

REPORT ON RENT RESTRICTION LAWS

In its meeting held on the 5th December, 1991 the Pakistan Law Commission directed its Secretariat to review the rent restriction legislation in Pakistan. The Commission took this step following receipt of information to the effect that litigation pertaining to rent disputes is on the rise and that the current huge backlog of cases in the courts may be partly attributed to this factor. The Commission noted with concern the fact that in the urban areas of the country, disputes between the landlord and tenant account for more than 1/3 of the total cases pending in the courts. The Commission observed that huge pendency and the increasing trend towards litigation, besides sapping the productive energies of our people, also cause social disorder in the society by creating bad blood, acrimony and bitterness among the parties. The Commission, therefore, asked the Secretariat to re-examine the rent restriction laws of the country and suggest proposals for rectifying the anomalies and removing loopholes in the system. The Commission wanted the proposed draft to contain, inter alia, the following suggestions:

- 1- In order to make the laws more effective, necessary role/powers should be given to the appellate courts for helping the parties to amicably resolve their dispute.**
- 2- To remove the prevailing anomalies in various rent restriction laws applicable in the provinces.**
- 3- For the sake of uniformity, beneficial and good-working provisions currently present in the laws of some provinces may be transcribed to the laws of other provinces.**

Consequently, the Secretariat prepared a draft report on the subject which was examined and approved by the Commission in its meeting held on December 26-31, 1992, at Lahore.

Before discussing the above-mentioned parameters, it would be beneficial to view the landlord-tenant relationship in its historical context and trace the evolution of rent restriction legislation in Pakistan.

In the sub-continent the first attempt to regulate the landlord-tenant relationship goes back to 1882, when the British Government passed and promulgated the Transfer of Property Act, 1882. The eviction of tenant and extinction of tenancy was regulated by Section 106 of the Act. The Act stipulated that a tenant acquiring immovable property for agriculture or manufacturing purposes may be evicted on 6 months notice. On the other hand a tenant acquiring premises for residential or business purposes may be evicted on 15 days notice. Under the law, the landlord/lessor had the right to seek eviction of the tenant, through the court without assigning any reasons or grounds for the same.

The concept of putting fetters on the rights of the owner of property was conceived and enforced during the Second World War, when there occurred shortage of accommodation in the major cities of India and the Government felt the need of making necessary legislation in the area not only to regulate the rents of premises but also to restrict the right to lease of the owners. Rent-control legislation was also necessitated by the problems created by industrialisation, urbanisation and increase in population.

The first enactment on the subject came in the shape of Punjab Urban Rent Restriction Act, 1941. This was followed by the NWFP House Rent Control Act, 1946. The law was soon substituted by a new Act, titled, Punjab Urban Rent Restriction Act, 1947, which for the first time put restrictions on the rights of landlord to evict tenants at will. The Act further restricted unilateral increase in rent. The Act created Special Tribunal for settlement of disputes between the landlord and tenant. The 1947 Act was again replaced by the Punjab Urban Rent Restriction Act, 1949 which was subsequently amended by the Punjab Act XVI of 1952. In due course of time the NWFP also received a new Act, called, NWFP Premises (Requisition and Eviction) Act, 1953.

The rent-restriction law in Sind followed the pattern of Punjab legislation. Here the Sind Rent Restriction Act, 1952 was promulgated. This law, however, covered only a few urban areas of Sind Province. Karachi was of course excluded from its operation

where a separate law, namely, the Karachi Rent Restriction Act, 1953 was made applicable.

In 1956, following the creation of one unit and the consolidation of all Provinces into a single Province, called West Pakistan, all the prevalent rent restriction acts were repealed and replaced by a new one, called West Pakistan Urban Rent Restriction Ordinance, 1956. This was followed by the West Pakistan Urban Rent Restriction Act, 1957 which was finally replaced by the West Pakistan Urban Rent Restriction Ordinance, 1959. This new Ordinance remained in operation till 1970, when one unit was dissolved. This Ordinance was later on through adaptation orders adopted by the provinces of Punjab, Sind, NWFP and Baluchistan. The Ordinance remains in operation till date. As and when the need arise, various provinces do introduce necessary changes to this law. In 1979, however, the Sind Province adopted a new law on the subject, titled the Sind Rented Premises Ordinance, 1979. As far Cantonment areas in the country, they are governed by the Cantonments Rent Restriction Act, 1963.

The main object of all these Acts/Ordinances is to regulate relationship between the landlord and tenant with a view to protect the rights and interests of both. These laws are considered to be remedial in character and beneficial to the parties, however, in essence and actual operation they are prohibitive and restrictive, interfering with the contractual rights and obligations of the parties. Notwithstanding the frequent amendments/changes to the law and their periodic replacements by new Acts, these laws neither reflect an improvement in the relationship between the landlord and tenant nor speak of any let up in the litigation before the courts. This clearly points to the fact that these laws have failed to achieve the object of creating a fair and just balance in the relationship between the landlord and tenant, thereby losing their rationale and relevance. Therefore, with a view to stem the rot and retrieve the situation from becoming alarming, the Pakistan Law Commission is suggesting the following amendments to the law. These amendments, we hope, will help bring about an improvement in the relationship between the landlord and tenant and ease the pressure on courts.

1- Condonation of First Default

In 1972 through an amendment to the NWFP Rent Restriction Ordinance, a new proviso was added thereto, which provided relief to a tenant having defaulted in the payment of rent for the first time. A similar provision was added in 1985 in the Rent Restriction Ordinance of Baluchistan Province. The proviso states that if a tenant to the proceeding, who is not a habitual defaulter, admits his liability to pay on the first day of hearing, the Controller shall direct him to deposit the rent due and reject the application against him. The Commission considered this proviso and came to the conclusion that it is a beneficial provision and should be recommended for adoption by the other provinces. The Commission observed that this provision would defeat the machinations of those clever and manipulative landlords who resort to various techniques, including refusing to accept the payment of rent, so as to make the tenant a defaulter and start eviction proceedings against him. Accordingly, the Commission recommends that the proviso to section 13(2)(vi) of the NWFP Rent Restriction Ordinance be added to the Punjab Urban Rent Restriction Ordinance, Sind Rented Premises Ordinance and the Cantonment Rent Restriction Act. The Commission further recommends that in all the provinces and Cantonment areas this proviso should be further subjected to two conditions:

- (i) the default must not have exceeded six months; and
- (ii) the proviso should be applicable in the event of proceedings having commenced for the eviction of the tenant on the sole ground of default. If the proceedings have commenced on multiple grounds, the ground of default would be deleted from the proceedings and the case would proceed on other grounds.

2. Exclusion of spouse for Initiating Eviction Proceedings on the Ground of Personal Requirement.

The Commission noticed with concern the defect in present legislation whereunder the spouse of landlord is excluded from initiating eviction proceedings for taking possession of a residential or non-residential building on the ground of personal requirement. In this respect the Commission favoured the provision as laid down in

Section 15(2)(vii) of the Sind Rented Premises Ordinance, 1979 which provides that the premises may be vacated if required for the personal use of the landlord or his/her spouse or his/her children. It was decided that for the sake of uniformity and with a view to eliminate discrimination in the matter, similar provisions should be introduced in the rent restriction laws of other provinces and Cantonment areas.

3. Widening the Mode of Payment of Arrears of Rent or the Approximate Rent.

The present procedure of requiring the tenant to deposit rent in the court has opened a flood gate of corruption. This is an ordeal through which both the landlord and tenant have to go during the pendency of proceedings. This procedure of deposit and withdrawal of rent through the court is not only cumbersome but also an extra burden on the court as they have to dispose of many such applications daily. Complaints of the lower staff of the courts being involved in corruption in such cases have also come to light. This state of affairs undoubtedly brings a bad name to the judiciary. The Commission, therefore, proposes necessary changes to the various statutes on rent restriction and recommends that arrears of the rent or the approximate rent may be made payable to the landlord through any of the following methods:

- (i) through pay order; or
- (ii) by any other mode agreed to by the parties; or
- (iii) as directed by the Rent Controller.

The Commission further recommends that consequential amendment should be made whereby any excess payment made to the landlord should be subject to adjustment in the future rent, on the principle laid down in Section 12 of the Punjab/NWFP/Baluchistan Rent Restriction Ordinances.

4. Appointment of Judicial Officers as Rent Controllers in Cantonment areas.

The practice of appointment of executive officers as Rent Controllers under Section 2(d) of the Cantonment Rent Restriction Act, 1963 was disapproved by the Commission. Although the Rent Controller is not a court within the meaning of Section 141 of CPC, yet he is required to act judicially in discharging his functions. He is bound by the instructions issued by the High Courts with regard to the writing of judgments and drawing up of decrees. While deciding the disputes, he is required to follow the law and is not permitted to act in an arbitrary fashion. He is further required to apply his mind to the case carefully and give reasons for reaching his decision. The Commission feels that all these attributes are inculcated in the judicial officers by their qualifications, training and experience. The Commission further observed that the constitutional provision with regard to the separation of judiciary from the executive makes it imperative that executive officers should not perform duties of judicial nature. Accordingly, the Commission recommends that the Federal Government should appoint judicial officers as Rent Controllers under Section 2(d) of the Cantonment Rent Restriction Act in Cantonment areas.

5. Additional Powers to Appellate Courts

Before discussing the powers which are to be entrusted to the appellate courts, the Commission feels that in line with the provisions of the Sind Ordinance as well as the Cantonment Rent Restriction Act, rent appeals should be preferred to the High Court and not the District Court as is the case presently in the Provinces of Punjab, NWFP and Baluchistan. The change is necessary as the losing party invariably reaches the High Court under its writ jurisdiction. It causes tremendous expense to the parties and wastes the precious time of the courts. The Commission, however, conscious of the fact that this recommendation will increase the present work load of the High Courts, proposes as follows:

- 1- the vacant posts in High Courts should be filled as soon as possible;
- 2- the Commission feels that powers of conciliation should be given to the appellate courts (High Courts) for effecting a compromise between the

parties before passing any final order. In case the conciliation efforts are not fruitful, then the court may pass any order it deems fit;

- 3- the Commission is of the view that bulk of the cases are filed due to the failure of parties to agree on the fixation of a fair rent. There are statutory provisions available for the fixation of fair rent for residential and non-residential buildings, however, the formula for enhancement of rent in respect of such buildings is not satisfactory as it does not cater for the rate of inflation and the rise in the cost of living. Consequently, because of this defect litigation is on the increase. Such a situation is vitiating the social atmosphere and is creating class hatred between the landlord and tenant. Demand from the landlord to increase rent according to the market rates leads the parties to litigation, and such litigation may prolong to years, in some cases, 15 to 20 years. During this pendency, the tenant enjoys the occupation of the property at the rent initially agreed to. The Commission takes the view that this state of affairs is undesirable and leads to unnecessary conflict and tension in the society. To rectify the situation, the Commission recommends that the appellate court (High Court), before passing the final order of eviction, should permit the tenant to keep the tenancy on the enhanced rent, as determined by the appellate court after considering the following:

- i. the provisions of law relating to fair rent;
- ii. rent determined by the parties by way of compromise;
- iii. rent determined by the appellate court as it deems fit.

Based on the above-mentioned recommendations the Commission proposes the following draft Amendment Acts on the subject.

CANTONMENT RENT RESTRICTION (AMENDMENT) ACT 1993

An Act further to amend the Cantonment Rent Restriction Act, 1963.

Whereas it is expedient further to amend the Cantonment Rent Restriction Act, 1963 (XI of 1963), for the purposes hereinafter appearing;

It is hereby enacted as follows:

- 1. Short title and commencement.- (1) This Act may be called the Cantonment Rent Restriction (Amendment) Act, 1993.
(2) It shall come into force at once.**

- 2. Amendment of Section 2, Act XI of 1963.- In the Cantonment Rent Restriction Act, 1963 (XI of 1963), hereinafter called the said Act, in Section 2, for clause (d) the following shall be substituted, namely,**

"(d) Controller means a judicial officer appointed by the Federal Government under sub-section (1) of Section 6".

- 3. Amendment of Section 17, Act XI of 1963.- In the said Act, in Section 17,-(a) in sub-section (2), in clause (i), the following proviso shall be added, namely,**

"Provided that where the application made by the landlord is on the sole ground mentioned in clause (i) and the tenant on the first day of hearing admits his liability to pay the rent claimed from him, the Controller shall, if he is satisfied that the tenant has not made such default on any previous occasion and the default is not exceeding six months, direct the tenant to pay all the rent claimed from him on or before a date to be fixed for the purpose and upon making such payment he shall make an order rejecting the application".

Explanation.- If the application is coupled with other grounds this proviso shall not be applicable.

(b) in sub-section (4), in clause (b), in sub-clause (i) after the word "use" the words "or spouse or any of his children" shall be inserted;

(c) after sub-section (8), the following new proviso shall be added, namely,

"Provided that the Controller may direct that the arrears of rent and approximate rent may be paid to the landlord through pay order, or by any other mode agreed to by the parties, or as directed by the Controller."

4. **Amendment of Section 24, Act XI of 1963.-** In the said Act, in Section 24, after sub-section (3) the new sub-sections (3-A) and (3-B) shall be added, namely,

"(3-A) The Appellate Court may, at any stage of appeal attempt to effect a compromise between the parties."

"(3-B) The Appellate Court may, where it deems fit, before passing a final order, allow the tenant to continue his tenancy subject to payment of enhanced rent fixed by the Court."

STATEMENT OF OBJECTS AND REASONS

These recommendations of the Pakistan Law Commission seek to amend the Cantonment Rent Restriction Act, 1963.

(a) to provide an opportunity to the tenant to continue his tenancy on the payment of rent claimed from him by the landlord if the period of default

occurring for the first time does not exceed six months and the application for his ejection is made on the sole ground of default;

- (b) that the appellate Court shall also have the powers to order for enhancement of rent instead of ejection as it may deem fit;**
- (c) in order to consider the ground of ejection for the use of his spouse and any children of the landlord;**
- (d) in order to bring this law in conformity with other rent laws in force in the country, the Controller shall be a Judicial Officer.**
- (e) to lay down the mode of payment of rent.**

THE PUNJAB URBAN RENT RESTRICTION (AMENDMENT) ACT, 1993

An Act further to amend the Punjab Rent Restriction Ordinance, 1959.

Whereas it is expedient further to amend the Punjab Rent Restriction Ordinance, 1959 (VI of 1959), for the purposes hereinafter appearing;

It is hereby enacted as follows:

- 1. Short title and commencement.- (1) This Act may be called Punjab Urban Rent Restriction (Amendment) Act, 1993.
(2) It shall come into force at once.**

- 2. Amendment of Section 13, Ordinance VI of 1959.- In the Urban Rent Restriction Ordinance, 1959 (VI of 1959), hereinafter called the said Ordinance in Section 13,-**

(i) in sub-section (2), after the existing proviso the following proviso shall be added namely:

"Provided that where the application made by the landlord is on the sole ground mentioned in clause (i) and the tenant on the first day of hearing admits his liability to pay the rent claimed from him, the Controller shall, if he is satisfied that the tenant has not made such default on any previous occasion and the default is not exceeding six months direct the tenant to pay all the rent claimed from him on or before a date to be fixed for the purpose and upon making such payment he shall make and order rejecting the application".

Explanation.- If the application is coupled with other grounds this proviso shall not be applicable.

(ii) in sub-section (3) (a).-

(a) in clause (i), in sub-clause (a), after the words "occupation of" the words "his spouse or" shall be inserted; and

(b) in clause (ii), for the existing sub-clause (a) the following sub-clause(a) shall be substituted, namely,

"(a) he requires it in good faith for his own use, or for the use of his spouse, or any of his children";

(iii) after sub-section (6), the following new proviso shall be added,
namely,

"Provided that the Controller may direct that the arrears of rent and approximate rent may be paid to the landlord through pay order, or by any other mode agreed to by the parties or as directed by the Controller."

3. Amendment of Section 15, Ordinance VI of 1959.- In the said Ordinance, in Section 15,-

(a) in sub-section (1), for the words and comma "District Judge having jurisdiction over the area where the building or rented land in relation to which the order is passed, is situated" the words "High Court" shall be substituted;

(b) the sub-section (2) shall be omitted;

(c) the sub-section (3) shall be omitted;

(d) in sub-section (4) for the words "appellate authority" the words "High Court" shall be substituted;

(e) in sub-section (5) for the words "appellate authority" the words "High Court" shall be substituted'

(f) the sub-section (6) shall be omitted;

(g) in sub-section (7) for the words "the appellate authority or the High Court, as the case may be," the words "the High Court" shall be substituted;

(h) after sub-section (7), the following new sub-section (7-A) and (7-B) shall be added, namely,

"(7-A) The High Court may, at any stage of appeal attempt to effect a compromise between the parties".

"(7-B) The High Court may, where it deems fit, before passing a final order allow the tenant to continue his tenancy subject to payment of enhanced rent fixed by the Court."

(i) in sub-section (8), after the words "Controller", the words "the appellate authority" shall be omitted;

STATEMENT OF OBJECTS AND REASONS

These recommendations of the Pakistan Law Commission seek to amend the Punjab Urban Rent Restriction Ordinance, 1959,-

- (a) to provide an opportunity to the tenant to continue his tendency on the payment of rent claimed from him by the landlord if the period of default occurring for the first time does not exceed six months and the application for his ejection is made on the sole ground of default;

- (b) that the appellate Court shall also have the powers to order for enhancement of rent instead of ejection as it may deem fit;**
- (c) in order to consider the ground of ejection for the use of his spouse and any children of the landlord;**
- (d) that the appeal shall lie in the High Court against the order of Controller;
and**
- (e) to lay down the mode of payment of rent.**

SIND RENTED PREMISES (AMENDMENT) ACT, 1993

An Act further to amend the Sind Rented Premises Ordinance, 1979.

Whereas it is expedient further to amend the Sind Rented Premises Ordinance, 1979 (XVII of 1979), for the purposes hereinafter appearing;

It is hereby enacted as follows:

- 1. Short title and commencement.- (1) This Act may be called the Sind Rented Premises (Amendment) Act, 1993.**
- 2. Amendment of Section 15, Ordinance XVII of 1979.- In the Sind Rented Premises Ordinance, 1979 (XVII of 1979), hereinafter called the said Ordinance, in section 15, in sub-section (2), in clause (ii), the following proviso shall be added, namely,**

"Provided that where the application made by the landlord is on the sole ground mentioned in clause (ii) and the tenant on the first day of hearing admits his liability to pay the rent claimed from him, the Controller shall, if he is satisfied that the tenant has not made such default on any previous occasion and the default is not exceeding six months, direct the tenant to pay all the rent claimed from him on or before a date to be fixed for the purpose and upon such payment being made he shall make an order by rejecting the application".

Explanation.- If the application is coupled with other grounds this proviso shall not be applicable.

- 3. Amendment of Section 16, Ordinance XVII of 1979.- In the said Ordinance, in Section 16, in sub-section (i) the following new proviso shall be added namely,**

Provided that the Controller may direct that the arrears of rent and approximate rent may be paid to the landlord through pay order, or by any other mode agreed to by the parties, or as directed by the Controller.

- 4. Amendment of Section 21, Ordinance XVII of 1979.- In the said Ordinance, in Section 21, after sub-section (3), the following new sub-sections (4) and (5) shall be added, namely,**

"(4) The Appellate Court, may at any stage of appeal attempt to effect a compromise between the parties".

"(5) The Appellate Court may, where it deems fit, before passing a final order allow the tenant to continue his tenancy subject to payment of enhanced rent fixed by the Court".

STATEMENT OF OBJECTS AND REASONS

These recommendations of the Pakistan Law Commission seek to amend the Sind Rented Premises Ordinance, 1979.

- (a) to provide an opportunity to the tenant to continue his tenancy on the payment of rent claimed from him by the landlord if the period of default occurring for the first time does not exceed six months and the application for his ejection is made on the sole ground of default;**
- (b) that the appellate Court shall also have the powers in order for enhancement of rent instead of ejection as it may deem fit;**
- (c) in order to consider the ground of ejection for the use of his spouse and any children of the landlord;**
- (d) to lay down the mode of payment of rent.**

NWFP URBAN RENT RESTRICTION (AMENDMENT) ACT, 1993

An Act further to amend the Urban Rent Restriction Ordinance, 1959.

Whereas it is expedient further to amend the Urban Rent Restriction Ordinance, 1959 (VI of 1959), for the purposes hereinafter appearing;

It is hereby enacted as follows:

- 1. Short title and commencement.- (1) This Act may be called NWFP Urban Rent Restriction (Amendment) Act, 1993.
(2) It shall come into force at once.**

- 2. Amendment of Section 13, Ordinance VI of 1959.- In the Urban Rent Restriction Ordinance (VI of 1959), hereinafter called the said Ordinance, in Section 13,-**

(i) in sub-section (2), in the second proviso,-

(a) after the word "occasion" the words "and the default is not exceeding six months" shall be inserted; and

(b) after the proviso the following explanation shall be added, namely,

Explanation.- If the application is coupled with other grounds this proviso shall not be applicable.

(ii) in sub-section (3) (a).-

(b) in clause (i), in sub-clause (a), after the words "occupation of" the words "his spouse or" shall be inserted; and

(c) in clause (ii), for the existing sub-clause (a) the following sub-clause (a) shall be substituted, namely,

"(a) he requires it in good faith for his own use, or for the use of his spouse, or any of his children";

(iii) after sub-section (6), the following new proviso shall be added, namely:

"Provided that the Controller may direct that the arrears of rent and approximate rent may be paid to the landlord through pay order, or by any other mode agreed to by the parties, or as directed by the Controller".

3. Amendment of Section 15, Ordinance VI of 1959.- In the said Ordinance, in Section 15,-

(a) in sub-section (i), for the words and comma "District Judge having jurisdiction over the area where the building or rented land in relation to which the order is passed, is situated" the words "High Court" shall be substituted;

(b) the sub-section (2) shall be omitted;

(c) the sub-section (3) shall be omitted;

(d) in sub-section (4) for the words "appellate authority" the words "High Court" shall be substituted;

(e) in sub-section (5) for the words "appellate authority" the words "High Court" shall be substituted;

(f) the sub-section (6) shall be omitted;

- (g) in sub-section (7) for the words "the appellate authority or the High Court, as the case may be," the words "the High Court" shall be substituted;
- (h) after sub-section (7), the following new sub-sections (7-A) and (7-B) shall be added, namely,

"(7-A) The High Court may, at any stage of appeal attempt to effect a compromise between the parties".

"(7-B) The High Court may, where it deems fit, before passing a final order allow the tenant to continue his tenancy subject to payment of enhanced rent fixed by the Court.
- (i) in sub-section (8), after the words "Controller", the words "the appellate authority" shall be omitted;

STATEMENT OF OBJECTS AND REASONS

These recommendations of the Pakistan Law Commission seek to amend the NWFP Urban Rent Restriction Ordinance, 1959.-

- (a) to put a condition in the law to the effect that the tenant may continue his tenancy on the payment of rent due from him if the period of default occurring for the first time does not exceed six months and the application for his ejection is made on the sole ground of default;
- (b) that the appellate Court shall also have the powers to order for enhancement of rent instead of ejection as it may deem fit;
- (c) in order to consider the ground of ejection for the use of his spouse and any children of the landlord;

- (d) that the appeal shall lie in the High Court against the order of Controller;
and**
- (e) to lay down the mode of payment of rent.**

BALUCHISTAN URBAN RENT RESTRICTION (AMENDMENT) ACT, 1993

An Act further to amend the Urban Rent Restriction Ordinance, 1959.

Whereas it is expedient further to amend the Urban Rent Restriction Ordinance, 1959 (VI of 1959), for the purposes hereinafter appearing;

It is hereby enacted as follows:

- 1. Short title and commencement.- (1) This Act may be called Baluchistan Urban Rent Restriction (Amendment) Act, 1993.
(2) It shall come into force at once.**

- 2. Amendment of Section 13, Ordinance VI of 1959.- In the Urban Rent Restriction Ordinance, 1959 (VI of 1959), hereinafter called the said Ordinance, in section 13,-**
 - (i) in sub-section (2), in the second proviso,-**
 - (a) after the word "occasion" the words "and the default is not exceeding six months" shall be inserted; and**
 - (b) after the proviso the following explanation shall be added, namely,**

Explanation.- If the application is coupled with other grounds this proviso shall not be applicable".

- (ii) in sub-section (3) (a).-**
 - (a) in clause (i), in sub-clause (a), after the words "occupation of" the words " his spouse or" shall be inserted; and**

(b) in clause (ii), for the existing sub-clause (a) the following sub-clause (a) shall be substituted, namely,

"(a) he requires it in good faith for his own use, or for the use of his spouse, or any of his children";

(iii) after sub-section (6), the following new proviso shall be added, namely,

Provided that the Controller may direct that the arrears of rent and approximate rent may be paid to the landlord through pay order, or by any other mode agreed to by the parties or as directed by the Controller".

3. Amendment of Section 15, Ordinance VI of 1959.- In the said Ordinance, in Section 15,-

(a) in sub-section (1), for the words and comma "District Judge having jurisdiction over the area where the building or rented land in relation to which the order is passed, is situated" the words "High Court" shall be substituted;

(b) the sub-section (2) shall be omitted;

(c) the sub-section (3) shall be omitted;

(d) in sub-section (4) for the words "appellate authority" the words "High Court" shall be substituted;

(e) in sub-section (5) for the words "appellate authority" the words "High Court" shall be substituted;

(f) the sub-section (6) shall be omitted;

- (g) in sub-section (7) for the words "the appellate authority or the High Court, as the case may be", the words "the High Court" shall be substituted;
- (h) after sub-section (7), the following new sub-sections (7-A) and (7-B) shall be added, namely, "(7-A) The High Court may, at any stage of appeal attempt to effect a compromise between the parties".

"(7-B) The High Court may, where it deems fit, before passing a final order allow the tenant to continue his tenancy subject to payment of enhanced rent fixed by the Court."

- (i) in sub-section (8), after the words "controller" the words "the appellate authority" shall be omitted.

STATEMENT OF OBJECTS AND REASONS

These recommendations of the Pakistan Law Commission seek to amend the Baluchistan Urban Rent Restriction Ordinance, 1959,-

- (a) to put a condition in the law to the effect that the tenant may continue his tenancy on the payment of rent due from him if the period of default occurring for the first time does not exceed six months and the application for his ejection is made on the sole ground of default;
- (b) that the appellate Court shall also have the powers to order for enhancement of rent instead of ejection as it may deem fit;
- (c) in order to consider the ground of ejection for the use of his spouse and any children of the landlord;

- (d) that the appeal shall lie in the High Court against the order of Controller;
and**
- (e) to lay down the mode of payment of rent.**