

STATEMENT OF OBJECTS AND REASONS

The operation of the Rent Control Legislations, as are today in various States, suffers from major weaknesses and has led to various unintended consequences. Some of the deleterious legal consequences include mounting and unending litigation, inability of the courts to provide timely justice, evolution of practices and systems to bypass the operations of rent legislations and steady shrinkage of rental housing market.

2. The Supreme Court, taking note of the precarious state of rent litigation in the country, in the case of *Prabhakaran Nair and others Vs. State of Tamil Nadu* (Civil Writ Petition 506 of 1986 and other writs) observed that the Supreme Court and the High Courts should be relieved of the heavy burden of rent litigation. Tiers of appeals should be curtailed. Laws should be simple, rational and clear. Litigations must come to end quickly. The idea of a National Rent Tribunal on an all-India basis with quicker procedure should be examined.

3. It is proposed to amend article 323B in Part XIVA of the Constitution so as to give timely relief to the rent litigants by providing for setting up of State-level Rent Tribunals in order to reduce the tiers of appeals and to exclude the jurisdiction of all courts, except that of the Supreme Court, under article 136 of the Constitution.

4. The Bill seeks to achieve the aforesaid objects.

NEW DELHI;

SHEILA KAUL.

The 25rd June, 1992.