REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 2295 OF 2010

HARDEV SINGH …APPELLANT (S)

VERSUS

PRESCRIBED AUTHORITY,
KASHIPUR & ANR. …RESPONDENT(S)

WITH

CIVIL APPEAL NO. 2296 OF 2010

JAMALUDDIN & ORS. …APPELLANT(S)

VERSUS

STATE OF UTTARAKHAND & ORS. …RESPONDENT(S)

JUDGMENT

KRISHNA MURARI, J.

These appeals are directed against the common judgment and order dated 20.08.2008 passed by the High Court of Uttarakhand at Nainital (hereinafter referred to as 'High Court') dismissing the two Writ Petitions based on identical facts raising common questions of law, filed by the appellants herein. Writ

petitions arose out of proceedings under the Uttar Pradesh Imposition of Ceiling on Land Holdings Act, 1960 (hereinafter referred to as 'Act of 1960').

Facts

2. The factual matrix of two Civil Appeals being identical, reference is being made to the facts of Civil Appeal No. 2295 of 2010 which are as under:-

The Secretary of State for India executed a lease deed dated 25.08.1920 under the Government Grants Act, 1895 (Act No. 15 of 1895) in favour of one Lala Khushi Ram. On demise of Lala Khushi Ram, the lease hold rights were inhereted by 'Harikishan Lal', Respondent No. 2 herein, as a successor. He executed a registered sub-lease for agricultural purposes of an area measuring 2.49 acres in favour of the Appellants herein.

3. The Prescribed Authority, Kashipur (Respodent No.1 herein), issued a notice under Section 10(2) of the Act of 1960 to Respondent No. 2 herein, the Government Lessee, proposing to declare certain area of land held by him as surplus.

4. Vide order dated 28.07.1978, respondent no.1 declared the land measuring 2 Bigha 16 Biswa of Khasra No. 254, 1 Bigha 11 Biswa of Khasra No. 255, 8 Bigha 16 Biswa of Khasra No. 256 and 2 Bigha 16 Biswa of Khasra No. 257, total admeasuring 15 Bigha, 16 Biswa as surplus land in the hands of the Government Lessee. The land declared

surplus included the land sub-let to the appellant by Respondent No. 2, the Government Lessee.

5. On attaining knowledge of the fact that the land sub-let to him was included in the land declared surplus in the hands of Government Lessee, the appellant made an application under Section 11(2) of the Act of 1960, which came to be dismissed by Respondent No.1 on the ground that the appellant has no locus to maintain the said application. The appellant challenged the order by filing Writ Petition No. 9048 of 1979 which was allowed and the matter was remanded back to the Prescribed Authority to decide the objections filed by the appellant under Section 11(2) of the Act of 1960.

6. After remand, the Prescribed Authority again dismissed the application vide order dated 12.04.1982 mainly on following two grounds :-

(i) Possession of the appellant over the land in question is not reflected in the revenue records.

(ii) The conditions postulated in Clause 9 of the lease deed for transfer of land or portion thereof by the Government Lessee were not followed before creating a sub-lease in favour of appellant.

7. The aforesaid order was challenged by the appellant by way of Ceiling Appeal before the Additional District Judge, which also came to be dismissed vide order dated 27. 08. 1984. Consequently, the appellant approached the High Court of Judicature at Allahabad by filing Civil Miscellaneous Writ Petition No. 14911/1984.

8. During the pendency of the Writ Petition before the High Court of Judicature at Allahabad, State of Uttaranchal came into existence and since the land in question fell within the territorial jurisdiction of the newly created High Court for Uttaranchal, the Writ Petition came to be transferred there and eventually got dismissed for want of prosecution. Restoration application made by the appellant for recall of the order too was dismissed and the appellant approached this Court by way of Special Leave Petition, which came to be allowed and the Writ Petition was restored to its original number.

9. Vide Common impugned judgment and order dated 20.08.2008, the High Court dismissed the writ petitions.

10. The High Court in the impugned common order though observed that the appellants herein being sub-lessees would be tenure holder as per sub-Section 9(3) of the Ceiling Act but refused to extend the benefit to the appellant in view of violation of the conditions specified by Clause 9 of the Lease Deed.

11. We have heard Shri S.R.Singh, learned senior counsel for the appellants and Shri Tanmaya Agarwal, learned counsel for the Respondent-State of Uttarakhand.

Contentions made on behalf of the appellant

12. Learned counsel for the appellant referring to the definition of the term ‘tenure holder' as contained in Section 3(17) of the Ceiling Act and the definition of ‘Holding’ contained in Section 3(9) of the said Act contends that the appellant would attain the status of a ‘tenure holder’ within the meaning of Section 3(17) of the Ceiling Act, and having acquired the status of independent tenure holder is entitled for independent assessment of ceiling area and the land falling in his tenure cannot be clubbed with holding in the hands of Respondent No. 2, the Government lessee.

13. It was further submitted that the two fold prohibitory conditions contained in Clause 9 of the lease deed, namely, (i) the lessee agrees in the event of his transferring the lease land otherwise than by inheritance would either pay to the Secretary of State 25 % of the price realised by him, or (ii) relinquish to the Secretary of State 1/4th of the area proposed to be transferred are not applicable to sub-leases made by the Government Lessee, when sub-letting the land in ordinary course of agriculture as mentioned in Clause 9 itself. Referring to the sub-lease, it is contended that sub-lease was for agricultural purposes and for the cause of growing more food campaign and the High Court has patently erred in holding the sub-lease as void on the ground of non-compliance of conditions

enumerated in the first part of Clause 9 of the lease deed ignoring the later part postulating an exemption from the twin conditions for sub-lease made for agriculture purposes.

Contentions made on behlaf of the Respondent

14. In reply, learned counsel for the respondent submitted that the case of the appellant having acquired the rights of independent tenure holder is based entirely on the definitions of 'tenure holder' and 'holding' under Sections 3(17) and 3(9) of the Ceiling Act, without taking into consideration the provisions of Section 5 of the Ceiling Act which is the charging section. It is further submitted that definitions being relied upon by the counsel for the appellant cannot be viewed in isolation and are to be read in consonance with Section 5 of the Ceiling Act which is the charging section.

15. He further submitted that Section 5 of the Ceiling Act postulates that for determination of ceiling area, there exists a presumption contained in Explanation (I) that all land held by a tenure holder would also include land ostensibly held in the name of any other person. He points out that Explanation (II) clearly states that unless the contrary is proved to the satisfaction of the prescribed authority, it is presumed that the first mentioned person continues to hold the land ostensibly in the name of any other person. Thus, burden of proof to disprove this presumption lies on the appellants to establish the claim that

they are independent tenure holders. The appellants have failed to discharge the said burden and thus, their claim has rightly been negated.

16. Learned counsel for the Respondent No.2 further submitted that Clause 9 of lease deed since specifically excludes sub-leases made in the ordinary course of agriculture, which clearly implies that independent tenure rights cannot be created by sub-leases made in ordinary course of agriculture by the Government Lessee. Admittedly, since the appellants are sub-lessees under a sub-lease made for agricultural purposes and, therefore, by implication he is excluded from acquiring any rights as independent tenure holder.

Issues Involved

17. Having perused the relevant facts and records and on an analysis of rival contentions, the following issues arise for our consideration:-

(i) Whether the appellants who are sub-lessees, by implication acquire the status of tenure holder in view of the definitions of 'holding' contained in Section 3(9) of the Ceiling Act and the 'tenure holder' in Section 3(17) of the Act?

(ii) Whether the Appellants being sub-lessee of the original Government Lessee are merely ostensible tenure holders of the land, while the Government lessees continued to be the original

holders i.e., the land in question is merely held by the Appellants on behalf of the original lessees?

Our Analysis

18. The very purpose behind enactment of the Ceiling Act is to prescribe a ceiling limit on the area of land held by a ‘tenure holder’ for the purpose of securing the interest of the community at large to ensure increased agricultural production and to provide land for landless agricultural labourers with a view to have equitable distribution of land.

19. Before proceeding further it would be relevant to refer the definitions of ‘holding’ and ‘tenue holder’ as contained in Sections 3(9) and 3(17) and Section 5 of the Ceiling Act, which read as under :-

> ***“ Section 3 (9) :-***
> *(9) "holding" means the land or lands held by a person as a bhumidhar, sirdar, asami of Gaon Sabha or an asami mentioned in Section 11 of the Uttar Pradesh Zamindari Abolition and Land Reforms Act, 1950, or as a tenant under the U.P. Tenancy Act, 1939, other than a sub-tenant, or as a Government lessee, or as a sub-lessee of a Government lessee, where the period of the sub-lease is co-extensive with the period of the lease;”*
>
> ***Section 3 (17) :-***
> *"Tenure-Holder" means a person who is the holder of a holding but [except in Chapter III] does not include -*
> *(a) a woman whose husband is a tenure-holder;*
> *(b) a minor child whose father or mother is a tenure-holder;*

Section 5 :- Imposition of Ceiling. *- (1) [On and from the commencement of the Uttar Pradesh Imposition of Ceiling on Land Holdings (Amendment) Act, 1972], no tenure-holder shall be entitled to hold in the aggregate through-out Uttar Pradesh, any land in excess of the ceiling area applicable to him.*

[Explanation I. - In determining the ceiling area applicable to a tenure-holder, all land held by him in his own right, whether in his own name, or ostensibly in the name of any other person, shall be taken into account.
Explanation II. - [If on or before January 24,1971, any land was held by a person who continues to be in its actual cultivatory possession and the name of any other person is entered in the annual register after the said date] either in addition to or to the exclusion of the former and whether on the basis of a deed of transfer or licence or on the basis of a decree, it shall be presumed, unless the contrary is proved to the satisfaction of the prescribed authority, that the first mentioned person continues to hold the land and that it is so held by him ostensibly in the name of the second mentioned person.]

(2) Nothing in sub-section (1), shall apply to land held by the following classes of persons namely -
(a) the Central Government, the State Government or any Local Authority or a Government Company or a Corporation;
(b) a University;
(c) [an intermediate or degree college imparting education in agriculture or a post-graduate college;];
(d) a banking company or a co-operative bank or a co-operative land development bank;
(e) the Bhoodan Yagna Committee constituted under the U.P. Bhoodan Yagna Act, 1952.

(3) [Subject to the provisions of sub-sections (4), (5), (6) and (7)] the ceiling area for purposes of sub-section (1) shall be -
(a) in the case of a tenure-holder having a family of not more than five members, 7.30 hectares of irrigated land (including land held by other members of his family) plus two additional hectares of irrigated land or such additional land which together with the land held by him aggregates to two hectares,

for each of his adult sons, who are either not themselves tenure-holders or who hold less than two hectares of irrigated land, subject to a maximum of six hectares of such additional land;

(b) in the case of a tenure-holder having family of more than five members, 7.30 hectares of irrigated land (including land held by other members of his family), besides, each of the members exceeding five and for each of his adult sons who are not themselves tenure-holders or who hold less than two hectares of irrigated land, two additional hectares of irrigated land or such additional land which together with the land held by such adult son aggregates to two hectares, subject to a maximum of six hectares of such additional land;

Explanation. - The expression 'adult son' in clauses (a) and (b) includes an adult son who is dead and has left surviving behind him minor sons or minor daughters (other than married daughters) who are not themselves tenure-holders or who hold land less than two hectares of irrigated land;

(c) [x x x]

(d) [x x x]

(e) in the case of any other tenure-holder, 7.30 hectares of irrigated land;

Explanation. - Any transfer or partition of land which is liable to be ignored under sub-sections (6) and (7) shall be ignored also -

(f) for purposes of determining whether an adult son of a tenure-holder is himself a tenure-holder within the meaning of [clause (a) or clause (b)];

(g) for purposes of service of notice under Section 9.

(4) Where any holding is held by a firm or co-operative society or association of persons (whether incorporated or not, but not including a public company), its members (whether called partners, share-holders or by any other name) shall, for purposes of this Act, be deemed to hold that holding in proportion to their respective shares in that firm, co-operative society or other society or association of persons :

[Provided that where a person immediately before his admission to the firm, co-operative society, or other society or association of persons, held no land or an area of land less

than the area proportionate to his aforesaid share then he shall be deemed to hold no share, or as the case may be, only the lesser area in that holding, and the entire or the remaining area of the holding, as the case may be, shall be deemed to be held by the remaining members in proportion to their respective shares in the firm, co-operative society or other society or association of persons.]

(5) In respect of any holding held by any private trust, -

(a) where the shares of its beneficiaries in the income from such trust are known or determinable, the beneficiaries shall, for purposes of this Act, be deemed to have the shares in that holding in the same proportions as their respective shares in the income from such trust,

(b) in any other case, it shall be governed by [clause (e)] of subsection (3).

(6) In determining the ceiling area applicable to a tenure-holder, any transfer of land made after the twenty-fourth day of January, 1971, which but for the transfer would have been declared surplus land under this Act, shall be ignored and not taken into account;

Provided that nothing in this sub-section shall apply to -

(a) a transfer in favour of any person (including Government) referred to in sub-section (2);

(b) a transfer proved to the satisfaction of the prescribed authority to be in good faith and for adequate consideration and under an irrevocable instrument not being a benami transaction or for immediate or deferred benefit of the tenure-holder or other members of his family.

[Explanation I. - For the purposes of this sub-section, the expression transfer of land made after the twenty-fourth day of January, 1971, includes -]

[(a) a declaration of a person as a co-tenure-holder made after the twenty-fourth day of January, 1971 in a suit or proceeding irrespective of whether such suit or proceeding was pending on or was instituted after the twenty-fourth day of January, 1971];

(b) any admission, acknowledgment, relinquishment or declaation in favour of a person to the like effect, made in any other deed or instrument or in any other manner.

Explanation II. - The burden of proving that a case falls within clause (b) of the proviso shall rest with the party claiming its benefit.

(7) In determining the ceiling area applicable to a tenure-holder, any partition of land made after the twenty-fourth day of January, 1971, which but for the partition would have been declared surplus land under this Act shall be ignored and not taken into account;

Provided that nothing in this sub-section shall apply to -

(a) [x x x]

(b) a partition of a holding made in a suit or a proceeding pending on the said date :Provided further that notwithstanding anything contained in the preceding proviso the prescribed authority, if it is of opinion that by collusion between the tenure-holder and any other party to the partition, such other party has been given a share which he was not entitled to, or a larger share than he was entitled to may ignore such partition.

[Explanation I. - If a suit is instituted after the said date for declaration that a partition of land has taken place on or before the said date, then such declaration shall be ignored and not be taken into account, and it shall be deemed that no partition has taken place on or before the said date.]

Explanation II. - The burden of proving that a case falls within the first proviso shall rest with the party claiming its benefit.

[(8) Notwithstanding anything contained in sub-sections (6) and (7), no tenure-holder shall transfer any land held by him during the continuance of proceedings for determination of surplus land in relation to such tenure-holder and every transfer made in contravention of this sub-section shall be void.

Explanation. - For the purposes of this sub-section, proceedings for determination of surplus land shall be deemed to have commenced on the date of publication of notice under sub-section (2) of Section 9 and shall be deemed to have concluded on the date when an order in relation to such

tenure-holder is passed under sub-section (1) of Section 11 or under sub-section (1) of Section 12, or as the case may be, under Section 13.]"

20. Appellants herein have contended that since they are the holder of a 'holding' by implication become 'tenure holder' as per combined reading of Sections 3(9) and 3(17) of the Act.

21. The terms of the grant go to show that 4805 acres of land situated in Pargana Bazpur, District Nainital, were leased out to the Government Lessee.

22. Condition No. 9 of the Grant lays down the conditions to be fulfillled in the event of lessee transferring the lease land or a portion thereto except transfer by way of an inheritance. Conditions laid down by Clause 9 of the grant has been made inapplicable in case of sub-leases made by the lessee while sub-letting the land in the ordinary course of agriculture. For a ready reference, the provisions of Clause 9 of the grant are reproduced hereunder :-

"9. The lessee agrees in the event of his transferring other than by inheritance the leased land or portion thereof to either pay to the Secretary of State twenty five percent of the price realized by him by the transfer of lease rights or to relinquish to the Secretary of State 1/4 of the area proposed to be transferred.

The Deputy Commissioner shall have the power to choose either alternative. Any further transfer by the lessee or his transferee shall be subject to a similar payment of 1/4 of the cost price or a similar relinquishment of 1/4 of the land proposed to be transferred.

This clause shall not apply to leases made by the lessee when subletting land in the ordinary course of agriculture."

23. A perusal of the aforesaid provision makes it clear that the grantee was only allowed to transfer the land on fulfillment of the conditions enumerated in the said clause.

24. Furthermore, even the terms of the sub-lease specifically provided that if the sub-lessee intends to purchase the full rights of the Government Lessee thereby himself acquiring the status of an independent tenure holder, he could do so in confirmity with Clause 9 of the Government lease within a period of five years from the date of sub-lease on the payment of rent so fixed. Relevant Clause 5 of the sub-lease in this regard reads as under :-

"That if the sub lessee intends to purchase the full rights of the lessee which he has obtained according to the indenture made by the lessee's predecessor-in-interest late Lala Khushi Ram and the then Secretary of State for India in Council in conformity with clause nine of that indenture for the whole area of 2.49 acres he shall be entitled to do so within five years from 28.6.1966 on paying at the rate of Rs.150/- (Rupees one hundred and fifty only) per acre to the lessee. The sub lessee shall be liable to pay the annual rent of that current year during which he makes such a transaction during the period of five years from the commencement of this agreement as mentioned above."

25. Thus, a conjoint reading of Clause 5 of the sub-lease and Clause 9 of the Government lease clearly stipulates that acquisition of rights, if any, as

independent tenure holder can only be by following the stipulations as contained in Clause 5 of the sub-lease and Clause 9 of the Government lease, which, in the present case, admittedly, has not been followed.

26. An analysis of the terms and conditions of grant makes it clear that any transfer of land by the Government Lessee was subject to fulfilment of the conditions of the government lease and sub-lease and non-compliance of the conditions and transfer made without fulfilling the conditions would be void. Though, the conditions of grant allowed sub-lease of the land in the ordinary course of agriculture but contrary to the terms of grant, the sub-lessee can claim no independent tenancy right so as to frustrate the terms and tenure of the grant, as the sub-lease executed for ordinary course of agriculture cannot be treated as transfer for want of compliance of the conditions enumerated in the Clause itself. Thus, the appellants in their capacity as sub-lessee shall not acquire the status of an independent tenure holder.

27. Admittedly, the lease in favour of Respondent No. 2 was made under the Government Grants Act, 1895. Respondent No. 2 was put in possession of the land under the terms and conditions of the Government grant which did not permit any transfer of land by him without fulfilling the conditions prescribed in Clause 9. The conditions of grant though allowed sub-lease for agricultural purpose but sub-lessees cannot claim independent tenancy rights contrary to terms of grant. The terms and conditions of grant will have an overriding effect

in view of amendment of Sections 2 & 3 of the Government Grants Act in its application to State of U.P. inserted by U.P. Amendment Act 13 of 1960 with retrospective effect. Section 2 of the Government Grants Act as applicable in State of U.P. reads as under :-

STATE AMENDMENTS

Uttar Pradesh:

"2 (1). Transfer of Property Act, 1882, not to apply to Government Grants *- Nothing contained in the Transfer of Property Act, 1882, shall apply or be deemed ever to have applied to any grant or other transfer of land or of any interest therein, heretofore made or hereafter to be made, by or on behalf of the government to or in favour of any person whomsoever; and every such grant and transfer shall be construed and take effect as if the said Act had not been passed.*

(2). UP Tenancy Act, 1939, and Agra Tenancy Act, 1926 not to affect certain leases made by or on behalf of the Government *- Nothing contained in the UP Tenancy Act, 1939, or the Agra Tenancy Act, 1926, shall affect, or be deemed to have ever affected any rights, created, conferred or granted, whether before or after the date of the passing of the Government Grants (UP Amendment) Act 1960, by leases of land by, or on behalf of, the Government in favour of any person; and every such creation, conferment or grant shall be construed and take effect notwithstanding anything to the contrary contained in the UP Tenancy Act, 1939, or the Agra Tenancy Act, 1926.*

(3) Certain leases made by or on behalf of the Government to take effect according to their tenor *- All provisions, restrictions, conditions and limitations contained in any such creation, conferment or grant referred to in Section 2, shall be valid and take effect according to their tenor; any decree or direction of a court of law or any rule of law, statute or enactment of the Legislature, to the contrary -notwithstanding:*

Provided that nothing in this section shall prevent, or be deemed ever to have prevented, the effect of any enactment relating to the acquisition of property, land reforms or the imposition of ceiling on agricultural lands."

28. The aforesaid provisions as applicable in the State of U.P. with retrospective effect clearly provides that the rights and obligations between the Government as lessor of the land and the grantee as lessee of the land are to be regulated by the terms of the grant. The terms of the grant clearly postulates transfer of the land by Government Lessee subject to fulfillment of certain conditions. A sub-lease created for agricultural purposes having been exempted from operation of the conditions and no vested right shall be created in sub-lease and he cannot claim any rights contrary to the terms of the grant.

29. Similar issue came up for consideration before this Court in the case of ***Escorts Farms Ltd., Previously Known As M/S. Escorts Farms (Ramgarh) Ltd. Vs. The Commissioner, Kumaon Division, Nainital, U.P. And Ors.***[1]**,** and has been answered as under :-

"33. The Statement of Objects and Reasons for amending Section 2 of the Govt. Grants Act, 1895 by UP Amendment Act of 1960 makes it clear that the State Legislature intended to apply only the provisions of Land Reforms Act and Ceiling Act to the lands held by persons under the Govt. Grants Act. The statements of objects and reasons read thus:-

"Provisions of Section 2 of the Government Grants (UP Amendment) Act, 1959, have the effect of saving a grant of an agricultural lease by or on behalf of the Government

1. (2004) 4 SCC 281

from the operation not only on the Acts mentioned therein, but also of any other law, including the law for imposition of ceiling on land holdings, that might be made in future. There is also an apprehension that the result of the wordings of section 2 may be to undo the vesting of estates of government grantees under section 4 of the UP Zamindari Abolition and Land Reforms Act, 1950. With a view, therefore, to remove any such apprehension and to put the UP Imposition of Ceiling on Land Holdings Bill, 1959, when enacted, beyond the purview of the Government Grants Acts, this Bill is being introduced. Vide UP Gazette Extraordinary, dated February 3, 1960."

34. Land Reforms Act, 1950 being saved by sub-section (3) of Section 2 of Govt. Grants Act is applicable to the govt. grants. Under Section 18 (l)(c) of Land Reforms Act, a govt. grantee holding land rent-free was allowed to retain possession of the land as 'Bhumidhar.' Section 18 of the Land Reforms Act with clause (c) in sub-section (1) reads thus:-

"Section 18. Settlement of certain lands with intermediaries or cultivators as Bhumidar - (1) Subject to the provisions of Sections 10,15,16 and 17, all lands - (a) in possession of or held or deemed to be held by an intermediary as sir, khudkasht or an intermediary" grove. (b) held as a grove by, or in the personal cultivation of a permanent lessee in Avadh. (c) held by a fixed-rate tenant or a rent-free grantee as such, or (d) held as such by - i) an occupancy tenant, Possessing the ii) a hereditary tenant, right to transfer iii) a tenant on Patta the holding by sale Dawami or Istamrari referred to in Section 17, (e) held by a grove holder.

On the dale immediately preceding the date of vesting shall be deemed to be sell led by the State Government with such intermediary, [lessee, tenant, grantee or grove-holder] as the case may be, who shall, subject to the provisions of this Act. be entitled to take or retain possession as a bhumidhar thereof. "

35. As seen above, proviso below sub-section (3) of Section 2, of Govt. Grants (UP Amendment) Act makes applicable Ceiling Act to the land held by a grantee under the Govt. Grant. It has already been noted that a 'Govt. Grantee' or a "lessee' is covered within the definition of 'tenure holder'

given in under clause (17) read with clause (9) of Ceiling Act and the definition of 'person' in Section 4 (33) of the UP General Clauses Act. Thus conjointly reading the provisions of the Ceiling Act and the Land Reforms Act, the grantee of land from the government is a holder of land in the status of a Bhumidhar and the land can be subjected to ceiling limit. To the lands held by the company, which is grantee of the Govt., the provisions of Ceiling Act would be attracted. Such grantee being a lessee from Government has no right to transfer the land without permission of the Government. It can grant leases or sub-leases under the UP Tenancy Act but the lessees/sub-lessees can claim no rights contrary to the terms of the grant. All the transfers made by the Company or Farm by sale or lease contrary to the terms of the Govt. Grant create no independent rights in favour of the said transferees or lessees. The claims of transferees and lessees based on the provisions of UP Tenancy Act were, therefore, rightly negatived by the ceiling authority and the High Court.

30. We may also reproduce the observations made in paragraph 32 of the ***Escorts Farms Ltd. (Supra)*** :-

> "32. No action of the revenue authorities can, therefore, estop the ceiling authorities from ignoring the claims of tenancy rights on the land set up by the lessees/sub-lessees. The rights between the government and the grantee are strictly to be regulated by the terms of the grant and in accordance with the Govt. Grants (UP Amendment) Act, 1960. The entries in revenue records and recognition of any tenancy rights of the lessee and/or sub-lessee as hereditary tenant, Sirdars or Bhumidhars under the UP Tenancy Act can have no adverse legal effect on the Govt. Grant which has an overriding effect under the Govt. Grants Act. No estoppel can operate against the overriding statute so as to bind the ceiling authorities to accept the tenancy rights of the lessees/sub-lessees as indefeasible in application of Ceiling Act to the lands in question."

31. From the aforesaid discussions, it is clear that the provisions of Ceiling Act would be applicable in case of grantee of Government under a lease agreement. The grantee being a lessee from the Government has no right to transfer the land without fulfilling the conditions stipulated in Clause 9 of lease deed. The terms of the lease deed though provide for sub-lease for agricultural purposes but sub-lessees can claim no independent rights as a tenure holder.

32. Thus, the appellant being a sub-lessee continues to be an ostensible holder of land and the government grantee, the Respondent No. 2, to be the real holder and the ceiling authorities as well as the High Court have rightly dismissed the claim of the appellant.

33. In the result appeals fail and are dismissed. However, in the facts and circumstances, we do not make any order as to costs.

.....J.
(S. ABDUL NAZEER)

.....J.
(KRISHNA MURARI)

NEW DELHI;
10th JANUARY, 2022