

IN THE HIGH COURT OF JUDICATURE AT BOMBAY**CIVIL APPELLATE JURISDICTION****WRIT PETITION NO. 13111 OF 2024****Kiran Suresh Devarukhakar****....Petitioner****V/s.****Jayshree Devidas Shiriskar and Ors.****....Respondents**

Mr. Pankaj Dwivedi, for the Petitioner.**Ms. Tanaya Goswami, AGP for Respondent-State.****Mr. Kunal R. Maskar, for Respondent No.1.**

CORAM : SANDEEP V. MARNE, J.**Date : 14 OCTOBER 2024.****P.C. :**

1) The petition challenges order dated 2 September 2024 passed by the Additional Divisional Commissioner, Konkan Division, rejecting the prayer for stay of eviction order during pendency of the Revision Application.

2) Petitioner is a licensee in respect of the license premises by virtue of Leave and License Agreement dated 3 June 2024 by which license for the period from 1 June 2023 to 31 May 2026 came to be granted in favour of the Petitioner. The license agreement contains a unique arrangement between the parties where the Respondent-Licensors has accepted hefty security deposit of Rs.10 lakh from the Petitioner and the rent payable in respect of the premises is only Rs.200/- per month.

3) It is Petitioner's case that after grant of license, he has renovated the entire premises and has incurred expenditure of Rs.1,50,000/- for making the same livable. It appears that within 7 months of execution of the license agreement, Respondent-Licensor sought to terminate the license by notice dated 5 January 2024 stating that she required the premises for her own residence. Petitioner-Licensee refused to vacate the premises and raised the contention of currency of license together with incurring of expenditure of Rs.1,50,000/- for renovating the same. After noticing the contention of the Petitioner about renovation of the license premises, the Licensor issued fresh notice dated 16 March 2024 alleging unauthorized additions and alterations without her permission and once again terminated the license agreement.

4) In the above factual background, Respondent-Licensor filed application under Section 24 of the Maharashtra Rent Control Act, 1999 seeking eviction of the Petitioner. It appears that Petitioner received summons in respect of Eviction Application No.106 of 2024 but failed to appear before the Competent Authority. This led to non-filing of any application seeking leave to defend before the Competent Authority. The Competent Authority has accordingly passed order dated 29 July 2024 directing Petitioner to vacate the premises by paying damages at double the amount of license fees. The Respondent-Licensor has been directed to deposit the security deposit of Rs.10 lakh in the account of the Competent Authority within 30 days. It appears that contrary to the directions issued by the

Competent Authority, the Respondent-Licensors has failed to deposit the amount of security deposit of Rs.10 lakh within the time limit prescribed in the order dated 29 July 2024.

5) The Petitioner-Licensee has filed Revision Application before the Additional Divisional Commissioner, Konkan Division and sought stay of eviction order. The prayer for stay has been rejected by order dated 2 September 2024, which is the subject matter of challenge in the present petition.

6) Having considered the background in which the impugned orders are passed by the Competent Authority and the Revisional Authority, it appears that the period of license is yet to expire since the Leave and License Agreement is for a period upto 31 May 2026. During currency of license, Respondent-Licensors has terminated the license agreement initially by notice dated 5 January 2024. The reason for termination of license on 5 January 2024 is requirement of Petitioner-Licensee in respect of the premises. However, by subsequent notice dated 16 March 2024, additional ground of carrying out unauthorized additions and alterations came to be added for terminating the license. Petitioner apparently is aggrieved on account of incurring expenditure of Rs.1,50,000/- on the license premises and was not willing to vacate the premises within 6 / 7 months of execution of the license agreement. The case involves a unique arrangement where hefty security deposit of Rs.10 lakh is taken from Petitioner-Licensee and the agreed amount of rent is only Rs.200/-.

7) Perusal of the license agreement does not show that there is any lock-in period, during which the licensor was prohibited from terminating the license agreement within such lock-in period. Clause 10 of the license agreement entitles the Licensor to revoke the license by giving one month's noticing in writing. In that view of the matter, the Petitioner–Licensee has clearly taken a risk of incurring expenditure in renovating the license premises, when the license agreement created a right in favour of the Licensor to terminate the license by merely issuing one month's notice in writing. The termination of the license agreement is therefore in accordance with provisions of Clause 10 of the license agreement. In that view of the matter, Petitioner–Licensee does not have right to occupy the license premises only on the ground of incurring expenditure of Rs.1,50,000/- in renovating the license premises. Also of relevance is the fact that the Petitioner has occupied the license premises from 1 June 2023 till date and in that sense has enjoyed the renovations carried out in the license premises. At the same time, the Respondent–Licensor has not deposited the amount of security deposit with the Competent Authority within a period of 30 days as directed by order dated 29 July 2024. Considering the unique facts and circumstances of the present case, it would be appropriate to permit the Petitioner to retain possession of the license premises till 31 January 2025 on payment of normal license fees of Rs. 200/- p.m.

8) I accordingly proceed to pass the following order :-

(i) The Petitioner is permitted to occupy the license premises till 31 January 2025 on payment of normal license fees of Rs.200/- p.m.

(ii) The arrears of license fee till November 2024 shall be paid by the Petitioner to Respondent on or before 30 November 2024 and he shall thereafter continue to pay the license fees for the months of December 2024 and January 2025 on or before tenth day of each month.

(iii) The Respondent–Licensor shall refund the amount of security deposit of Rs.10 lakh to the Petitioner–Licensee simultaneous with handing over possession of the license premises by Petitioner-licensee on or before 31 January 2025.

9) With the above arrangement, nothing would survive in the Revision Application filed before the Additional Divisional Commissioner, Konkan Division, who shall proceed to pass a formal order closing the revision proceedings.

10) It is made clear that if Petitioner fails to vacate the license premises on or before 31 January 2025, the necessary police assistance shall be provided for evicting the Petitioner from the license premises.

11) With the above directions, the Writ Petition is disposed of.

[SANDEEP V. MARNE, J.]