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CRP No. 484 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON 17.04.2026

DELIVERED ON 08.07.2026

CORAM

THE HON'BLE MRS.JUSTICE N. MALA

CRP No. 484 of 2026

AND

CMP NO. 2695 OF 2026

M/s.S.R.M.Technologies Private Ltd.,
Rep. by its Managing Director,
No.24, G.N.Chetty Road,
T.Nagar, Chennai -600 017.

..Petitioner(s)

Vs

1. Atluri Sreekar,
Son of Atluri Poornachandra Rao,
A-21, Manyata Residency,
Arabic College Post,
Bangalore -560 045.
2. Atluri Kireet,
S/o.A.V.Ratnakar,
435, East 79th Street,
Apt 8M, New York, 10075,
Represented by his Power Agent
Atluri Sridevi,
Flat No.D1, 4th Floor,
Door No.5/3, 1st Street,
Avvai Shanmugam Road,
Royapettah, Chennai -600 014.
3. Atluri Naveen,
S/o.A.V.Ratnakar,
Flat No.D1, 4th Floor,
Door No.5/3, 1st Street,
Avvai Shanmugam Road,
Royapettah, Chennai -600 014.

..Respondent(s)



CMP No. 2695 of 2026

M/s.S.R.M.Technologies Private Ltd.,
Rep. by its Managing Director,
No.24, G.N.Chetty Road,
T.Nagar, Chennai -600 017.

..Appellant(s)

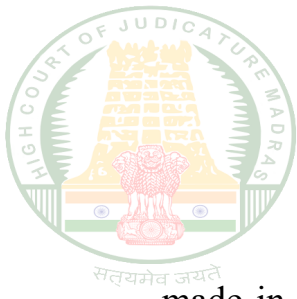
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..Respondent(s)

CRP No. 484 of 2026

Civil Revision Petition is filed to set aside the Order and Decree, Dated 19/12/2025 made in R.C.A.No.44 of 2024 on the file of IX Small Causes Court , Chennai (Rent Control Appellate Authority), confirming the Eviction Order and Decree dated 08.04.2024 made in R.C.O.P.No.453 of 2017 on the file of the XV Small Causes Court, Chennai(Rent Controller), by allowing this Civil Revision Petition and thus render justice.

**CMP No. 2695 of 2026**

To STAY the operation of Order and Decree dated 19.12.2025 made in R.C.A.No.44 of 2024 on the file of IX Small Causes Court, Chennai (Rent Control Appellate Authority) confirming the Order and Decree dated 08.04.2024 made in R.C.O.P.No.453 of 2017 on the file of XV Small Causes Court(Rent Controller) Chennai, pending disposal of the above Civil Revision Petition and pass such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render justice.

CRP No. 484 of 2026

For Petitioner(s): MR.V.Venkatesan

FOR M/S.K.SRI RUDHRA

For Respondent(s): MR.R.PARTHASARATHY, SR.C.
FOR M/S. S.Rekha
FOR R1 TO R3

ORDER

- (1) The tenant is the revision petitioner herein. Aggrieved by the concurrent orders of the Courts below, allowing eviction petition on all three counts of wilful default in payment of rent, committing acts of waste and owners' own use and occupation, the petitioner has filed the above Civil Revision Petition.
- (2) For the sake of convenience, the parties are referred to as the tenant and the landlords.
- (3) The demised property is land measuring 6118 sq.ft., with built up area of 10988 sq.ft., located at No.120, G.N.Chetty Road, T.Nagar, Chennai-17. Originally, the petitioner was inducted as a tenant in April 1998, on a



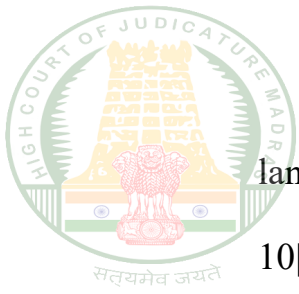
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monthly rent of Rs.2 lakhs. The tenant at the time of his induction into the demised premises, paid a sum of Rs.16 lakhs as interest free security deposit. According to the landlords, even as per the initial Agreement between the parties, it was agreed that the rent would be enhanced by 20% of the original rent once in every three years. According to the landlords, in conformity with the said Agreement, they enhanced the rent to Rs.2,40,000/-, for a period of three years with effect from 01.04.2001. The landlords claimed that though the tenant was regular in paying the rent initially, he defaulted in paying the rent from 2004 onwards. While so, the tenant, admitting to the arrears of rent to the tune of Rs.14,62,400/- requested the 1st respondent herein and the father of the respondents 2 and 3 to adjust the arrears of rent against the advance amount of Rs.16 lakhs, and prayed for refund of the balance of Rs.1,37,600/- out of the said amount so as to score off the old Agreement and enter into a fresh lease. The landlords acceded to the said request and on 01.01.2005, a fresh Agreement was entered into under which the tenant agreed to the revision of rent at Rs.2,88,000/- per month [20% increase over the previous rent of Rs.2,40,000/-] and to pay an interest free refundable deposit of Rs.17,28,000/-. The landlords further stated that the rent was again revised with effect from 01.01.2008 to Rs.3,45,000/- and thereafter, from 01.01.2011 till 31.12.2013, it was revised to Rs.4,14,720/-. The landlords stated that the increase in rent



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was in consonance with the initial Agreement of 20% enhancement once in every three years. While so, the tenant constructed the 2nd floor in the Annexe building and 4th floor in the main building. The landlords therefore addressed a letter to the tenant on 30.12.2013, directing the tenant to immediately demolish the unauthorised construction, failing which, to vacate the property. The landlords stated that while they were expecting the increase in monthly rent at 20% over and above the agreed rent of Rs.4,14,720/-, with effect from 01.01.2014, they were surprised to find that the tenant had unilaterally reduced the rent to Rs.4 lakhs, on the specious ground that he had put up additional structures in the property by spending around Rs.1 Crore. Thereafter, there were exchange of communications and finally, on 11.06.2015, the landlords issued a legal notice to the tenant directing him to clear the entire arrears of rent and to restore the building to its original condition, failing which to vacate the premises, to which the tenant replied on 24.06.2015. Pursuant to the reply of the tenant, settlement talks were initiated. However, since the talks failed, the landlords issued a rejoinder on 15.03.2016, calling upon the tenant to amicably resolve the issue, failing which they threatened legal action. The landlords further claimed that they required the demised premises for their own use and occupations, since they proposed to set up a branch office of their company namely “Narayanpur Power Company Private Limited” However, the tenant did not accede to the request of the



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landlords and therefore they filed the Eviction Petition under Sections 10[2][i], 10[2][iii] and 10[3][a][iii] of the Tamil Nadu Buildings [Lease and Rent Control] Act, 1960, [hereinafter referred to as 'the Act'] on the grounds of wilful default, acts of waste and owners' use and occupation.

- (4) The tenant filed a counter to the eviction petition contending *inter alia* that he was inducted under a Lease Agreement dated 04.12.1997. and that thereafter, another Lease Agreement was entered into on 07.04.1998 with the first landlord and his brother Mr.A.V.Ratnakar. The tenant admitted that under the 1998 Agreement, the rent was fixed at Rs.2 lakhs and a non-refundable advance of Rs.16 lakhs was paid. The tenant denied that there was any Agreement to increase the monthly rent by 20% once in three years. The tenant stated that he was regularly paying monthly rent at Rs.2,40,000/- to the landlords and that there was no wilful default in payment of rent at any point of time. The tenant further stated that on 19.08.2005, a fresh Lease Agreement was entered into, under which Rs.17,28,000/- was paid as advance and the rent was fixed at Rs.2,88,000/-. The tenant denied the allegation that he had unauthorisedly put up additional constructions. According to the tenant, the additional constructions were put up during the year 2003 with the consent of the landlords, who had expressed their inability owing to financial crisis. The tenant also stated that since no workable solution materialised out of the meetings held with the landlords, he continued to



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pay the monthly rent of Rs.4,14,720/- regularly without any default as per the Agreement dated 31.01.2011. The tenant further stated that as per the request of the landlords, he is remitting the monthly rent in two shares, one part in favour of the first landlord and the other part, in favour of the landlords 2 and 3. The tenant stated that his Bank Statements would reveal that from January 2014 to August 2017, excess payments were made by him to the landlords and that, in all, a sum of Rs.35,26,317/- was available with the landlords in the form of rental advance of Rs.17,28,000/- and an excess payment of Rs.17,98,317/-. The tenant further stated that he was also paying the statutory taxes for the petition premises. The tenant reiterated that he was regularly paying the monthly rent of Rs.4,14,720/- as per the Agreement dated 31.01.2011 without any default and that the same was received by the landlords without any demur or protest. The tenant disputed the alleged enhancement of rent at 20%, over and above the agreed monthly rent of Rs.4,14,720/- as untenable and unsustainable and not binding on him. The tenant further stated that the additional constructions put up by him did not impair the material value or utility of the building. The tenant specifically stated that the additional constructions were made with the consent of the landlords in the year 2003, and contrary to the contentions of the landlords, the additional constructions infact enhanced the value and utility of the premises to the benefit of the landlords. The tenant stated



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that since the landlords were receiving the monthly rents regularly subsequent to the construction of additional structures, they were estopped from pleading acts of waste. The tenant disputed the claim of the landlords that they required the demised premises for their own use and occupation for non residential purpose of setting up a Branch Office of their Company, namely, “Narayanpur Power Company Private Limited”, at Chennai. The tenant further stated that the landlords owned many commercial properties in Chennai and therefore, they were not entitled to invoke the jurisdiction of the Court under the aforesaid Sections of the Act. The tenant stated that the eviction petition was filed with an oblique motive to somehow evict it from the demised premises and that the petition was tainted with *mala fide*. The tenant therefore prayed to dismiss the eviction petition.

- (5) Before the Rent Control Court, the landlords examined one witness as PW1 and marked Exs.P1 to P25. The tenant examined one witness as RW1 and marked Exs.R1 to R24.
- (6) The Rent Control Court, after framing the necessary issues, found that the tenant had committed wilful default in payment of rent to the landlords and therefore, he was liable to be evicted under Section 10[2][i] of the Act. On the issue of eviction on the ground of ‘acts of waste’ under Section 10[2][ii] of the Act, the learned Rent Controller found that the tenant had committed ‘acts of waste’ by constructing additional structures



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without obtaining the consent of the landlords and that the said constructions impaired the utility of the building rendering the tenant, liable to be evicted under Section 10[2][iii] of the Act. On the tenant's eviction on the ground of own use and occupation under Section 10[3][a][iii] of the Act, the learned Rent Controller, on the basis of the evidence produced by the landlords, held that the landlords had proved their entitlement to claim the eviction under the said provision. The learned Rent Controller, on the basis of the evidence held that the landlords required the premises for expanding their own business in Chennai and therefore, held that the tenant was liable to be evicted under Section 10[3][a][iii] of the Act. Aggrieved by the fair and decreetal order of the learned Rent Controller, the tenant filed an appeal in RCA.No.44/2024 on the file of the learned Judge, IX Small Causes Court, Chennai. The Lower Appellate Court, on consideration of the entire materials on record and after framing necessary points for consideration, concurred with the findings of the learned Rent Controller on all three counts for eviction and hence, rejected the appeal. Aggrieved by the concurrent fair and decreetal orders of the Courts below, the petitioner has filed the above Civil Revision Petition.

- (7) The learned counsel for the petitioner/tenant submitted that in the absence of any concluded Agreement regarding enhancement of rent at 20% once in every three years, the Courts below erred in invoking Section 115[f] of



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the Indian Evidence Act to hold that the tenant had committed wilful default. The learned counsel submitted that the Courts below failed to appreciate that none of the landlords entered the witness box in support of their case and that the authorised representative, PW1 was not the competent person to speak about the past transactions and the defaults allegedly committed prior to 26.08.2017. The learned counsel further submitted that the Trial Court erred in selectively appreciating the evidence. The learned counsel elaborating the said submission, contended that the Courts below while ignoring the vital admissions of PW1 and PW2 which were in favour of the tenant, erroneously relied on certain portions of RW1's evidence and on the basis of such selective appreciation of evidence, rendered perverse findings, which deserve to be set aside. The learned counsel for the petitioner further submitted that the Courts below failed to appreciate that a huge amount of Rs.35,26,317/- remained with the landlords as evidenced from Exs.R18 to R24 and therefore, there was no question of any wilful default. The learned counsel submitted that the alleged claim of owners' occupation lacked *bona fides* and that, the Courts failed to appreciate Ex.R3 which showed that the landlords and their family members possessed and were in occupation of commercial properties in Chennai. The learned counsel submitted that the burden of proving the *bona fide* requirement lay on the landlords and since none of the landlords entered the witness box, the



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eviction on that ground, ought to have been rejected. The learned counsel further submitted that the Courts below failed to appreciate that the construction of the additional structures commenced in 2003 and was completed in the year 2004 with the consent of the landlords and that since 2005, the rent was paid including for the additional construction and therefore, the claim for eviction on the ground of 'acts of waste' damaging or impairing materially the value or utility of the building was untenable. The learned counsel submitted that in any event, in the absence of any expert evidence to substantiate the plea of Acts of waste, the Courts below ought to have rejected the same. The learned counsel submitted that the findings of the Courts below were made on an erroneous appreciation of the evidence, and therefore they were legally unsustainable and perverse. The learned counsel therefore prayed that the revision petition be allowed.

- (8) The learned counsel for the respondents / landlords on the other hand submitted that this Court, exercising jurisdiction under Section 25 of the Act, ought not to examine the legality and propriety of the conclusions of the Courts below as an Appellate Court. The learned counsel submitted that in the absence of any perversity in the appreciation of evidence by the Courts below, the conclusions arrived at by the Courts below should not be interfered with. The learned counsel submitted that in the facts of the case and on the basis of the materials on record, the

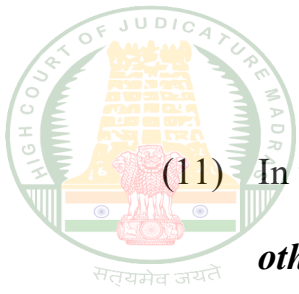


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Courts below had drawn conclusions and therefore, this Court ought not to embark upon an independent reassessment of the evidence to draw its own conclusions. The learned counsel submitted that the concurrent findings of the Courts below are based on proper appreciation of evidence on record and the legal principles thereof and hence this Civil Revision Petition lacks merit and deserves to be dismissed.

- (9) Heard both sides and perused the materials placed on record.
- (10) Before launching on the merits of the case, it will be useful to refer to certain judgements of the Hon'ble Supreme Court with respect to the scope of revisional jurisdiction under Section 25 of the Rent Control Act, 1960. In the case of ***Smt.Rajbir Kaur and Another vs. S.Chokesiri and Co.***, reported in ***(1989) 1 SCC 19***, the Hon'ble Supreme Court held as follows:

“43. When the findings of fact recorded by the courts below are supportable on the evidence on record, the revisional court must, indeed, be reluctant to embark upon an independent reassessment of the evidence and to supplant a conclusion of its own, so long as the evidence on record admitted of and supported the one reached by the courts below. With respect to the High Court, we are afraid, the exercise made by it in its revisional jurisdiction incurs the criticism that the concurrent finding of fact of the courts below could not be dealt and supplanted by a different finding arrived at on an independent reassessment of evidence as was done in this case

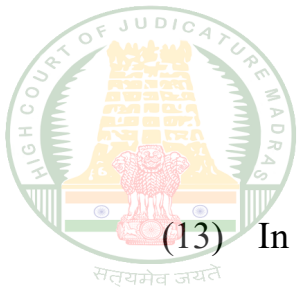


- (11) In the case of **Dev Kumar (Died) through Lrs. v. Swaran Lata (Smt) and others**, reported in **(1996) 1 SCC 25** the Hon'ble Supreme Court held as follows:

“The jurisdiction of the High Court under Sub Section (5) of Section 15 of the Act, would entitle the Court to examine the legality and propriety of a conclusion of the Appellate Authority and is thus much wider than the revisional jurisdiction under Section 115 of the Code of Civil Procedure. But it has to be exercised subject to the well-known limitations inherent in all revisional jurisdictions and cannot be equated with an appellate jurisdiction. Unless there is a perversity in the matter of appreciation of evidence by the Appellate Authority or unless the Appellate Authority has arrived at a conclusion which on the materials, no reasonable man can come, the High Court will not interfere with the same.”

- (12) In the case of **Kilburn Electricals Ltd., vs. Madras Pinjrapole** reported in **2025 SCC OnLine Mad 3038**, a learned Judge of this Court held as follows:

“27..... It is well settled that this Court is not entitled to reappreciate the evidence as if sitting in appeal. Interference is warranted only where the findings of the Rent Controller or the Appellate Authority are unsupported by any legal evidence, or where the impugned orders suffer from perversity, patent illegality, or result in manifest injustice. The correct test is not whether this Court would have arrived at a different conclusion, but whether the findings of fact are supported by any legal evidence on record.”



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(13) In *Rajani Manohar Kuntha & Ors. versus Parshuram Chunilal*

Kanojiya & Ors. (SLP(C).No.30407 of 2024 dated 02.12.2025), the Hon'ble Supreme Court sounded a word "caution" while holding that "microscopic scrutiny as done by the High Court in revisional exercise is ex facie without jurisdiction and warrants interference in this appeal and deserves to be set aside"

(14) Keeping the aforesaid judgements in view, let me now consider the issues raised in this civil revision petition.

(15) The facts are undisputed and hence the same are not traversed to avoid replication. Suffice it to state that the petitioner in the civil revision petition is the tenant and the respondent is the landlord, that the landlord filed the eviction petition on three grounds of wilful default, acts of waste and own use and occupation. The Courts below on an appreciation of the entire evidence on record allowed the eviction petition on all three grounds. Aggrieved by the concurrent decree for eviction passed by the Courts below, the tenant has filed the above civil revision petition.

(16) The three main issues that arise for consideration in the civil revision petition are:

- 1) Whether the tenant has committed wilful default in payment of rent?
- 2) Whether there have been acts of waste by the tenant? and



3) Whether the landlords are entitled to eviction of the tenant on the grounds of own use and occupation?

(17) **Whether the tenant has committed wilful default in payment of rent:**

The learned counsel for the tenant contended that the Courts below erred in not keeping in view the distinction between default and wilful default. The learned counsel further contended that in the facts of the present case the default, if any, could not be construed as wilful default. The learned counsel elaborated the said contention by stating that there was a serious dispute as to the actual rent payable and therefore, in the absence of any finding on the actual rent payable by the tenant, the eviction on the ground of wilful default is unsustainable. The learned counsel further submitted that the tenant had disputed the periodic increase of rent at 20%, continued to pay the last agreed rent of Rs.4,14,720/-and hence, there was no wilful default.

(18) The learned counsel for the respondents/landlords on the other hand submitted that the tenant had deliberately and with supine indifference failed to pay the rent for the period from 01.01.2014 to 28.02.2017 and therefore, the Courts below were right in finding that the tenant had committed wilful default. The learned counsel further submitted that it was the landlord's specific case that the rent was periodically enhanced by 20% from 2005 and as on 01.01.2014 the rent payable was Rs.4,97,720/- per month but, the tenant taking advantage of the absence of any written



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agreement, instead of paying the admitted rent of Rs.4,14,720/- as on 31.12.2013, unilaterally reduced it to Rs.4,00,000/- per month, thereby committing wilful default. The learned counsel for the respondent further submitted that despite the landlord's repeated requests through several communications, the tenant, failed to pay not only the enhanced rent but also the agreed rent. The learned counsel submitted that upon proper appreciation of the evidence and by applying the presumption under Section 114(f) of the Indian Evidence Act, the Court's below found that the rent was enhanced periodically and that the tenant committed wilful default by failing to pay either the enhanced rent or the agreed rent.

- (19) Before advertng to the facts of the case, it would be appropriate to refer to few judgments which throw light on how to construe wilful default under Section 10(2) of the Tamil Nadu Rent Control Act, 1960.
- (20) The Hon'ble Supreme Court had an occasion to consider the issue as to when default could be construed as wilful default under Section 10(2) of the Tamil Nadu Buildings Lease and Rent Control Act, 1960, the Apex Court in the case of ***Chordia Automobiles vs. S.Moosa and others***, reported in ***(2000) 3 SCC 282***, held as follows:

“8. Wilful default means an act consciously or deliberately done with open defiance and intent not to pay the rent....”

- (21) In the case of ***S.Sundaram Pillai and Ors. vs. V.R.Pattabiraman and Ors.*** reported in ***(1985) 1 SCC 591***, it was held as follows:



“21. Before, however, going into this question further, let us find out the real meaning and content of the word “wilful” or the words “wilful default”. In the book A Dictionary of Law by L.B. Curzon, at page 361 the words “wilful” and “wilful default” have been defined thus:

“ ‘Wilful’ — deliberate conduct of a person who is a free agent, knows what he is doing and intends to do what he is doing.

‘Wilful default’ — Either a consciousness of negligence or breach of duty, or a recklessness in the performance of a duty.”

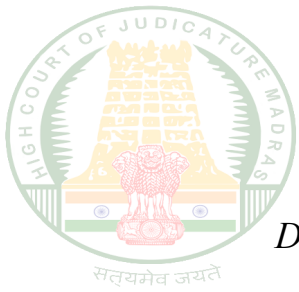
22. In other words, “wilful default” would mean a deliberate and intentional default knowing full well the legal consequences thereof. In Words and Phrases, Vol. 11-A (Permanent Edition) at page 268 the word “default” has been defined as the non-performance of a duty, a failure to perform a legal duty or an omission to do something required. In Vol. 45 of Words and Phrases, the word “wilful” has been very clearly defined thus:

“ ‘Wilful’ — intentional; not incidental or involuntary;

—done intentionally, knowingly, and purposely, without justifiable excuse as distinguished from an act done carelessly; thoughtlessly, heedlessly or inadvertently;

— in common parlance word ‘wilful’ is used in sense of intentional, as distinguished from accidental or involuntary.

p. 296—‘Wilful’ refers to act consciously and deliberately done and signifies course of conduct marked by exercise of volition rather than which is accidental, negligent or involuntary. ”



23. In Vol. III of Webster's Third New International Dictionary at p. 2617, the word "wilful" has been defined thus:

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24. The word "default" has been defined in Vol. I of Webster's Third New International Dictionary at p. 590 thus:

"to fail to fulfil a contract or agreement, to accept a responsibility; to fail to meet a financial obligation.

25. In Black's Law Dictionary (4th Edn.), at p. 1773 the word 'wilful' has been defined thus:

" 'Wilfulness' implies an act done intentionally and designedly; a conscious failure to observe care; conscious; knowing; done with stubborn purpose, but not with malice.

The word 'reckless' as applied to negligence, is the legal equivalent of "wilful" or 'wanton'."

26. Thus, a consensus of the meaning of the words "wilful default" appears to indicate that default in order to be wilful must be intentional, deliberate, calculated and conscious, with full knowledge of legal consequences flowing therefrom. Taking for instance a case where a tenant commits default after default despite oral demands or reminders and fails to pay the rent without any just or lawful cause, it cannot be said that he is not guilty of wilful default because such a course of conduct manifestly amounts to wilful default as contemplated either by the Act or by other Acts referred to above."

- (22) From the above judgements it is discerned that all cases of non payment of rent cannot be branded as wilful default. "Wilful default is committed



only when there is conscious or deliberate defiance and intent not to pay the rent".

(23) Let me now examine the facts to find out if the tenant has committed wilful default in paying the rent to the landlord. I have thoroughly gone through the evidence on record. The tenant as RW1 in his cross-examination categorically deposed that the rent was periodically increased at 20% from 2005 onwards. The relevant portion of the evidence of the tenant reads as follows:

"பிரமாணவாக்குமூலம் பத்தி 6ல் 2005 முதல் மாத வாடகை ரூ.2,88,000 என்று குறிப்பிட்டுள்ளேன் என்றாலும் அது 01/01/2005 முதல் 31/12/2007 வரையிலான காலத்திற்கானது என்றால் ஆம். 01/01/2008 முதல் 31/12/2010 வரைக்கும் மாத வாடகை ரூ.3,45,000 என்றால் ஆம். பிரமாணவாக்குமூலம் பத்தி 8ல் மாத வாடகையாக ரூ.4,14,720 செலுத்துவதாக குறிப்பிட்டுள்ளேன் என்றாலும் அது 01/01/2011 முதல் 31/12/2013 வரை செலுத்தியுள்ளோம் என்றால் சரிதான்."

(24) From the evidence of the tenant it is clear that the rent was periodically enhanced by 20% from 2005 onwards and that from 01.01.2011 to 31.12.2013, the enhanced rent was fixed at Rs.4,17,720/-. Therefore, for the period from 01.01.2014, the enhanced rent would be Rs.4,97,720/- per month. The tenant taking advantage of the absence of a written lease agreement, stated that he continued to pay the last agreed rent of Rs.4,14,720/- and therefore there was no wilful default. Let me, digress



here for a moment, to turn to the findings of the Court's below on this aspect.

(25) The Courts below, on the basis of the above evidence of the tenant applied the presumption under Section 114(f) of the Indian Evidence Act, and found that the tenant had committed wilful default. The learned counsel for the tenant submitted that the Court's below, in the absence of a written agreement, erred in invoking the presumption under Section 114(f) of the Indian Evidence Act. In my view, the said contention is meritless, since an agreement is not necessary for applying the legal presumption. A fitting answer to the tenant's contention is found in the judgment of the Hon'ble Supreme Court in the case of **Kumar Exports versus Sharma Carpets**, reported in (2009) 2 SCC 513. While considering the presumption under Section 118 of the Indian Evidence Act, the Apex Court held as follows:

“15. Presumptions are devices by use of which the courts are enabled and entitled to pronounce on an issue notwithstanding that there is no evidence or insufficient evidence. Under the Evidence Act all presumptions must come under one or the other class of the three classes mentioned in the Act, namely, (1) “may presume” (rebuttable), (2) “shall presume” (rebuttable), and (3) “conclusive presumptions” (irrebuttable). The term “presumption” is used to designate an inference, affirmative or disaffirmative of the existence of a fact, conveniently called the “presumed fact” drawn by a judicial



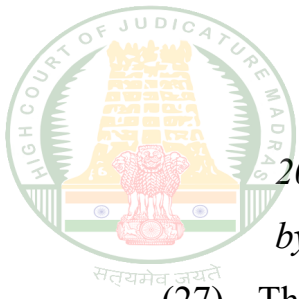
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tribunal, by a process of probable reasoning from some matter of fact, either judicially noticed or admitted or established by legal evidence to the satisfaction of the tribunal. Presumption literally means “taking as true without examination or proof”.

- (26) The Courts below on the basis of the aforesaid evidence, and by process of probable reasoning, concluded that the rent had been enhanced periodically and that, with effect from 01.01.2014, the rent payable was Rs.4,97,720/-. This court therefore finds that the contention that the Court’s below erred in invoking the presumption under Section 114(f) is unacceptable. Further, the Court’s below were well within their jurisdiction in drawing the requisite presumption. Once such presumption was drawn, the burden shifted to the tenant to rebut it. In the absence of any cogent or satisfactory rebuttal this Court finds no warrant to interfere with concurrent findings of the Court’s below. The tenant, in his chief-examination at paragraph no.8, stated as follows:

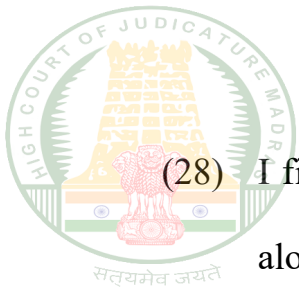
“The Respondent is paying the monthly rent of Rs.4,14,720/- regularly without any default as per the Agreement dated 31.01.2011 entered into between the Petitioners and the Respondent which had not been novated.

The Respondent specifically denies all the allegations made in para 16 of the Petition and submits that the agreed monthly rent on and from the date of execution of the agreement dated 31.01.2011 for the petition mentioned property is Rs.4,14,720/- which amount is being paid by the Respondent from January,



2014 to till this date without any default and the same is received by the Petitioners without any demur or protest.”

(27) The contention of the tenant that in the absence of a consensus on the actual rent payable, the payment of Rs.4,00,000/- cannot be construed as wilful default is untenable and against the evidence on record. The evidence on record unmistakably establishes that the tenant was fully aware and also admitted that the landlords had periodically enhanced the rent at 20%. However, despite the landlords consistent demands for payment of enhanced rent, the tenant not only failed to pay the enhanced rent, but also unilaterally reduced the agreed rent. In Ex.P6, dated 07.10.2014, the tenant stated that he had arranged to deposit their SBT Cheque No.682347 dated 11.09.2014 for Rs.4,00,000/- drawn in favour of A.Sreekar, first respondent towards his share of rent payable for the month May and June 2014, for the demised premises. So also under Ex.P18 to P.23, the tenant paid Rs.4,00,000/- only for the relevant period. The facts disclose that the tenant in clear disregard of his contractual obligations, deliberately and designedly reduced the rent unilaterally to Rs.4,00,000/-. Assuming that the tenant was not liable to pay the enhanced rent, the failure and the unilateral reduction of the agreed rent, clearly establishes that the tenant without justifiable cause and intentionally failed to discharge his obligation to pay the rent.



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(28) I find from the evidence on record that there was no dispute at all, leave alone a bonafide dispute as to the actual rent payable. I find that the act of the tenant in unilaterally reducing even the agreed rent and deliberately paying the reduced rent, despite being conscious of the enhanced as well as agreed rent amounts to wilful default.

(29) The concurrent findings of the Courts below that the tenant committed wilful default is fully supported by the evidence on record and hence it suffers from neither perversity nor any legal infirmity warranting interference. The learned counsel for the tenant submitted that the landlord was holding Rs.35,26,317/- by way of security deposit and property tax payment. I am not able to countenance the submission of the learned counsel, since, as rightly pointed out by the Appellate Court, the purpose of security deposit is not for the purpose of adjustment of rent, but for refunding it at the time of vacating the premises and for deducting the amount for the damages, if any, done to the property. As rightly pointed out by the lower Appellate Court, the payment of property tax ought to have been intimated to the landlord and thereafter refund or adjustment of rent ought to have been claimed. Since there is no proof for such intimation for refund or adjustment the contention that in view of excess payment there is no wilful default is rejected.



(30) **Whether there have been acts of waste by the tenant :**

Admittedly, the tenant has put up an additional floor (fourth floor in the main building and second floor in the annexe building). According to the tenant, the additional constructions were made with the consent of the then landlord, A.V.Ratnakar and A.Sreekar. The tenant further contended that the construction was commenced in 2003 and completed in 2004 and the rent was paid inclusive of the additional construction. However, the landlord disputed the said claim by contending that they had no knowledge of the additional constructions till the end of 2013. The learned counsel for the landlord relied on Ex.P4 and P5 in support of the aforesaid contention.

- (31) It is pertinent to note that in his letter dated 07.10.2014 under Ex.P6, the tenant did not refer to Ex.P4 and P5. If really the tenant had put up the constructions as early as in 2004, he would have mentioned the same in Ex.P6. In reply to Ex.P6, the landlord under Ex.P7 dated 21.10.2014 directed the tenant to pay the 20% increased rent from 01.01.2014 and also additional rent for the two additional constructions put up by him, if not, to demolish the illegal structures. Again, as a reply to Ex.P4, P5 and P6, the tenant sent a reply under Ex.P9 dated 12.03.2015, wherein also there is no mention of the additional constructions put up by him in 2004. In the said reply, the tenant stated that it had decided to escalate the rent at 5% and also for the first time conveyed that it had incurred 95.70 lakhs



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for constructing the additional structures. From the aforesaid evidence, it is clear that the tenant had put up the construction without the consent of the landlord. Even though the tenant in his cross-examination stated that he put up the additional construction in 2004, with the written consent of A.V.Ratnakar, the then landlord, he did not produce any written document. The evidence of the tenant in this regard, reads as follows:

நான் 2004ம் ஆண்டு ரத்னாகர் இருக்கும் போது அந்த பணிகளை செய்தேன். ரத்னாகரிடம் எழுத்துபூர்வமாக அனுமதி பெற்று தான் கட்டுமான பணி செய்தேன் என்பதை காட்டுவதற்கு ஏதேனும் ஆவணம் நீதிமன்றத்தில் தாக்கல் செய்துள்ளேனா என்றால் இல்லை.

(32) It is further pertinent to note here that in C.S.No.760 of 2007 filed by the landlord, the tenant was made as a party and in the schedule of property, the suit property was described as follows:

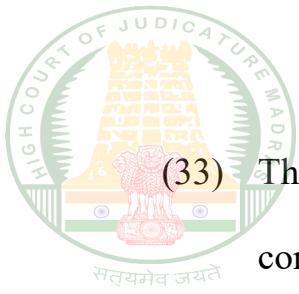
All the piece and parcel of 50% Undivided share in land measuring 2 Grounds 1318 sq.ft. (as per Patta) together with 50% undivided share in Basement, Ground plus three floors building situate at Old Door No.120, New Door No.24, Gopathi Narayanaswami Chetty Road, T.Nagar, Chennai-600 017 comprised in R.S.No.47, T.S.No.8431, Block No.109, Thyagarayanagar Village and the land being bounded on the

North by Old No.1 New No.1, Giri Road

South by G.N.Chetty Road

East by Old No.121, New No.22, G.N.Chetty Road

West by Old No.119, New No.26, G.N.Chetty Road

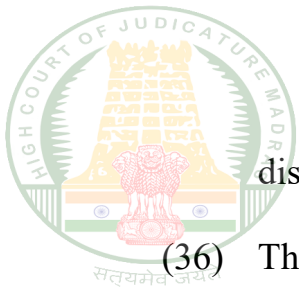


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(33) The said suit was filed in August 2007. Therefore, it is clear that the contention of the tenant that additional structures were constructed in 2003 is not true. Be that as it may, it is to be seen if, the additional structures put up by the tenant amounts to an act of waste entitling the landlord for eviction on the said ground.

(34) The learned counsel for the tenant submitted that in absence of a finding as to the date of the alleged additional construction, the eviction petition ought to have been dismissed. The learned counsel further submitted that the landlord had failed to prove that the tenant had caused any material damage impairing the value and utility of the building and therefore, eviction on the ground of act of waste was erroneous. The learned counsel relied on the judgement of the Hon'ble Supreme Court in the case of *Krishan Kumar versus Krishna Nath and Others*, reported in (2022) 16 SCC 565 in support of his contention.

(35) I have gone through the said judgement and I find that the said judgement is based on the facts of that case. In the said case, the plaintiff's own document Ex.P1, showed that the wall between the two shops existed and therefore, the Court held that the onus lay on the plaintiff, to establish that material alteration was made and also that it had been done after the commencement of the lease. Moreover, the Court found from the recitals in the lease agreement that the material alteration and addition at the cost of the tenant therein, was permitted. The said case is therefore



distinguishable with the facts of the present case.

(36) The next question that arises for consideration is whether the additional constructions put up by the tenant amounts to material impairment or value and utility of the building under the Act. The Hon'ble Supreme Court in the case of ***G.Reghunathan versus K.V.Varghese***, reported in ***(2005) 7 SCC 317*** held that, what would constitute material impairment affecting the value or utility of the building cannot be described or considered in generalised terms, but, has to be considered on the facts of each case. The learned counsel for the tenant relying on the judgement of this Court in the case of ***M.Karuppanna Gounder Vs. C.Visuvasam and others***, reported in ***(1998) 1 LW 796*** submitted that the tenant was entitled to make reasonable alterations in the demised premises for the reasonable use of the property. In the said judgement, the act of the tenant in putting up asbestos roofing, bathroom and latrine were found to be constructions not materially impairing the utility and value of the building. In the said case, the aforesaid constructions were put up since the landlord had not provided any necessary amenities. In my view, the aforesaid judgement does not apply to the present case since the facts are easily distinguishable. The Courts below by correctly applying the legal principles as enunciated by the Hon'ble Supreme Court, correctly held that the impairment of value and utility of the building must be adjudged from the landlords point of view. By applying correct legal principles and



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on proper appreciation of the evidence on record, the appellate Court returned a factual finding that the additional floor would increase the load on the existing structure and when not done with proper structural engineering analysis would materially damage the utility of the building. The Court also found that the fourth floor was constructed without any approval from the competent authority. On such finding, the lower appellate Court found that the tenant had committed acts of waste. As discussed above, the tenant has not taken the consent of the landlord for putting up additional structures. From exhibits P4, P5 and P6, it is clear that the illegal additional construction came to the knowledge of the landlords only in December 2013 and immediately thereafter, the said letter was issued directing the tenant to demolish the building or vacate the premises. Under Ex.P4, the demolition of illegal structures was made a condition precedent for entering into a fresh lease agreement. Pertinently, in the present case the tenant has not disputed the additional constructions were put up by him. The construction of an additional floor in the annexe building and the fourth floor in the main building by its very nature affects structural stability of the building. As rightly pointed out by the trial Court, by putting up the additional floors, the load on the existing structures has increased. It is not the tenants case that he had taken proper structural engineering advice before constructing the additional floors. Even the plan approval for constructing the additional



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floors is not produced and therefore, it is clear that the said additions were made in violation of the building rules and by compromising the structural stability of the building. By putting up the additional constructions the material value of the building may have increased, but, the utility value has definitely diminished. Moreover, it is to be noted that it is not open to the tenant to deal with the premises as he pleases and the very nature of the construction put up by him clearly establishes that the additions are not trivial in nature, but ones that would require an expert opinion on the structural stability of the building. Assuming that the additions have been made for the tenant's business purposes, the same is irrelevant, since the material alterations will have to be viewed from the point of view of the landlord and not tenant. I am therefore of the view that the findings of the Courts below on this aspect also do not call for any interference.

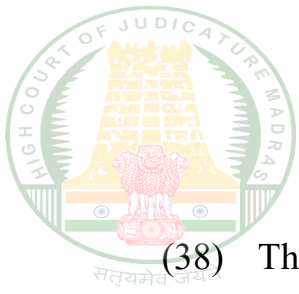
(37) **Whether the landlords are entitled to eviction of the tenant on the grounds of own use and occupation:**

The learned counsel for the landlord submitted that they needed the demised premises to establish a branch of their own business viz. Narayana Power Company Private Limited, in which, the first respondent and his wife (PW1) are Directors and therefore they sought for eviction on the ground of own occupation also. The first petitioner is running a company in the name and style of Narayana Power Company Limited,



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which is engaged in renewable energy related business. The business is primarily situated in Bangalore and therefore, the landlords stated that they required the premises for establishing a branch office in Chennai. To establish that the present company i.e. Narayanpur Power Company Private Limited, is in sound financial health, the landlords filed Ex.P21, P22 and P23. The landlords also filed income tax returns under Ex.P17, P17 and P18, to establish the financial position of the company. Ex.P24 board resolution was also filed in support of their claim for eviction. The tenant disputed the landlords' claim for own use on the ground that the landlords possess various other properties in Chennai. The tenant relied on Ex.R3 to contend that the landlords had two other properties in Chennai, one of which, is a fourth floor building in Anna Salai. The other one is the petition premises. The landlords on the other hand contended that the property in Anna Salai, exclusively belongs to their mother and in the petition premises, the first respondent and the respondents 2 and 3 have only 50% share each. The Courts below, on appreciation of the entire evidence and by applying the correct legal principles, as enunciated in the judgement of this Court in the case of *The Regional Manager, Tamil Nadu Handloom Weavers' Cooperative Society Ltd., Thanjavur and others vs. V.Natarajan*, reported in *2010 (6) CTC 454*, found that the claim of the landlords for the demised premises was bona fide.



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(38) The Courts below on the basis of the evidence on record found that the claim of the landlords was bona fide and that it was not an indirect attempt to evict the tenant. The learned counsel for the tenant submitted that the first landlord had 50% share in the property and the landlords 2 and 3 remaining 50% share and therefore, in the absence of the consent of the second and third landlords, the first landlords claim for own occupation is untenable. The very fact that the landlords 2 and 3 joined with the first landlord to file the eviction petition would itself establish that they had impliedly consented to the running of the business in the demised property by the first landlord and his wife. The learned counsel for the tenant relied on the judgement of this Court in ***Kathan vs. Scaw Manak Chand Shohaji***, reported in (2004) 1 CTC 668 and submitted that the bona fide requirement does not mean mere desire but, genuine and urgent need for the premises. It is true that the requirement of the premises should not be on mere desire. However, based on the facts of the case the Court's below have returned concurrent findings of fact that the requirement of the landlords for own use and occupation was bona fide. I find that the concurrent findings of the Courts below that the requirement of the landlords was genuine and bona fide is based on proper appreciation of the facts and law and therefore I find no compelling reasons to interfere with the same. Hence, the finding of the



Courts below on the ground of own use and occupation is not interfered with.

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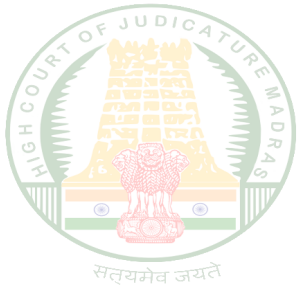
(39) In light of the above discussions, I find absolutely no merit in the civil revision petition and hence, the same is dismissed. The tenant shall vacate and hand over the vacant possession of the premises to the landlord within a period of three months from the date of receipt of a copy of this order. No costs. Consequently, connected miscellaneous petition is closed.

08-07-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

AP
To

- 1.The XV Judge, Small Causes Court, Chennai.
- 2.The XIX Judge, Small Causes Court, Chennai.



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CRP No. 484 of 2



N.MALA J.

AP

**Order in
CRP No. 484 of 2026
AND
CMP NO. 2695 OF 2026**

08-07-2026