



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

WRIT PETITION (L) NO.33254 OF 2024

Sagar Vinayak Bagade]	
Age: 28 years, Occ : Service,]	
R/o. Room No. 323, 3 rd Floor,]	
Siddharth SRA, CHS Ltd.,]	
Siddharth Nagar, Aliyaware Jun Marg,]	
Off. Western Express Highway,]	
Bandra (E), Mumbai - 400 051.]	...Petitioner

Versus

- | | | | |
|----|--|---|--|
| 1. | The Apex Grievance Redressal Committee, |] | |
| | Slum Rehabilitation Authority |] | |
| | New Administrative Building, |] | |
| | A.K. Marg, Bandra (E), |] | |
| | Mumbai - 400 051. |] | |
| 2. | Deputy Collector (Special Cell) |] | |
| | Slum Rehabilitation Authority, |] | |
| | Administrative Building, |] | |
| | Anant Kanekar Marg, Bandra (E), |] | |
| | Mumbai - 400 051. |] | |
| 3. | The Assistant Registrar, |] | |
| | Co-operative Societies (East & West Suburbs) |] | |
| | Slum Rehabilitation Authority |] | |
| | Building, |] | |
| | Ground Floor, A.K. Marg, Bandra |] | |
| | (E), Mumbai - 400 051. |] | |
| 4. | The Tahasildar-1, |] | |
| | (Special Unit) |] | |
| | Slum Rehabilitation Authority, |] | |
| | New Administrative Building, |] | |
| | A.K. Marg, Bandra (E), |] | |
| | Mumbai - 400 051. |] | |
| 5. | Siddheshwar SRA CHS Ltd. |] | |

- Situated at: CTS No. 618,]
 Siddharth Nagar, Aliyaware Jun Marg,]
 Off. Western Express Highway,]
 Bandra (E), Mumbai – 400 051.]
6. Vishnu Shivram Waghmare,]
 Age: Major, Occ: Business,]
 R/o. Flat No.12, Ground Floor,]
 Riddhi Siddhi SRA, CHS Ltd.,]
 Near Teacher Colony,]
 Bandra (E), Mumbai – 400 051.]
7. Smt. Baby Sitaram Shetty,]
 Age: Major, Occ: Household,]
 R/o. Maharashtra SRA CHS Ltd.,]
 Near Govt. Colony, Bandra (E),]
 Mumbai – 400 051.] ...Respondents

Mr. Nitin Gaware Patil a/w. Adv. Divyesh K. Jain for the Petitioner.

Mr. Vishwanath Patil a/w. Adv. Kedar Nhawkar for Respondent No.1.

Mr. Amogh Singh a/w. Adv. Santosh Pathak, Mr. Nimish Lotlikar for Respondent No.7.

CORAM : KAMAL KHATA, J.
RESERVED ON : 16th July, 2025.
PRONOUNCED ON : 31st July, 2025.

JUDGMENT:

- 1) This is a classic case in more ways than one.
- 2) This matter is “classic” because those who are assumed to be “poor” as residing in slums governed by the Maharashtra Slum Areas (Improvement, Clearance and Redevelopment) Act, 1971 (‘Slums Act’) and are given free housing are, in fact, not genuinely poor—an inference evident from the factual narration and averments

contained in the Petition.

3) By this Petition under Article 226 of the Constitution of India, the Petitioner challenges an Order dated 1st October 2024 passed by the Apex Grievance Redressal Committee ('AGRC')-Respondent No.1. (in Appeal No.96 of 2024) ("impugned Order"). The impugned Order confirmed the Order dated 28th March 2024 passed by the Deputy Collector (Special Cell)-Respondent No.2 under Section 33 of the Slums Act and directed eviction of the occupant from a premises bearing Room No.323, 3rd Floor, Siddheshwar CHS Ltd., Siddharth Nagar, Aliyaware Jung Marg, Bandra (E), Mumbai-51 ("*writ premises*"). The writ premises was allotted to one Mr. Vishnu Waghmare ("original allottee") a slum dweller under a Slum Rehabilitation Scheme ("SRS").

FACTUAL MATRIX:

4) The Petitioner claims to be a Class IV employee working with the Brihanmumbai Municipal Corporation ('BMC'). He claims to be a licensee in possession of the writ premises under a registered Leave and License Agreement (L&LA) executed with the original allottee, having paid a security deposit of ₹ 20,00,000/- in cash, which is recorded in the L&LA.

5) In contrast, Respondent No. 7 claims possession as a bonafide purchaser who has acquired title from the original allottee

with due permissions from the Slum Rehabilitation Authority ('SRA').

6) The Petitioner was residing with his grandmother late Mrs. Yashodhabai Bagade in adjoining tenements (Room Nos. 509 and 510) in the same building as the Mr. Waghmare. The Petitioner claims that his grandmother advanced a friendly loan of ₹ 16,50,000/- to the original allottee, for his catering business. As collateral, the original allottee executed a Leave and License Agreement dated 25th January 2019 and handed over possession of Room No. 323 to the Petitioner. The leave and license agreement for a period of three years i.e. from 1st February 2019 to 31st January 2022 as Mr Waghmare was expected to repay the loan within the stated period. Under a fresh agreement dated 20th July 2020, which was registered with Joint Sub Register, Andheri-05 as Document No. BDR16/4055/2020 an additional sum of ₹ 3,50,000/- was advanced to the Petitioner. The new leave and license agreement was for a period 1st February 2020 to 31st January 2022.

7) Subsequently, the Petitioner discovered that bank officials were visiting the premises to recover dues from the original allottee. It appears that, the original allottee had collected money from both parties. In this scenario, the Petitioner issued a legal notice for refund of the security deposit on 14th December 2020, followed by

further notices. The original allottee, in his reply dated 18th January 2021, admitted to the agreement and the Petitioner's possession and requested additional time to repay.

8) Instead of repaying the amounts, Mr. Waghmare lodged a complaint on at Kherwadi Police Station. The Petitioner responded on 30th June 2023 asserting his rights and non-receipt of the security deposit.

9) Meanwhile, the original allottee executed a Sale Deed dated 9th January 2023 in favour of Respondent No.7, who subsequently issued an eviction notice dated 20th June 2022.

PROCEEDINGS BEFORE THE AUTHORITIES

10) A complaint was filed by Respondent No.5 before the Assistant Registrar, who forwarded it to the Deputy Collector. Proceedings under Section 33 of the Slums Act were initiated. The Petitioner filed written submissions on 9th February 2024, contending that Section 33 had no application once the statutory period of 10 years had lapsed.

11) By Order dated 28th March 2024, the Deputy Collector directed eviction of the Petitioner, stating he was in unauthorised occupation. The Petitioner contended that the Slum authority ceased after the 10-year period and the tenement became freehold.

12) The Petitioner filed Appeal No. 96 of 2024 before the AGRC under Section 35 of the Slums Act. Due to non-availability of the Committee, the appeal remained pending.

13) In the interim, Tahsildar-1 issued a notice dated 24th June 2024, received on 3rd July 2024, seeking police protection for eviction. The Petitioner applied for urgent hearing. The AGRC listed the matter for 1st October 2024 but rejected the stay application.

14) The Petitioner then filed Writ Petition (L) No. 21377 of 2024 before this Court. By oral order dated 5th July 2024, the Court set aside the interim order and directed the AGRC to hear and decide the appeal by 30th September 2024, granting interim protection.

15) The Petitioner reiterated before the AGRC that Section 33 of the Slums Act was inapplicable, after expiry of the 10-year lock-in period, post allotment. The tenement, now freehold, was outside the jurisdiction of SRA, and any eviction must proceed under Section 42 of the Maharashtra Rent Control Act, 1999 ("Rent Act").

16) On 1st October 2024, the AGRC dismissed the appeal and upheld the Deputy Collector's Order.

17) The Petitioner challenges this on multiple grounds, including failure to consider that:

- i. Post the 10-year lock-in period, the writ premises

becomes freehold, consequently, Section 3E of the Slums Act was inapplicable,

ii. Eviction of a Licensee can be sought only under Section 42 of the Maharashtra Rent Control Act, 1999 ('Rent Act') Rent Act, and not under Section 33 of the Slums Act,

iii. Section 47 of the Rent Act provides express bar from eviction under any other Act.

18) The Petitioner further alleges that though Vishnu Waghmare was not even present on 9th August 2024, on the date of closing of the Order, his arguments are recorded in the Order dated 1st October 2024.

19) Mr. Nitin Gaware Patil, Counsel for the Petitioner, relied upon the following decisions:

- i. Ravi Dutt Sharma vs. Ratan Lal Bhargava¹
- ii. Shabana Mohammed Hanif Sorathia vs. Siddhique Mohammad Khan & Ors.²
- iii. Ritesh Haldar vs. Elite Housing LLP.³
- iv. Sarwan Singh vs. Shri Kasturi Lal⁴
- v. Vishal N. Kalsaria vs. Bank of India & Ors.⁵
- vi. Chimanlal Shah vs. Mrs. Farhana Abdul Jabbar Sayyad⁶

¹ (1984) 2 SCC 75.

² 2007 SCC OnLine Bom 1107.

³ COARBAPL (L) No.14486 of 2025.

⁴ (1997) 1 SCC 750.

⁵ (2016) 3 SCC 762.

⁶ 2009 (6) Mh.L.J. 598.

vii. Union of India & Anr. vs. G.M. Kokil & Ors.⁷

viii. Shri. Akhilesh Thakur vs. Hari @ Haribhau⁸

20) Mr. Patil contended that the Rent Act being subsequent legislation prevails over the Slums Act, citing *Sarwan Singh* and *Ravi Dutt Sharma* followed by the Bombay High Court in *Shabana Mohammed Hanif Sorathia* (supra) holding that the Bombay Rent Act will prevail over the Slums Act.

21) Mr. Patil lastly submitted that Respondent No.7, as successor-in-title, is bound to refund the security deposit. He therefore seeks that the Petition be made absolute.

22) *Per Contra*, Mr. Amogh Singh, learned Counsel for the Respondent No.7 submits that any argument founded on an erroneous premise is bound to fail. He contends that Section 3E of the Slums Act explicitly mandates that the transfer of an allotted tenement - including through a Leave and License Agreement - requires prior permission of the Slum Authority, even after expiry of the statutory 10-year lock-in period.

23) Referring to *Sarwan Singh* case (supra), he submitted that it was distinguishable on facts. Respondent-Kasturi Lal was a government employee and was asked to vacate his official

⁷ 1984 SCC OnLine SC 278.

⁸ WP No.764 of 2021.

government accommodation as he owned a residential house in Delhi. That house was rented to one Sarwan Singh and another. Kasturi Lal, the Respondent sought immediate possession under Section 14A of the Delhi Rent Control Act, 1958 and Sarwan Singh had objected citing Section 19 of the Slums Act which required prior permission for eviction in Slum area. The Court held that Section 14A and Chapter 3A of the Delhi Rent Act would override Section 19 and 39 of the Slums Act with an intent to cater to the legislatures intent to grant a special and immediate right to the government allottee to reclaim their properties thereby preventing the delay on account of the procedural requirements of the Slums Act.

24) Admittedly, in the present case, the Petitioner had failed to obtain any permission from the SRA for taking possession through a Leave and License Agreement. Consequently, the possession of the writ premises itself was unauthorised as per the Slums Act. Evidently, facts of the present case are clearly distinguishable from the decisions in *Sarwan Singh* case (supra) and therefore inapplicable.

25) Mr. Singh placed reliance on the decision in *Rajendra Vishwakarma vs. State of Maharashtra*⁹ to contend that Section 3E is a salutary provision, intended to prevent the commercialization of slum tenements by slum dwellers. He submitted that the High Court,

⁹ 2019 SCC Online Bom 740.

in the said decision, held that a violation of Section 3E can attract action under Section 33, and further clarified that a show cause notice or order need not specifically refer to Section 3E in order to be valid.

26) Relying on *Anthony Andrade vs. State of Maharashtra*¹⁰ Mr. Singh argued that the High Court held that a leave and license agreement is covered under the ambit of Section 3E in a similar situation.

27) Referring then to the case of *Harshaben Madhu vs. Addl Collector*¹¹, where the Court held that a person who is in possession of the premises without following provisions of Section 3E, then the possession itself is unauthorized and illegal, he submitted that such person in illegal occupation deserves to be evicted.

28) He further relied upon *RBANMS Educational Institution vs. B. Gunashekar & Anr.*¹² to contend that, the Supreme Court has held that any cash transaction over and above Rs.2,00,000/- brought to the notice of the Court, must be compulsorily be intimated to the IT Authority and such a person's claim should be investigated.

29) In light of the above he submitted that the Petition deserves to be dismissed with exemplary costs.

¹⁰ 2019 BHC-OS 18412.

¹¹ 2019 BHC-AS 13375.

¹² 2025 SCC OnLine 793.

30) Mr. Vishwanath Patil, learned Advocate for the Respondent No.1, lent support to the arguments of Respondent No.7 and submitted that, the Petitioner had failed to take permission from the SRA and consequently was in illegal occupation of the writ premises. In view thereof, the Petitioner was liable to be evicted.

31) He submitted that by virtue of the powers under Section 3E of the Slums act, the authorities have appropriately followed due process, by giving a hearing to the Petitioner, have decided the issue. Therefore, the Orders passed by the Deputy Collector as well as the AGRC cannot be faulted and deserve to be upheld. Accordingly, he submitted that, the Petition deserves to be dismissed.

32) Heard all three counsels and perused the papers.

33) The Petition raises several pertinent and troubling questions that warrant consideration:

- i. How did the Petitioner's grandmother come to be allotted two rooms in the same building?
- ii. Where was Vishnu Waghmare residing after having let out Room No. 323?
- iii. What was the extent of the borrowings made by Vishnu Waghmare from banks?
- iv. Is this an isolated instance, or merely one of the rare few

that have found their way into the courts? Is this an exception—or a reflection of a widespread and rampant practice?

v. Do such individuals genuinely qualify as beneficiaries of free housing under the guise of being slum dwellers?

34) All authorities entrusted with the implementation of the Slums Act must reconsider their approach. Allotment should confer only a right of occupation, and any right to transfer or monetize such tenements ought to be withdrawn. It is not difficult to foresee that the SRA and similar authorities vested with the power to permit transfers may begin to function as de facto landlords, extracting a premium for granting such permissions and thereby monetizing the premises. However, for the present, these questions are not being addressed.

35) The issue that arises for consideration is: whether upon being allotted a premises under an SRS after expiry of the stipulated ten years, the premises becomes freehold and transferable without application of the Slums Act?

36) In this context an examination of Section 3E of the Slums Act would be relevant. The Section is extracted herein for ready reference:

“3E. Restrictions on transfer of tenements

[(1)] The tenements allotted to the persons under the

*Slum Rehabilitation Scheme shall not be transferred by the allottee thereof by way of sale, gift, exchange, lease or otherwise for a period of first [five years] commencing from the date of allotment of the tenement. **After the expiry of the said period of [five years] the allottee may, with the permission of the Slum Rehabilitation Authority, transfer such tenement in accordance with the prescribed procedure.***

[(2) If the tenement is transferred by the allottee in contravention of the provisions of sub-section (1), the Competent Authority shall, by order, direct the eviction of the person in possession of such tenement in such manner and within such time as may be specified in the order, and for the purpose of eviction, the Competent Authority may use or cause to be used such force as may be necessary.

Provided that, before issuing any order under this sub-section, the Competent Authority shall give a reasonable, opportunity to such person to show cause why he should not be evicted therefrom.]”

[Emphasis supplied]

37) On a plain reading of the Section 3E (1) and (2) it is apparent that the premises does not become free from being governed under Slums Act after the expiry of the statutory 10-year lock-in period. The 10-year has now reduced to 5-year lock-in. The premises can be transferred only with the permission of the SRA and in accordance with the prescribed procedure.

38) Moreover, sub section 3E(2) empowers the Competent Authority to evict the person who obtains possession in contravention of the provisions of 3E (1) even with use of force. Thus, the foundation of the Petition untenable as it is premised on a misreading of the provisions of the Slums Act. Therefore, on this ground alone it deserves to fail.

39) I am in complete agreement with the view taken by this Court in *Rajendra Vishwakarma* (supra), *Anthony Andrade* (supra), *Harshaben Madhu* (supra).

40) However, to preclude any objection that the other contentions have not been addressed, I now proceed to deal with the case law relied upon.

41) The reliance placed on *Sarwan Singh* (supra) by the Petitioner is, in my view, misconceived. Far from supporting the Petitioner, the judgment in fact militates against their case. In paragraphs 20 and 21, the Hon'ble Supreme Court clearly holds that a later enactment must prevail over an earlier one. Section 3E was inserted into the Slums Act by Maharashtra Act 11 of 2012 with effect from 19 June 2012, whereas the Maharashtra Rent Control Act came into force on 31 March 2000. This crucial distinction has been overlooked by the Petitioner. Moreover, the decision is distinguishable even on facts—*Sarwan Singh* dealt with a

Respondent, Kasturi Lal, who was the owner of a house in a notified slum area. In contrast, the present case concerns Vishnu Waghmare, who was an original allottee under a Slum Rehabilitation Scheme (SRS).

42) The reliance placed on *Vishal N Kansaria* (supra) is also misconceived for the following reasons:

- i. The judgement is operating in the different field. The ratio of the judgement would not be applicable to the present case.
- ii. Referred case presumes that the premises were owned by the landlord and mortgaged to the bank. The present case it that of allotment under the SRS and governed under the provisions of the Slum Act.
- iii. The judgement does not consider the settled proposition of law that the later enactment must prevail over the earlier one.

43) The reliance placed on *Chimanlal Shah* (supra) is also misplaced. The judgement lays down the effect of non obstante clauses appearing in the Maharashtra Rent Control Act. It would be inapplicable as it does not consider the rights of an allottee of a tenement under the Slums Act.

44) The reliance placed on *Union of India* (supra) does not aid

the Petitioner; on the contrary, it supports the Respondent. The decision affirms that a non obstante clause is a legislative device employed to give overriding effect to specific provisions over contrary provisions that may exist either within the same enactment or in another statute. In the present case, the applicable law is the Slums Act, and the Petitioner's reliance on the Maharashtra Rent Control Act, 1999 is misplaced. The invocation of the non obstante clause in the Rent Act and the bar under Section 47 is therefore misconceived and inapplicable.

45) The reliance placed on *Shabana Mohammed Hanif Sorathia* (supra) which follows *Sarwan Singh* (supra) will also be of no avail to the Petitioner for the reasons stated herein above.

46) Lastly, the reliance placed on *Ritesh Haldar* (supra) is also distinguishable on the facts in as much as that was a case of a premises undergoing redevelopment and the present case is one of an allottee under the Slums Act.

47) I find that the concurrent orders passed by the Deputy Collector and the AGRC are in accordance with the law and have been rendered appropriately. There is no ground to interfere with the same, as the authorities have followed the due process contemplated under the Slums Act. The Slums Act is a special legislation enacted with a specific objective of rehabilitation and incorporates safeguards

such as Section 3E to prevent misuse and commercial exploitation of the allotted tenements.

48) Now in light of the decision in *RBANMS Educational Institution vs. B. Gunashekar & Anr.*¹³ the cash transaction of over and above Rs.2,00,000/- having come to the notice of the Court it would be imperative for the Court to intimate the IT Authority and direct investigation of the Petitioner's claim.

49) Let the Registry intimate the IT Authority about the Petitioner's claim and investigate the transaction of L&LA registered with the Joint Sub Register, Andheri-05 and bearing Registration No. BDR16/4055/2020 between the Petitioner and Mr. Vishnu Waghmare and take appropriate action against all concerned in accordance with law preferably within a period of six months from the date of uploading of this Order on the website of the Bombay High Court. The IT Authority is directed to file a compliance cum status report on or before 31st January 2026.

50) In my view, the present Petition is clearly an attempt to extract money from the bona fide purchaser, solely because the Licensor failed to refund the security deposit paid in cash. This amounts to a clear abuse of the judicial process. There is an evident vested interest in obstructing the handover of possession. The bona

¹³ 2025 SCC OnLine 793.

fide purchaser has been unnecessarily dragged into litigation over a non-issue. The Petition appears to be a litigative strategy aimed at depriving the bona fide purchaser of rightful possession. The Petitioner is fully aware that the transaction was illegal and that, if any cause of action exists, it lies against the licensee—not the bona fide purchaser. Even assuming the Petitioner was unaware at the time of filing the Petition, he was duly informed during the initial hearing. Despite this, he has chosen to continue prosecuting the Petition.

51) It is appropriate to reproduce the observations of the Hon'ble Supreme Court in *Dnyandeo Sabaji Naik v. Pradnya Prakash Khadekar*.

“13. This Court must view with disfavour any attempt by a litigant to abuse the process. The sanctity of the judicial process will be seriously eroded if such attempts are not dealt with firmly. A litigant who takes liberties with the truth or with the procedures of the Court should be left in no doubt about the consequences to follow. Others should not venture along the same path in the hope or on a misplaced expectation of judicial leniency. Exemplary costs are inevitable, and even necessary, in order to ensure that in litigation, as in the law which is practised in our country, there is no premium on the truth.

14. Courts across the legal system—this Court not being

*an exception—are choked with litigation. Frivolous and groundless filings constitute a serious menace to the administration of justice. They consume time and clog the infrastructure. Productive resources which should be deployed in the handling of genuine causes are dissipated in attending to cases filed only to benefit from delay, by prolonging dead issues and pursuing worthless causes. No litigant can have a vested interest in delay. Unfortunately, as the present case exemplifies, the process of dispensing justice is misused by the unscrupulous to the detriment of the legitimate. The present case is an illustration of how a simple issue has occupied the time of the courts and of how successive applications have been filed to prolong the inevitable. **The person in whose favour the balance of justice lies has in the process been left in the lurch by repeated attempts to revive a stale issue. This tendency can be curbed only if courts across the system adopt an institutional approach which penalises such behaviour. Liberal access to justice does not mean access to chaos and indiscipline. A strong message must be conveyed that courts of justice will not be allowed to be disrupted by litigative strategies designed to profit from the delays of the law. Unless remedial action is taken by all courts here and now our society will breed a legal culture based on evasion instead of abidance. It is the duty of every court to firmly deal with such situations. The imposition of exemplary costs is a necessary instrument which has to be deployed to weed out, as well as to prevent the filing of frivolous cases. It is only***

then that the courts can set apart time to resolve genuine causes and answer the concerns of those who are in need of justice. Imposition of real time costs is also necessary to ensure that access to courts is available to citizens with genuine grievances. Otherwise, the doors would be shut to legitimate causes simply by the weight of undeserving cases which flood the system. Such a situation cannot be allowed to come to pass. Hence it is not merely a matter of discretion but a duty and obligation cast upon all courts to ensure that the legal system is not exploited by those who use the forms of the law to defeat or delay justice. We commend all courts to deal with frivolous filings in the same manner.”

[Emphasis supplied]

52) Considering the above, the Petition has no merit and is dismissed with costs of ₹ 5,00,000/-.

(KAMAL KHATA, J.)

53) At this stage, the learned Advocate for the Petitioner prays that the operation and implementation of the present judgment be deferred for a period of four weeks to enable the Petitioner to challenge its correctness.

54) Mr. Singh, learned Counsel for the Respondent, strongly opposes the request, submitting that the ad-interim order was

obtained without notice to the Respondents. Considering the plight of the bona fide purchaser—who is being deprived of possession through no fault of his own, as elaborately discussed in the foregoing Order—the request is rejected.

(KAMAL KHATA, J.)