2026 INSC 601

REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NOS. OF 2026
(@ Special Leave Petition (Civil) Nos. 38495-38496 of 2025)

STATE OF U.P. & ORS. … APPELLANT(S)

VERSUS

RAGHVENDRA NATH SRIVASTAVA & ORS. ... RESPONDENT(S)

J U D G M E N T

SANJAY KAROL, J.

Leave Granted.

2. The power of the High Court under Article 227 of the Constitution of India to order enhancement of rent in a petition arising out of an order of the Rent Control Authority, is in dispute. The State of U.P. contends that the High Court could not have assumed the function of the prescribed Authority to order the enhancement, whereas the respondent-landlords assert that the protections as provided for under

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Reason:

Section 21 of the Uttar Pradesh Urban Building (Regulation of Letting, Rent and Eviction) Act, 1972[1] is not available to the appellant – tenants.

3. The forebears of the respondent-landlords let out the building in question to the Trade Tax Department, Government of Uttar Pradesh back in the year 1966. After some attempts to have the said property vacated in the 1990s, an application came to be filed for enhancement of rent[2]. The total area of the plot was 5866 sq.ft. and covered area is 3645.06 sq.ft. in total. A perusal of the order reveals that the primary consideration in ordering enhancement of rent was that the location of the property being prime and central, along with taking note of the fact that the same Government Authority is paying a much higher rate for another, much smaller building. The Authority also recorded that a similarly placed building was rented out at a particular rate and then applied the same rate to the present case. At the rate Rs.4/- per sq.ft., therefore, Rs.14,400/- per month was fixed as the rent.

4. On appeal by the landlord – respondent, the Additional District Judge, Bahraich observed that:-

> "…while passing the impugned judgement, the learned subordinate court did not record any finding regarding the date and year from which the enhancement be applicable, nor dated give any conclusion regarding rent enhancement at intervals of five years. in this regard, the decision of the learned subordinate court is erroneous file passing the impugned order, learned subordinate courts should have considered the long delay disposal of the case and should have issued appropriate directions regarding enhancement of rent at intervals of five years as well as regarding the payment of the enhancement keeping in mind the date of filing a suit by the appellants,…"

[1] The Act
[2] Case No.05/2008 before the City Magistrate/Rent Control Officer, Bahraich

The matter was remanded back to the Rent Control Authority for rehearing and passing a fresh order within six months.

5. The respondent-landlords challenged this remand order before the High Court[3] which is the impugned order before us dated 5th May 2025. The High Court accepted the contention of the landlord that since the rent payable on the adjacent premises, also taken by the appellant-tenants, is Rs.14 per sq.ft. they would be satisfied. It was so ordered that the determination of the Court below would stand modified accordingly and the same would be payable from the date of filing of the application under Section21(8) of the Act. This was done in view of the fact that remanding the matter once again would lead to further delay. The appellant-tenants filed a Special Appeal under Chapter VIII Rule V of the Allahabad High Court Rules 1952 which was dismissed by the Division Bench as non-maintainable.

6. Aggrieved, the appellant-tenants are before us. In our order issuing notice dated 19th December 2025 the question that was to be considered by us was recorded in following terms:

> "The issue which arises for consideration is as to whether, with the omission of Clauses (ii) and (iv) contained in subsection 1 of Section 21 of the Uttar Pradesh Urban Buildings(Regulation of Letting, Rent and Eviction)Act, 1972, the proviso contained in Section 8 would be operative and continue to govern the premises let out by the respondents to the petitioners**.**"

7. Since the dispute revolves around interpretation of Section 21 of the Act the same is reproduced as under:

> "21 Proceedings for release of building under occupation of tenant - (1) The prescribed authority may, on an application of the landlord in that behalf, order the eviction of a tenant from the building under tenancy or any specified part thereof

[3] Writ-A No. 7889 of 2016

if it is satisfied that any of the following grounds exists; namely: --

(a) that the building is bona fide required either in its existing form or after demolition and new construction by the landlord for occupation by himself or any member of his family, or any person for whose benefit it is held by him, either for residential purposes or for purposes of any profession, trade or calling, or where the landlord is the trustee of a public charitable trust, for the objects of the trust ;

(b) that the building is in a dilapidated condition and is required for purposes of demolition and new construction :

Provided that where the building was in the occupation of a tenant since before its purchase by the landlord, such purchase being made after the commencement of this Act, no application shall be entertained on the grounds mentioned in clause (a), unless a period of three years has elapsed since the date of such purchase and the landlord has given a notice in that behalf to the tenant not less than six months before such application, and such notice may be given even before the expiration of the aforesaid period of three years :

Provided further that if any application under clause (a) is made in respect of [any building let out exclusively for non-residential purposes] , the prescribed authority while making the order of eviction shall, after considering all relevant facts of the case, award against the landlord to the tenant [an amount not exceeding two years rent] as compensation and may, subject to rules, impose such other conditions as he thinks fit :

Provided also that no application under clause (a) shall be entertained

(i) for the purposes of a charitable trust, the objects of which provide for discrimination in respect of its beneficiaries on the ground of religion, castes or place of birth ;
(ii)in the case of any residential building, for occupation for business purposes ;
(iii) in the case of any residential building, against any tenant who is a member of the armed forces of the Union and in whose favour the prescribed authority under the Indian Soldiers (Litigation) Act, 1925 has issued a certificate that he is serving under special conditions within the meaning of section 3 of that Act, or where he has died by enemy action while so serving then against his heirs :
[Provided also that the prescribed authority shall, except in cases provided for in the Explanation, take into account the likely hardship to the tenant from the grant of the application as against the likely hardship to the landlord from the refusal

of the application and for that purpose shall have regard to such factors as may be prescribed.]

Explanation-- In the case of a residential building :

(i) where the tenant or [who has been normally residing with or is wholly dependent on him] has built or has otherwise acquired in a vacant state or has got vacated after acquisition a residential building in the same city, municipality, notified area or town area, no objection by the tenant against an application under this sub-section shall be entertained;

[Note-- For the purposes of this clause a person shall be deemed to have otherwise acquired a building, if he is occupying a public building for residential purposes as a tenant, allottee or licensee.]

(ii)[***]

…

(iv) [***]

…

(8) Nothing in clause (a) of sub-section (1) shall apply to a building let out to the State Government or to a local authority or to a public sector corporation or to a recognized educational institution unless the Prescribe Authority is satisfied that the landlord is a person to whom clause (ii) or clause (iv) of the Explanation to sub-section (1) is applicable: Provided that in the case of such a building the District Magistrate may, on the application of the landlord, enhance the monthly rent payable therefor to a sum equivalent to one-twelfth of ten per cent of the market value of the building under tenancy, and the rent so enhanced shall be payable from the commencement of the month of tenancy following the date of the application:

Provided further that a similar application for further enhancement may be made after the expiration of a period of five years from the date of the last order of enhancement."

Let us look to the two deleted clauses, clause (ii) and (iv)[4]. They have been quoted in the respondent- landlord's counter affidavit as follows:

Clause (ii)

"where the landlord was engaged in any profession, trade, calling or employment, away from the city, municipality, notified area or town area within which the building is situate and by reason of cessation of engagement, he needs the building for occupation by himself for residential

[4] Both these sections were omitted by section 14(i)(c)(2) of UP Act No 28 of 1976.

purposes, such need shall be deemed sufficient for the purpose of clause (a).

Clause (iv)

"the fact that the building under tenancy is part of a building the remaining part thereof is in occupation of the landlord for residential purposes, shall be conclusive to prove that the building is bona fide required by the landlord."

8. Turning our attention to sub-section 8 of the Act, a perusal thereof reveals that the requirement of *bonafide* need is stipulated thereby to be inapplicable in cases where the State Government or local Government or a public sector corporation or an educational institution is the tenant. This Rule is however qualified by recognising that there are two situations in which even the above named tenants can be asked to leave the premises i.e., *one* when the landlord relocates to the locality of the tenancy after conclusion of their source of employment at other city/town and *second*, where the above named tenants are in part occupation of the particular premises and the landlord retains the other parts thereof for his own use and subsequently needs the remainder of the property. Given that only particular situations were provided for where the tenants as above could be asked to vacate, in order to balance the scales which are otherwise heavily tilted towards the tenants, the *proviso* to the Section stipulated that the landlord could apply for enhancement of rent *albeit* even this was circumscribed-to one-twelfth of ten percent of market value of the building. The next enhancement can only be made after five years of the previous enhancement order. By way of the 1976 amendment however, even these two exceptional scenarios were removed. Now, the abovenamed tenants cannot be removed other than specified grounds set up in the statute. Only application for enhancement of rent can be made.

Before answering the question framed by us in the order issuing notice, it is important to note that sub-section 7 and 8 of Section 21 of the Act were brought in through the very same amendment that removed clause (ii) and (iv) of explanation of sub-section (1) The reason and logic for the same is incomprehensible. Be that as it may, we proceed further. The conclusion is that the *proviso* is the only recourse available to the landlord and *bonafide* requirement as a ground stands completely extinguished. To answer the question strictly as it was posed, we hold that the deletion of clauses (ii) and (iv) does not impact the operationality of the *proviso*. We are of this firm view for the reason that if the contention of the appellant-State is accepted in so far as the interpretation of the clause is concerned it would amount to virtually making the tenant into the landlord. No *bonafide* requirement; no enhancement of rent: means no way for the landlord to reclaim his own property either physically or financially. No provision can be read so restrictively only because on the other side of the equation, is the Government itself which would defeat the very purpose of the landlord-tenant relationship.

9. The next question we are required to consider is whether the High Court under Article 227 could have ordered the enhancement of rent. Following are the aspects regarding exercise of this power as can be understood from a perusal of a number of judgments of this Court.

[*See: Ouseph Mathai v. M. Abdul Khadir, (2002) 1 SCC 319; State v. Navjot Sandhu, (2003) 6 SCC 641; Surya Dev Rai v. Ram Chander Rai, (2003) 6 SCC 675; Waryam Singh v. Amarnath AIR 1954 SC 215; L. Chandra Kumar v. Union of India, (1997) 3 SCC 261; Laxmikant Revchand Bhojwani v. Pratapsing Mohansingh Pardeshi [(1995) 6 SCC 576]; Koyilerian Janaki v. Rent Controller (Munsiff) [(2000) 9 SCC 406; Shalini Shyam Shetty [(2010) 8 SCC 329*]

(i) High Courts being the apex of the judiciary in the State, have been conferred a power of superintendence over the courts and tribunals in their jurisdiction;

(ii) Although this power has found pride of place in the Constitution and is even recognised as a part of the basic structure, its origins are found somewhere in the Government of India Act 1915. Under the successor legislation, Government of India 1935, the scope of this power was limited to be exercised in those cases where the power of appeal or revision had not been provided for, but the power as came to be adopted by the Constitution framers removed that limitation and made it a generally exercisable power.

(iii) They are tasked with the responsibility to ensure that each Court/Tribunal functions within the confines of the power as provided by the governing statute;

(iv) The overarching principle for exercise f the power is not the correctness of a particular decision but the effect of the decision in terms of abuse of power, dereliction of duty or perpetration of grave injustice to parties;

(v) Three scenarios are often recognised as being justified exercises of this supervisory power:- ***(a)*** where the Court or Tribunal has exercised

power that it does not possess; ***(b)*** it has failed to exercise power that it does have; and ***(c)*** where the manner of exercise of power has amounted to transgression of jurisdiction.

(vi) Given the above limits, the power is to be exercised cautiously and sparingly and not at all as a power of appeal;

(vii) Owing to its constitutional origin, statutorily placed limitations on powers such as revision, will not affect this power;

(viii) A Court can exercise this power on its own motion, both administratively and judicially however, the same is not meant to substitute the decision of the High Court for that arrived at by the Court or Tribunal subject to its supervision;

(ix) Much like Article 226, this power is also discretionary in nature and does not confer a right upon any litigant to have it exercised by the court;

(x) With specific reference to property or rent it may be noted that the Court under this power is, in the case of the former limited to cases where there is some statutory infraction or alleged collusion with the concerned Authority. In the case of the latter, it has been held that routine exercise of this power would be unwarranted since the special statute provides for the manner of exercise of powers by a particular Authority.

10. In light of the above principles it be observed that although the interference of the High Court under Article 227 in rent matters is not completely barred, it is to be exercised judiciously, sparingly particularly since rent control legislations are considered to be special laws. In this case, it is submitted by the appellant-tenants that there exists no material on record on which the impugned order can stand, or in other words that the respondent-landlords had not appended any material to conclusively show that an adjoining premises was taken on rent at the rate of Rs.14 per sq. ft. It was a mere statement by the respondent- landlords' counsel, and it is specifically recorded that the latter would be satisfied if this is done. There is no statement opposing this or even accepting the same recorded on behalf of the appellant-tenants.

11. In the result, we hold that an application for enhancement of rent made under the proviso of Section 21(8) of the Act is permissible and maintainable. We also hold that the High Court can in exceptional circumstances exercise its supervisory power in matters arising out of rent control legislations however in the facts of this case, and in view of the absence of material on record, the impugned judgment is set aside.

12. Having concluded thus and before parting with the matter we do however record that the learned Single Judge's hesitation in remanding the matter to the Rent Control Officer, Bahraich, was quite possibly well founded in as much as it would have taken a long time for the matter to have been conclusively decided once again and as such while we do remand the matter to the above said Authority to decide the question of rent payable by the appellant-tenants afresh as also the particulars as pointed out by the Appellate Authority in its order dated 28th March 2016, we direct that the same shall be decided within four months from

the date of this order. The order once made, shall be applicable from the date of the institution of the original application in the year 2008.

The appeals are allowed to the aforesaid extent. Let a copy of this order be communicated through the Registrar General, High Court of Judicature at Allahabad to the Rent Control Officer, Bahraich for necessary follow up action.

Pending application(s) if any shall stand disposed of. Parties to bear their own costs.

……..J.
(SANJAY KAROL)

……J.
(NONGMEIKAPAM KOTISWAR SINGH)

New Delhi;
May 29, 2026