
(2000) 10 SC CK 0002

In the Supreme Court Of India

Case No : Civil Appeal No. of 2000 (Arising out of SLP (C) No. 7610 of 2000)

Krishan Singh Rana

APPELLANT

Vs

Haryana State Industrial Development

RESPONDENT

Date of Decision : 09-10-2000

Acts Referred:

State Financial Corporations Act, 1951 — Section 29

Citation : (2000) 10 SC CK 0002

Hon'ble Judges : Doraiswamy Raju, J;A.P. Misra, J

Bench : Division Bench

Final Decision : Allowed

Judgement

1. Leave granted.
2. Heard learned Counsel for the parties.
3. The Appellant case is, he is a tenant and has been paying rent to the landlord. He has filed the suit for permanent injunction against Respondent which is still pending in the Trial Court. The short point for consideration is, whether in view of proceedings u/s 29 of the State Financial Corporation Act whether the Court was right to refuse the injunction to the Appellant not to evict in a pending suit. The grievance of the Appellant tenant is, though the suit is still pending their refusal consequentially confers right on the Respondent to evict the Appellant which the Respondent have no jurisdiction while exercising powers u/s 29. The only right claimed by the Respondent is u/s 29 of the said Act. The Respondent case is, under this section he has power to recover dues including by selling the property but in view of this proceeding it is not able to sell this property. Learned Counsel for Respondent relies on U.P. Financial Corporation Vs Gem Cap (India) Pvt. Ltd. and Others wherein this Court held, that proceedings u/s 29. the Court should not interfere. This decision has no relevance nor applicable to the controversy raised in the present case.
4. In the present case question is, Respondent while proceeding u/s 29 could it

dispossess a tenant. The field of Section 29 is between Corporation and the owner. Respondent-Corporation can do all what is permissible to it u/s 29 as against owner, but as against tenant or person claiming such right could only be evicted in accordance with law by the owner now or owner who may subsequently come in, But u/s 29 Respondent cannot evict the Appellant.

5. The submission for the Respondent that the pendency of this suit is coming in its way to sell this property is misconceived. We do not find anything either is law or fact, which has been pointed out by the Respondent which restricts its right u/s 29 of sell the property. We do not find any merit in this submission.

6. Accordingly, we allow this appeal and set aside the orders passed by the High Court as well as by the two Courts below. However, any observation made by us is without prejudices to the rights of the parties in the suit which is pending before the Trial Court.

7. In view of what we have held this appeal is allowed. Costs on the parties.
Appeal allowed