



CRP No.549 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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Pronounced on : 03-03-2025

CORAM :

THE HON'BLE MR. JUSTICE SATHI KUMAR SUKUMARA KURUP

Civil Revision Petition No. 549 of 2021

and

C.M.P. No. 4718 of 2021

3F Industries Limited
No.222, Fountain Plaza, I-Floor,
Pantheon Road, Egmore,
Chennai - 600 008.
Represented by its Vice President
Mr. Jitendra Goenka
S/o. Mr. Shiv Bhagwan
(Company Name substituted vide
Court order dated 10.04.2023
made in C.M.P.No.7042 of 2023 in
C.R.P.No.551 of 2021)

.. Petitioner

Versus

M. Goutham Chand Jain

.. Respondent

Civil Revision Petition filed under Section 25 (1) of Tamil Nadu Buildings (Lease and Rent Control) Act, 1960 to set aside the judgment and decree dated 13.09.2019 in R.C.A. No. 478 of 2017 on the file of the VII Small Causes Court at Chennai confirming the fair and decreetal order dated 20.07.2016 in R.C.O.P. No. 1985 of 2010 on the file of the XIII Small Causes Court at Chennai.

For Petitioner	:	Mr. T. Saikrishnan
For Respondent	:	Mr. K.R. Rameshkumar



CRP No.549 of 2021

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ORDER

This Civil Revision Petition is filed seeking to set aside the judgment and decree dated 13.09.2019 made in R.C.A. No. 478 of 2017 on the file of the VII Small Causes Court at Chennai confirming the fair and decreetal order dated 20.07.2016 passed in R.C.O.P. No. 1985 of 2010 on the file of the XIII Small Causes Court at Chennai.

2. The Civil Revision Petitioner is the tenant and the Respondent is the Landlord.

3. As per the averments in RCOP No. 1985 of 2010 filed by the Respondent/Landlord, the petition premises being part of the house, ground and premises (ground floor) bearing Door No.1, Arulanandam Street, Santhome, Mylapore, Chennai measuring 4330.5 square feet or thereabouts was owned by the the Respondent/Landlord. The Revision Petitioner was inducted as a tenant in the above said property through a lease agreement dated 23.04.2004 by the landowner's predecessor in title (viz.,) Mrs. Zubaida Nachiya, represented by her power agent Mr. L.M. Basheer Ahmed. At the time when the Revision Petitioner was inducted as a tenant, the monthly rent was fixed at Rs.30,000/- representing Rs.21,000/- towards rent and Rs.9,000/-



towards amenities for three years commencing from 01.05.2004. The Revision

Petitioner tenant paid Rs.1,75,000/- as security deposit, representing Rs.1,22,500/- towards rent and Rs.52,500/- towards amenities. The tenancy was for commercial purpose and the premises possess all the locational advantages. The rent presently being paid by the Revision Petitioner is very low when compared to the locational advantages the premises possess. The land value in the locality is roughly around Rs.1,25,00,000/- per ground, but the rent is not befitting the land value and other amenities. Therefore, the Respondent has filed RCOP No. 1985 of 2010 on 16.11.2010 under Section 4 of the Tamil Nadu Buildings (Lease and Rent Control) Act for fixation of fair rent at Rs.1,31,790/- per month for the premises.

4. On notice, the Revision Petitioner-tenant filed a counter statement contending *inter alia* that the land value mentioned in the calculation sheet filed along with the Original Petition is exaggerated. Except electricity, there are no specific amenities provided to the building in question. The measurement of the land and building mentioned is also on the higher side and it does not reflect the actual area in occupation of the Revision Petitioner-tenant. The Revision Petitioner-tenant is using the premises as a godown. As the street is very narrow the vehicle which enters into the street could not turn



around and it has to come in the reverse and thereby it is stated that there are many such disadvantages in utilising the property in question. The property does not possess any locational advantage. The railway station, bus stop and market are very far from the property. The rent of Rs.30,000/- itself is on the higher side. The land value mentioned by the Respondent-Landlord is an illusionary and it cannot be Rs.1,25,00,000/- as mentioned by the Respondent and accordingly, the Revision Petitioner prayed for dismissal of the Original Petition.

5. Before the Rent Controller, the Respondent/Landlord examined himself as P.W-1 and one Mr. M. Ajeez Mohideen as P.W-2 and Ex.P-1 to Ex.P-4 were marked. On behalf of the Revision Petitioner-tenant, Mr. Sathiyathan was examined as R.W-1 and Mr. G. Chelliah Sarathy was examined as R.W-2 and Ex. R-1 to Ex.R-5 have been marked.

6. The learned Rent Controller, upon analysing the oral and documentary evidence passed the Judgment dated 20.07.2016 in RCOP No. 1985 of 2010 fixing the fair rent at Rs.51,114/- per month and directed the Revision Petitioner to pay such amount from the date of the petition namely 16.11.2010.



CRP No.549 of 2021

WEB COPY7. Assailing the Judgment dated 20.07.2016 in RCOP No. 1985 of 2010, the Revision Petitioner-tenant filed RCA No. 478 of 2017 and it was dismissed by the Appellate Authority. Therefore, the present Civil Revision Petition is filed before this Court by the Revision Petitioner-Tenant.

8. The learned Counsel for the Revision Petitioner submitted that during the enquiry, the tenant marked the sale deed of the year 2010, which is in the same area where the demised premise is situate. The learned Rent Controller had rejected it without any valid reason by stating that it was a Housing Board property. The Housing Board property is also purchased by an individual from another individual for valid consideration and it was not taken note of by the Courts below. The learned Rent Controller had considered the sale deed filed by the Landlord under Ex.P-1, which is the very same property that he had purchased in the year 2006. Based on that sale deed, the learned Rent Controller had appreciated the annual value by 10% per year without assigning any reason. The learned Counsel for the Revision Petitioner-tenant also contended that usually, in land acquisition matters, this procedure is followed for properties acquired by any Government Department based on future developments. But here the property is in the city, the city had already



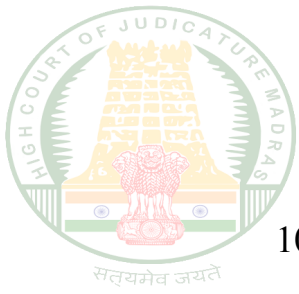
CRP No.549 of 2021

been developed. Therefore, appreciation of 10% made by the learned Rent

WEB CONTROLLER by rejecting the sale deed produced by the tenant is unreasonable.

The tenant is in enjoyment of the ground floor as well as the first floor of the property. Previously, the tenant was paying Rs.30,000/- for the ground floor and Rs.15,000/- for the first floor. Now, for the ground floor, the fair rent has been fixed at Rs.51,114/-, and for the first floor, it has been fixed at Rs.35,572/.

9. It is further submitted by the learned Counsel for the Revision Petitioner that the learned Rent Control Appellate Authority had ignored the grounds raised by the tenant in the Grounds of Appeal, particularly the appreciation of 10% followed by the learned Rent Controller and the rejection of Ex.R-5. The learned Rent Control Appellate Authority failed to appreciate the legal grounds raised by the Revision Petitioner-tenant and confirmed the order of the learned Rent Controller. It is further submitted that the Appellate Authority verbatim confirmed the order of the learned Rent Controller without any independent assessment of the material records made available and therefore, the learned Counsel for the Revision Petitioner prayed for setting aside the orders of the Courts below and to allow the Civil Revision Petition.



10. Per contra, the learned Counsel for the Respondent/Landlord submitted that the learned Rent Controller's order is a well-reasoned order and it does not warrant any interference. The reason for rejecting the Ex.R-5 is that it did not contain details regarding the zone or area of the Corporation within which the property is located. Also, the learned Counsel for the Respondent contended that the Landlord had furnished two sale deeds. One sale deed pertains to the petition premises itself, which he had purchased in the year 2006 and another sale deed of the land situated in the same area during the year 2010, which was marked as Ex.P-3. The learned Rent Controller rejected Ex.P-3 and only taken into consideration the sale deed by which the Landlord had purchased the petition premises. The learned Counsel for the Respondent further contended that earlier, a tenant was in possession of the building and was paying the rent from the year 2004, but he was paying only a meagre amount. It is further submitted that, as per the valuation of the property by the tenant, the building is 90 years old, whereas the Landlord had fairly conceded it as 100 years old building. The Engineer's Report regarding Schedule 1 property and the valuation thereof have been accepted by the learned Rent Controller. The learned Counsel for the Respondent also invited the attention of this Court to the order passed by the learned Rent Controller and the methodology adopted for arriving at the fair rent. By pointing out the same,



CRP No.549 of 2021

the learned Counsel for the Respondent submitted that it is a fair and reasonable amount fixed by the learned Rent Controller. The Appellate Authority did not find any reason to interfere with the same and accordingly dismissed the appeal. Taking note of the location where the premises is situate, the rent fixed by the learned Rent Controller and confirmed by the Appellate Authority is a fair and reasonable amount of rent, which the Revision Petitioner-tenant is bound to pay. Therefore, the learned Counsel for the Respondent prayed for dismissal of the Civil Revision Petition.

11. Heard the learned Counsel for the Revision Petitioner-Tenant and the learned Counsel for the Respondent-Landlord and perused the materials placed on record.

Point for consideration:

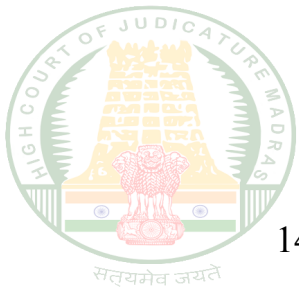
Whether the fair rent fixed by the learned Rent Controller in R.C.O.P.No. 1985 of 2010 dated 20.07.2016 and confirmed by the learned Rent Control Appellate Authority in R.C.A.No.478 of 2017, dated 13.09.2019 is to be set aside as perverse?

12. The contention of the Revision Petitioner is that the increase in the value of 10% per annum calculated by the learned Rent controller is



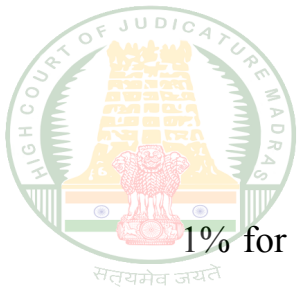
without any acceptable reason. It is his contention that the fair rent fixed by the learned Rent Controller is perverse and is to be set aside. Also, it is the contention of the learned Counsel for the Revision Petitioner that the sale deed marked on the side of the tenant was rejected by the learned Rent Controller without any reason. Whereas the learned Rent Controller had accepted the sale deed marked by the Respondent-Landlord by which he purchased the property in question in the year 2006. Instead, the amount fixed by the tenant based on the sale deed of the tenant has to be accepted and the order passed by the learned Rent Controller is to be set aside. The said contention of the learned Counsel for the Revision Petitioner is not found proper.

13. On consideration of the orders passed by the learned Rent Controller, it is found that the learned Rent Controller had logically adopted the value. Considering the fact that the property is 100 years old, the value of the land increases every year. Whereas the value of the building attracts the principle of depreciation and decreases every year. In this case, the Landlord had fairly conceded that the property is 100 years old and based on the same, the fair rent was fixed by the learned Rent Controller with appreciation of 10% per year and it cannot be faulted with.



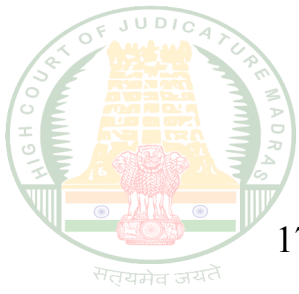
14. The argument of the learned Counsel for the Revision Petitioner (tenant) that 10% appreciation every year calculated by the learned Rent Controller is without any logical reasoning and is to be rejected. The value of the immovable property increases every year by geometric progression whereas, the learned Rent Controller has given the appreciation value only at 10% per year which cannot be faulted. As per the norms adopted by the Tamil Nadu Building lease and Rent Control Act, the Court has to consider the amenities available and the area where the property is located. Here, the property is in a most developed area, commercially exploited locality in Santhome, Mylapore, Chennai. It is needless to mention that the property is situated in a bustling commercial locality which is located in the Central part of the City.

15. The learned Rent Controller had stated that Ex.R-5 relied by the tenant relates to a Housing Board property and which is quite far from the petition premises and therefore, it was rejected. It is settled proposition of law that guideline value cannot be looked into for fixing the fair rent. Therefore, the learned Rent Controller had taken the value mentioned in the sale deed of the year 2006 for the very same premises. The land value for 2 grounds 1082 sq.ft was assessed as Rs.55,99,658/-. The depreciation value is also taken as



1% for 100 years. The calculation by the learned Rent Controller is therefore found proper and it is in accordance with the Tamil Nadu Buildings (Lease and Rent Control) Act. Therefore, the submission of the learned Counsel for the Revision Petitioner that the document furnished by the tenant was rejected by the learned Rent Controller without any bases is found unacceptable.

16. In schedule 1 amenities, the Engineer appointed by the Landlord had awarded 5% whereas the Engineer engaged by the Respondent/tenant had awarded 3%. The Court had considered 4% only in between 3% and 5%. The Petitioner's Engineer had fixed the value at Rs.1,80,00,000/- (Rupees One crore eighty lakhs only) per ground as per Ex.P-3 sale deed. Whereas the Engineer of the Respondent/tenant had fixed the land value on the basis of Guideline value being Rs.1000/- at Rs.24,00,000/- per ground. Ex.P-3 sale deed relied by the Petitioner/Landlord was rejected whereas the value of the property under Ex.P-1 sale deed for the Landlord premises of the year 2006 was considered with 10% appreciation every year adopting the formula mentioned in the Tamil Nadu Lease and Rent Control Act for fixing the fair rent. The learned Rent Controller had fixed the value, adopted methods logically and it does not warrant any interference by this Court.



CRP No.549 of 2021

17. The learned Rent Control Appellate Authority had re-assessed the same and rejected the contention of the Appellant in R.C.A.No.478 of 2017 and confirmed the finding of the learned Rent Controller. In Civil Revision Petition, under Section 25 of the Act, only if there is contravention of law, the Court can interfere with the concurrent findings of the courts below. This Court in exercise of the powers under Section 25 of The Tamil Nadu Buildings (Lease and Rent Control) Act, cannot re-assess evidence. Section 25 of the Act can be invoked only if it is found that the conclusion reached by the courts below is based on irrelevant material or such conclusion is without any basis. In the present case, the conclusion reached by the Courts below, in the opinion of this Court, is well merited and therefore it deserves no interference by this Court. Accordingly, the point for consideration is answered against the Revision Petitioner and in favour of the Respondent.

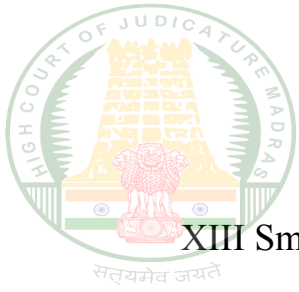
18. When this Civil Revision Petition was listed for hearing on 27.04.2021, this Court directed the Revision Petitioner-tenant to deposit a sum of Rs.10,00,000/- to the credit of RCOP No. 1985 of 2010 as a condition precedent for granting interim stay. Subsequently, when the Civil Revision Petition was taken up for hearing on 17.06.2021, it was represented on behalf of the Civil Revision Petitioner that the conditional order dated 27.04.2021 has



been complied with. During the course of arguments in this Revision Petition, the learned Counsel for the Respondent/Landlord sought permission of this Court to withdraw the amount which had already been deposited before the learned Rent Controller. When this Court raised a query with the learned Counsel for the Revision Petitioner regarding any objection, he sought time to get instructions from his client. Subsequently, on 24.04.2023, the learned Counsel for the Revision Petitioner submitted that he has no objection for the Respondent-Landlord to withdraw the deposited amount.

19. In the light of the above discussion, the point for consideration is answered against the Revision Petitioner and in favour of the Respondent. The fair rent fixed by the learned Rent Controller in R.C.O.P.No. 1985 of 2010 dated 20.07.2016 and confirmed by the learned Rent Control Appellate Authority in R.C.A.No.478 of 2017, dated 13.09.2019 is found proper and the same is to be confirmed.

In the result, **the Civil Revision Petition is dismissed** confirming the judgment and decree dated 13.09.2019 made in R.C.A. No. 478 of 2017 on the file of the VII Small Causes Court, Chennai, confirming the fair and decreetal order dated 20.07.2016 passed in R.C.O.P. No. 1985 of 2010 on the file of the



CRP No.549 of 2021

WEB COPY XIII Small Causes Court, Chennai. In view of the confirmation of the orders passed by the Courts below, this Court permits the Respondent/Landlord to withdraw the sum of Rs.10 lakhs deposited to the credit of RCOP No. 1985 of 2010 on the file of the XIII Small Causes Court, Chennai. Consequently, connected miscellaneous petition is closed. No costs.

03-03-2025

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Internet : Yes / No

Index : Yes / No

Speaking/Non-speaking order

To:

1. VII Small Causes Court,
Chennai.
2. XIII Small Causes Court,
Chennai.
3. The Section Officer,
V.R. Section,
High Court of Madras.



CRP No.549 of 2021

CRP.No.549 of 2021

WEB C **SATHI KUMAR SUKUMARA KURUP, J**

While pronouncing Orders, the learned Counsel for the Revision Petitioner submitted that the Revision Petitioner had deposited Rs.10,00,000/- (Rupees Ten Lakhs only) on the file of the learned Rent Controller, XIII Judge, Small Causes Court, Chennai. Therefore, he requested the same amount may be deducted towards arrears of rent fixed by the learned Rent Controller. Accordingly, the learned XIII Judge, Small Causes Court, Chennai is directed to adjust this amount with the arrears when the landlord files a Petition for arrears of difference of the rent fixed by the learned XIII Judge, Small Causes Court, Chennai.

03.03.2025

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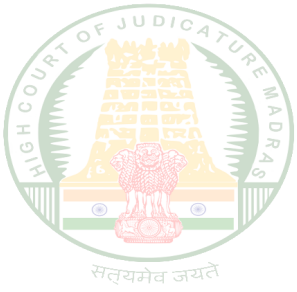
CRP No.549 of 2021

SATHI KUMAR SUKUMARA KURUP, J

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Order in
C.R.P.No.549 of 2021

03-03-2025



CRP No.549 of 2021

C.R.P.No.549 of 2021

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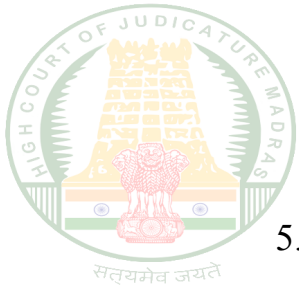
SATHI KUMAR SUKUMARA KURUP, J.

This case is listed today under the caption “for being mentioned” at the instance of the learned Counsel for the Respondent.

2. The learned Counsel for the Respondent submitted that in C.R.P.No.549 of 2021, the date of order passed in R.C.A.No.478 of 2017 was by inadvertence typed as 13.09.2019 instead of 30.09.2019 in pages 1, 2, 8 and 13 and the same is to be set right.

3. The learned Counsel for the Revision Petitioner is present in Court. He fairly concedes the error pointed out by the learned Counsel for the Respondent in the order dated 03.03.2025 passed in C.R.P.No.549 of 2021.

4. Considering the submission of the learned Counsel for the Respondent/Landlord, the Registry is directed to correct the date of the order in R.C.A. No. 478 of 2017 as **30.09.2019** instead of *13.09.2019* at pages 1, 2, 8, and 13 of the order dated 03.03.2025 passed in C.R.P. No. 549 of 2021.



CRP No.549 of 2021

5. Registry is directed to issue fresh order copy to the Petitioner and

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Respondent after carrying out the above said corrections in the order in

C.R.P.No.549 of 2021.

01.07.2025

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CRP No.549 of 2021

SATHI KUMAR SUKUMARA KURUP, J.,

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C.R.P.No.549 of 2021

01.07.2025

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