



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO.9132 OF 2025**

Ranjan Vinod Mehta and Anr. ... Petitioners
versus
Surendra Tukaram Malik (deceased)
through legal heirs Sunetra Surendra
Malik and Ors. ... Respondents

Mr. Surel Shah, Sr. Advocate with Mr. Nishit Tanna, Mr. Saakshat Relekar i/by
Vaibhav Mehta and Associates, for Petitioners.
Mr. Kunal Bhange with Ms. Priyanka Acharya i/by Mr. Akshay Pawar, for
Respondents.

CORAM: N.J.JAMADAR, J.

DATE : 17 JULY 2025

P.C.

1. Heard the learned Counsel for the parties.
2. The Petitioners / Appellants – Defendants assail the order dated 19 August 2024 passed by the Appellate Bench of the Court of Small Causes on an application (Exh.7) for stay to the execution, implementation and enforcement of a decree of eviction passed against the Petitioners in RAE Suit No.690/1035 of 2010 on the condition of deposit of Rs.40,000/- per month as interim compensation from the date of the impugned decree till August 2024 along with the permitted increases and the out going charges, and continue to deposit monthly compensation at the said rate, and, rent @ Rs.487/- per month till the final disposal of the appeal, with liberty to Respondent Nos.1(a) to 1(c), the landlords, to withdraw the amount of rent

and permitted increases.

3. Mr. Surel Shah, learned Senior Advocate for the Petitioners submitted that the suit premises is situated in an old building with no facilities and amenities. The Appellate Bench has determined the interim compensation in an arbitrary manner. Valuation report submitted by the landlords assessed the fair market rent at Rs.54,000/- per month by taking into account the instances of letting out the premises in the recently constructed buildings, which have far better amenities and facilities. The Appellate Court also misconstrued the valuation report relied upon by the Petitioners to the effect that the fair market rent is Rs.28,000/- per month. In fact, the valuers had assessed the fair market rent at Rs.14,000/- per month. It was further submitted that, in any event, the Court should not have permitted the landlords to withdraw the amount of compensation.

4. Mr. Bhange, learned Counsel for the Respondents, jointed the issue by canvassing a submission that the area of the demised premises is 720 sq.ft. It is located at a stone throwaway distance from Mulund Railway Station. The Appellate Bench of the Court of Small Causes has balanced the equities. Such an order is not amenable to interference in exercise of writ jurisdiction. Yet the Court may suitably reduce the quantum of compensation to Rs.35,000/- per month, submitted Mr. Bhange.

5. It was further urged that the submission on behalf of the Petitioners that

the Appellate Bench has permitted the landlord to withdraw the amount of compensation is against the plain terms of the order. What has been permitted to be withdrawn is the amount of rent and the permitted increases.

6. From the perusal of the impugned order, especially paragraph No.13 thereof, it appears that the Appellate Bench considered the valuation reports submitted by the Petitioners and the Respondent Nos.1(a) to 1(c) – landlords, and tried to achieve a golden mean, and, thus, fixed the amount of compensation at Rs.40,000/- per month. It could not be disputed that the area of the suit premises is about 720 sq.ft. The suit premises is situated at a close distance of Mulund Railway Station and offers convenience of living.

7. In the case of **State of Maharashtra and Anr. V/s. Super Max International Pvt. Ltd. and Ors.**¹, a three Judge Bench of the Supreme Court, while approving the decision in the case of **Atma Ram Properties (P) Ltd. V/s. Federa Motors (P) Ltd.**², enunciated that in an appeal or revision preferred by a tenant against an order or decree of eviction passed under the Maharashtra Rent Control Act, it is open to the appellate or the revisional Court to stay the execution of the order or the decree on terms, including a direction to pay monthly rent at a rate higher than the contractual rent. In fixing the amount subject to payment of which the execution of the order/decree is stayed, the Court would exercise restraint and would not fix any

1 (2009) 9 SCC 772

2 (2005) 1 SCC 705

excessive, fanciful or punitive amount.

8. In the case at hand, having regard to the location of the suit property, its area, the situational advantages and the attendant factors, it cannot be said that the direction to pay compensation @ Rs.40,000/- per month is in the nature of a penal impact. Moreover, Mr. Bhange fairly submitted that the Court may reduce the amount to Rs.35,000/- per month.

9. In the case of **Super Max International Pvt. Ltd. and Ors. (supra)**, the Supreme Court also cautioned that, ordinarily the amount ordered to be deposited by way of compensation / additional rent should not be directed to be paid to the landlord during the pendency of the appeal / revision. The deposited amount along with the accrued interest should only be paid after the final disposal to either side depending upon the result of the case.

10. In the case at hand, as submitted by Mr. Bhange, the Appellate Bench was careful enough to permit the landlords to withdraw the amount of contractual rent and permitted increases only and not the amount of compensation. Thus, no interference is warranted in the impugned order on the said count.

11. Resultantly, the Petition can be disposed by modifying the rate at which the compensation is to be paid by the Petitioners. Hence, the following order :

ORDER

- (i) The Writ Petition stands partly allowed.

(ii) The impugned order stands modified only to the extent that the Petitioners / Appellants – Defendants shall deposit compensation at the rate of Rs.35,000/- per month, from the date of the impugned decree till August 2024 and continue to deposit compensation at the rate of Rs.35,000/-, instead of Rs.40,000/- till the final decision of the Appeal.

(iii) The arrears of compensation at the said rate of Rs.35,000/-, rent and permitted increases be deposited within a period of four months from the date of this order.

(N.J.JAMADAR, J.)