-

(1) If any doubt or difficulty arise in giving effect to the provisions of this Act, the State Government may by notification, make such provision as appears to it, to be necessary or expedient for removing the doubts or difficulties:

Provided that no order shall be made under this section after expiry of two years from the date of commencement of this Act.

(2) The provisions made by any notification under sub-section (1) shall, subject to the provisions of Section 67 have effect as if enacted in this Act, and any such notification may be made so as to be retrospective to any date not earlier than the date of commencement of this Act.

69. Transfer of pending cases :-

On the commencement of this Act

(1) all cases pertaining to matters in respect of which the Controller shall have jurisdiction under this Act and pending in the Court under the Karnataka Rent Control Act, 1961 shall stand transferred to the Controller and the Controller may proceed to hear such cases either de novo or from the stage it was at the time of such transfer.

(2) all cases pertaining to matters in respect of which the Court shall have jurisdiction under this Act and pending before the Controller under the Karnataka Rent Control Act, 1961 shall stand transferred to the Court and the Court may proceed to hear such cases either de novo or from the stage, it was at the time of such transfer.

70. Repeal and Savings :-

(1) The Karnataka Rent Control Act, 1961 (Karnataka Act 22 of 1961) is hereby repealed.

(2) Notwithstanding such repeal and subject to the provisions of Section 69 .

(a) all proceedings in execution of any decree or order passed under the repealed Act, and pending at the commencement of this Act, in any Court shall be continued and disposed off by such Court as if the said enactment had not been repealed;

(b) all cases and proceedings other than those referred to in clause (a) pending at the commencement of this Act before the Controller, Deputy Commissioner, Divisional Commissioner, Court, District Judge or the High Court or other authority, as the case may be in respect of the premises to which this Act applies shall be continued and disposed off by such Controller, Deputy Commissioner, Divisional Commissioner, Court, District Judge or the High Court or other authority in accordance with the provisions of this Act.

(c) all other cases and proceedings pending in respect of premises to which this Act does not apply shall as from the date of commencement of the Act stand abated.

(3) Except as otherwise provided in Section 69 and in sub-section (2) of this section, provisions of Section 6 of the MYSORE GENERAL CLAUSES ACT, 1899 (Karnataka Act III of 1899), shall so far as may be applicable in respect of repeal of the said enactment, and Section 8 OF THE MYSORE GENERAL CLAUSES ACT, 1899 and Section 24 OF THE MYSORE GENERAL CLAUSES ACT, 1899 of the said Act shall be applicable as if the said enactment had been repealed and re-enacted by this Act.

SCHEDULE 1

Areas to which Chapters I to III and V to VIII apply

FIRST SCHEDULE

[See Section 2(1)]

Areas to which Chapters I to III and V to VIII apply

Part A

Areas within the limits of cities constituted under the Karnataka Municipal Corporations Act, 1976 and within a radius of three kilometers from the limit of the said cities.

Part B

Areas within the limits of the City Municipal Councils constituted under Karnataka Municipalities Act, 1964.

SCHEDULE 2

Areas to which Chapters I and IV apply

SECOND SCHEDULE

[See Section 2(2)]

Areas to which Chapters I and IV apply

Areas within the limits of cities constituted under the Karnataka Municipal Corporations Act, 1976 and within a radius of three kilometers from the limits of the said cities.

SCHEDULE 3

SCHEDULE

THIRD SCHEDULE

[See Sections 6 and 7]

The rent enhance able under clause (a) of sub-section (1) of Section 6 or sub-section (1) of Section 7, as the case may be, shall be calculated at the rates shown in column (2) of Table I given below, compounding on an yearly basis, with reference to the date of agreement in the case of rent agreed to between the landlord and the tenant, and the date of commencement of construction in the case of standard rent, to arrive at the rent payable for the period for which rent is to be determined:

Provided that the total amount of enhancement as so calculated till the commencement of this Act shall be restricted in respect of a premises on the basis of its size as indicated in column (1) of the Table II to such percentage as is

specified in the corresponding entries in column (2) of the said Table:

Provided further that the enhancement in the case of a tenancy entered into before the commencement of this Act shall be effected gradually in five equal yearly installments.

Explanation. The base calculation of annual enhancement of rent after the commencement of this Act shall be the rent payable in a year as if the total enhancement of rent due at the commencement of this Act came into effect immediately rather than gradually over a five year period, and such annual enhancement of rent shall be payable in addition to the graduated enhancement:

Provided also that in relation to a landlord, referred to in Section 31, who is a widow, a handicapped or a person of the age of sixty-five years or more, the enhancement of rent shall not be spread over a period of five years but shall come into force immediate effect.

Table I

Date of agreement/ commencement of construction	Rate of annual enhancement of rent
1. Up to 31st December, 1949	Two per cent
2. On and from 1st January, 1950 to 31 st December, 1960	Four per cent
3. On and from 1st January 1961 to 31 st December 1970.	Six per cent
4. On and from 1st January, 1971 to 31 st December, 1994	Eight per cent
5. On and from 1st January, 1995 onwards	Seventy-five per cent of annual Inflation rate based on whole -sale price Index.

Table II

Premises of (built up area)	Maximum permitted enhancement of rent
1. Up to 50 square meters	Twenty-five per cent
2. More than 50 square meters but up to 90 square meters	Fifty per cent
3. More than 90 square meters but up to 160 square meters	Seventy-five per cent
4. More than 160 square metres	Hundred per cent

SCHEDULE 4

SCHEDULE

FORTH SCHEDULE

[See Section 8]

1. Air conditioner.
2. Electrical heater.
3. Water cooler.
4. Geyser.
5. Refrigerator.
6. Cooking range.
7. Furniture.
8. Garden meant to be used by the tenant exclusively.
9. Playground meant to be used by the tenant exclusively.
10. Sun-brokers.
11. Usufructs, if any, enjoyed by the tenant.

SCHEDULE 5

SCHEDULE

FIFTH SCHEDULE

[See Sections 47 and 48]

A. Structural repairs to be got done by the landlord

1. Structural repairs except those necessitated by damage caused by the tenant.
2. Whitewashing of walls and painting of doors and windows once in three years.
3. Changing and plumbing pipes when necessary.
4. Internal and external wiring and related maintenance.

B. Day-to-day repairs to be got done by the tenant.

1. Changing of tap washers and taps.
2. Drain cleaning.
3. Water closet repairs.
4. Wash closet repairs.
5. Bathtub repairs.
6. Geyser repairs.
7. Circuit breakers repairs.
8. Switches and sockets repairs.
9. Repairs and replacement of electrical equipment, except major internal and external wiring changes.
10. Kitchen fixtures repairs,
11. Replacement of knobs and locks of doors, cupboards, windows, etc.
12. Replacement of fly nets.
13. Replacement of glass panels of windows, doors, etc.
14. Maintenance of gardens and open spaces let out to the tenant.