



C.R.P.No.454 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 24.06.2025

CORAM :

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

C.R.P.No.454 of 2024

and

C.M.P.No.2170 of 2024

Vijayraj Bhandari

... Petitioner

Vs.

1.Mangi Devi
2.Hitesh J.Jain
3.Mahipal J.Jain
4.Teena J.Jain

... Respondents

Prayer : Civil Revision Petition filed under Article 227 of the Constitution of India against the order dated 27.09.2013 passed in R.L.T.A.No.140 of 2022 on the file of the XVI Additional City Civil Court, Chennai, reversing the order of the Rent Court passed in R.L.T.O.P.No.744 of 2021 on the file of the XIII Small Causes Court, Chennai.

For Petitioner : Mr.P.Sunil

For Respondents : Mr.Ralph V.Manohar



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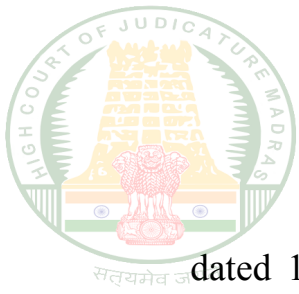
ORDER

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Challenging the order of the Rent Appellate Tribunal reversing the order of the Rent Court dismissing the application for eviction filed by the landlord under Section 21(2)(a) of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017 (hereinafter referred to as “the TNRRRLT Act”), the present revision has been filed by the tenant.

2.The factual matrix of the case is as follows :

2.1.The petitioner was originally inducted as a tenant in the subject premises by the erstwhile owner of the property namely Sha Misrimal Sahibajee. The petitioner has been a tenant for more than 40 years, using the property for non-residential purposes. The present monthly rent is Rs.2,000/-. While so, the respondents became the owners by way of inheritance. The said fact is not in dispute. Admittedly, there is no tenancy agreement between the landlords and tenant in this case. After the respondents became the owners of the property, the respondents sent a letter dated 13.07.2020 calling upon the petitioner to enter into tenancy agreement. However, the petitioner issued a reply letter dated 31.07.2020 raising several allegations. Once again, the respondents sent a legal notice



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dated 14.10.2020 calling upon the petitioner to enter into a new tenancy agreement. Thereafter, the petitioner has sent a reply notice dated 26.10.2020 stating his no objection to enter into rental agreement and it appears that he also paid some rental arrears. Thereafter, on 19.02.2021, the respondents sent a letter attaching the original tenancy agreement fixing the rent of Rs.25,000/-. However, the petitioner sent a reply dated 17.03.2021 refusing to accept the tenancy agreement. Therefore, the respondents sent a legal notice dated 26.03.2021 calling upon the petitioner to quit and deliver vacant possession of the premises, for which, the petitioner replied by letter dated 03.04.2021 stating that he is not willing to enter into rental agreement. Therefore, the respondents filed an application for eviction before the XIII Court of Small Causes, Chennai, in R.L.T.O.P.No.744 of 2021, seeking eviction under Section 21(2)(a) of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017.

2.2.It is the contention of the petitioner before the Rent Court that he has been paying the monthly rent of Rs.2,000/- and he had paid even the rental arrears as demanded by the respondent vide their letter dated 14.10.2020. It was further stated that the petitioner expressed his

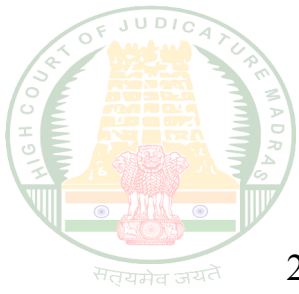


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willingness to accept the rent as per old terms, however, the respondents have demanded an exorbitant monthly rent of Rs.25,000/- which is 733% of the existing rent. It was further stated that the petitioner was initially willing to pay a sum of Rs.3,500/- per month and further, he increased his offer to Rs.8,000/- which itself is 400% increase from the existing rent. It was stated that the respondents have demanded exorbitant rent with a *mala fide* intention to evict the tenant. Hence, he opposed the eviction petition.

2.3.The Rent Court, by relying upon the judgment of a learned Single Judge of this Court in ***Ramesh Salunkhe v. Pramila Jain [C.R.P.(NPD) No.1996 of 2021, dated 25.01.2022]***, held that the agreement has to be entered into with regard to “that tenancy” as contained in Section 4(2) of the TNRRRLT Act which refers to the existing rent and therefore, the landlord cannot unilaterally enhance the rent ten times higher than the existing rent taking advantage of the new Act, and thereby, dismissed the application for eviction.



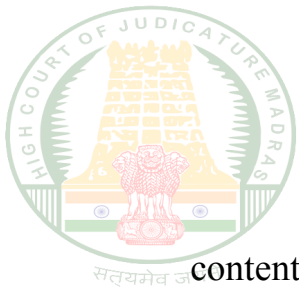
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2.4.The respondents filed an appeal before the XVI Additional City Civil Court, in R.L.T.A.No.140 of 2022. The Rent Appellate Court, by relying upon the judgment of this Court in ***S.Muruganandam v. J.Joseph*** reported in **2022 (2) CTC 291 (Mad)**, held that, when admittedly there is no written agreement between the landlord and the tenant, as mandated under Section 4(2) of the TNRRRLT Act, the landlord is entitled to seek eviction under Section 21(2)(a) of the Act, and thereby, allowed the appeal and ordered eviction.

2.5.Challenging the order of the Rent Appellate Tribunal, the present revision has been filed by the tenant.

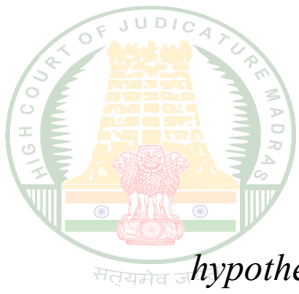
3.The main contention of the learned counsel for the petitioner/tenant is that the petitioner is willing to pay a monthly rent of Rs.8,000/- which itself is 400% increase from the existing rent of Rs.2,000/-, along with six months' rent as advance, however, the respondents are demanding a fanciful amount of Rs.25,000/- which is exorbitant and unreasonable. It is his contention that the petitioner has been paying the rent regularly and he has even cleared the rental arrears as demanded by the respondents. It is his



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contention that the respondents are taking undue advantage of the provisions of Section 21(2)(a) r/w. Section 4(2) of the new TNRRRLT Act and are seeking eviction, by demanding a huge rent of Rs.25,000/-. The learned counsel would submit that a learned Single Judge of this Court, while dealing with similar issue in ***Dilip Solanki v. Kiran Kumari [C.R.P.(NPD) No.941 of 2023, dated 30.06.2023]***, has thought it fit to refer the issue with regard to interpretation of Section 4(2) r/w. Section 21(2)(a) of the TNRRRLT Act, to the Division Bench. It is his further contention that, as per Section 4(2) of the TNRRRLT Act, the agreement has to be entered into with regard to “that tenancy”, which refers to the existing tenancy before the commencement of the Act. It is his contention that the words used in the Statute should be interpreted with its plain grammatical meaning, which, in the present case, denotes the past existing rent. In support of this submission, the learned counsel relied upon the judgment of the Hon'ble Supreme Court in ***Kanai Lal Sur v. Paramnidhi Sudhukhan*** reported in ***(1957) AIR SC 907***, wherein, it was held that “*the first and primary rule of construction is that the intention of the Legislature must be found in the words used by the Legislature itself. If the words used are capable of one construction only then it would not be open to the Courts to adopt any other*



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hypothetical construction on the ground that such hypothetical construction is no more consistent with the alleged object and policy of the Act.” It is his further contention that, as per Section 9(6) of the TNRRRLT Act, the increase of rent should be by an amount as agreed between the landlord and the tenant, even though the landlord makes an improvement, and the landlord has no powers to unilaterally enhance the rent. Much reliance has been placed on the judgment of the learned Single Judge of this Court in ***Ramesh Salunkhe v. Pramila Jain [C.R.P.(NPD) No.1996 of 2021, dated 25.01.2022]***, wherein, it is held that the landlord cannot unilaterally fix the monthly rent and the agreement should only refer to the terms that were existing prior to the commencement of the Act. Therefore, the learned counsel would submit that the order passed by the Rent Appellate Court cannot be sustained in the eye of law.

4. Whereas, the learned counsel appearing for the respondents/landlords placed reliance on the judgments of this Court in ***Habeeb Hardware v. Noor Hardware [C.R.P.Nos.4509 & 4511 of 2024, dated 13.12.2024]***, ***Babitha Devi v. Rajendra Kumar [C.R.P.No.2252 of 2024, dated 08.01.2025]***, wherein, this Court has held that, as per Section 4



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of the TNRRRLT Act, in respect of a tenancy, the parties have to enter into an agreement; failure to enter into such agreement, even on the mistake on either side, is also one of the grounds for evicting the tenant. The learned counsel would further submit that the Division Bench, to which the issue with regard to the interpretation of the provisions of Section 4(2) r/w. Section 21(2)(a) of the TNRRRLT Act was referred, has disposed of the batch of writ petitions in *W.P.Nos.3985 of 2020, etc. batch* by upholding the constitutional validity of the provisions of the Act. Therefore, it is his contention that the learned counsel for the petitioner cannot take advantage of the referral to the larger Bench. The learned counsel would further submit that the property is a commercial property situated in a prime locality in Sowcarpet, Chennai, and therefore, the amount of Rs.25,000/- demanded by the respondents is very reasonable and is in tune with the market value of the property. The learned counsel would submit that, in respect of another shop, the same petitioner/tenant was evicted by the respondents/landlords and the order of eviction has been confirmed upto the Hon'ble Supreme Court. It is his further contention that there is no written agreement in the present case ever since the induction of the petitioner as tenant. Therefore, when the respondents have called upon the petitioner to

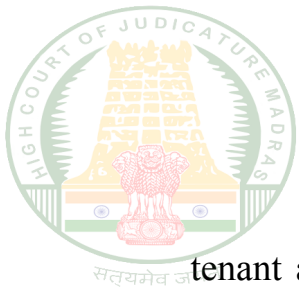


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enter into a tenancy agreement, the tenant has refused the same, and therefore, in the absence of any written agreement after the commencement of the Act, the landlord is entitled to seek eviction under Section 21(2)(a) of the TNRRRLT Act. Therefore, the learned counsel prayed for dismissal of the revision.

5.Heard the learned counsel on either side and perused the entire materials available on record.

6.An application has been filed by the landlord for eviction under Section 21(2)(a) of the TNRRRLT Act on the ground of non-entering into the rental agreement. As per the new Act, namely, Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017, irrespective of the failure on either side, if the agreement is not entered between the landlord and the tenant in respect of the premises, the same will give rise to a cause of action for the landlord to seek eviction under Section 21(2)(a) of the new Act. The very object of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017, which came into force in 2017, is to regulate the rent between the landlord and the



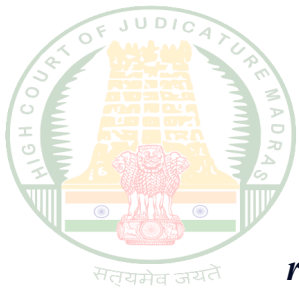
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tenant as per the terms agreed between the parties. Only to achieve such terms to be entered into between the parties, Section 4 of the Act made it mandatory that, even in respect of the existing tenancy, when there is no agreement entered into between the parties, the parties are required to enter into an agreement in writing within a period of 575 days from the date of commencement of the Act, i.e., 22.02.2019. Proviso to Sub-Section (2) of Section 4 of the new Act makes it very clear that, irrespective of the failure on the part of the tenant or the landlord in entering into the agreement, the same will give right to either the landlord or the tenant to apply for termination of the tenancy under Clause (a) of Sub-Section (2) of Section 21 of the new Act.

7. In other words, the above makes it clear that, non-entering into an agreement in writing even on the mistake on either side will give rise to a cause of action for the landlord to seek eviction under Section 21(2)(a) of the new Act. This Court, in the case of ***S. Muruganandam v. J. Joseph*** reported in ***2022 (2) CTC 291 (Mad)***, has held as follows :

“9. It gives the right to the landlord to sue for



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repossession dehors the fact that the landlord may be at fault and he may be the reason for non-renewal or failure to enter into an agreement in writing. It is not open to a tenant to contend that despite his request, the landlord did not execute an agreement in writing and therefore, the landlord cannot invoke Section 21(2)(a) seeking repossession. This anomaly or the deficiency throws up several new challenges, before the Rent Courts. Various situations emerge under which the Rent Court has to consider the effect of absence of an agreement in writing.

10.The Scheme of the New Act requires tenancies to be in writing or to be converted into writing and in both cases to be registered as specified under the Act. Under the scheme of the Act, the tenancies can be split into two kinds, one the tenancies that were created prior to the enactment and tenancies that were created after the enactment. As far as the tenancies that were created after the enactment, the parties have no other choice but to enter into a written agreement and have it registered as provided under the Act. As regards the tenancies which has been entered into prior to the enactment, the parties are required to reduce the terms of the tenancy into writing and have it registered or if the tenancy is in writing to have it registered under the new Act. Therefore, the Act in effect does away with oral tenancy.”



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8. Therefore, the provisions of Section 4 of the new Act and the judgment of this Court referred *supra* make it clear that, in respect of the tenancy, the parties are required to enter into an agreement. Failure to enter into such agreement, even on the mistake on either side, is also one of the grounds for evicting the tenant.

9. Admittedly, after the new Act came into force, the landlords have sent a letter dated 13.07.2020 requesting the tenant to enter into a written agreement. However, the tenant has not come forward to execute a rental agreement. Thereafter, once again, the landlords have called upon the petitioner to enter into a tenancy agreement by their letter dated 14.10.2020, which was also of no avail. Thereafter, the landlords have sent a communication, dated 19.02.2021, enclosing the tenancy agreement on a monthly rent of Rs.25,000/-. Though the petitioner has not disputed any of these communications, he has not come forward to enter into a tenancy agreement with the respondents on the only ground that the respondents are demanding an exorbitant rent of Rs.25,000/-. According to the tenant, the rental agreement ought to have been only in respect of the existing rent.



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10. It is relevant to note that the landlord and the tenant are bound by the new Act, wherein, Section 4(2) directs the parties to enter into an agreement in writing with regard to the tenancy within a period of 575 days from the date of commencement of the new Act. Directing the parties to enter into such agreement, in the view of this Court, is only to regulate the rent as per the market value, since the very object of the new Act is to regulate the rent on the basis of the terms set out by the parties in the agreement. This intention of the legislature can be gathered from the subsequent provisions introduced under the new Act. Section 8 of the new Act defines what is rent payable, which reads as follows :

“8. Rent payable.— The rent payable in relation to a premises shall be,—

(a) in case of new tenancies entered into after the commencement of this Act, the rent agreed to between the landlord and the tenant at the commencement of the tenancy;

(b) in case of tenancies entered into before the commencement of this Act, where no agreement was executed between the parties, the rent agreed to between the landlord and the tenant in the agreement executed between them under sub-section (2) of section 4 ;



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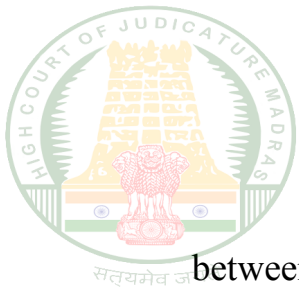
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(c) in case of tenancies entered into before the commencement of the Act, where an agreement in writing was already entered into, the rent agreed to between the landlord and the tenant in such agreement.”

11.This Court has consistently held in ***Babitha Devi v. Rajendra Kumar [C.R.P.No.2252 of 2024, dated 08.01.2025]***, ***Habeeb Hardware v. Noor Hardware [C.R.P.Nos.4509 & 4511 of 2024, dated 13.12.2024]***, and several other judgments, as follows :

“Clause (b) of Section 8 of the Act makes it clear that even in respect of the earlier tenancy, where no written agreement was executed between the parties, the rent payable would be the rent that is agreed upon between the landlord and the tenant in such agreement which is to be duly executed as required under sub-section (2) of section 4. The above mandatory provision requires the parties to enter an agreement in writing only in order to to regulate the rent as per the terms of the parties and not based on old rent. If at all, the intention of the legislation was only to enter an agreement with regard to the existing rent alone, Section 8 (b) would not have been brought under the statute to define what is the rent payable even in respect of the old tenancy.”

12.As held by this Court, the rent shall be as per the terms agreed



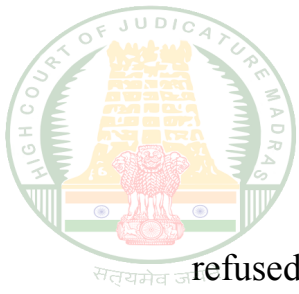
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between the parties. The new Act has also got a separate mechanism for revision of rent, which is contained in Section 9 of the new Act. As per Section 9 of the new Act, the revision of rent between the landlord and tenant shall be as per the terms set out in the tenancy agreement. The procedure for increase of rent is also set out in Section 9.

13. Therefore, a combined reading of Section 4, Section 8 and Section 9 of the new Act will make it clear that the old rent cannot be continued to apply and the rent will be fixed under the new Act. The new rent has to be fixed only as per the terms agreed by the parties and the revision of rent has to be as per the terms set out in the agreement. The procedure by which the revision should take place is also contemplated under Section 9 of the new Act. Therefore, the contention of the tenant that, since the landlord demanded higher rate than the existing rent, he could not enter into an agreement, cannot be countenanced and has no legs to stand.

14. As stated, in spite of repeated requests made by the respondents to enter into an agreement on a monthly rent of Rs.25,000/-, the petitioner has

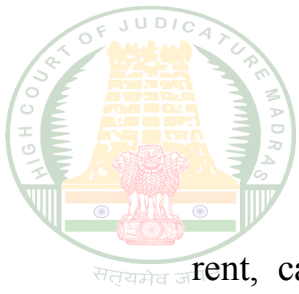


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refused to enter into an agreement and he insists that he will only pay a sum of Rs.8,000/-. Admittedly, the property is situated in a prime locality, i.e., Sowcarpet in Chennai, which is a busy commercial area, where the market value, even in our common knowledge, is much higher. Therefore, the petitioner/tenant cannot contend that the sum of Rs.25,000/- demanded by the respondents, is unreasonable or exorbitant. Once the tenant has failed to enter into an agreement, despite he was requested to enter into such agreement, now he cannot contend that, since the landlord demanded excess rent, he could not enter into an agreement.

15. Much reliance was also placed on the judgment of a learned Single Judge of this Court in ***Ramesh Salunkhe v. Pramila Jain [C.R.P.(NPD) No.1996 of 2021, dated 25.01.2022]***. With great respect to the learned Single Judge, this Court is of the view that the learned Single Judge had not adverted to the object of the Act and the definition of the rent payable as defined under Section 8 of the new Act. Therefore, I am unable to accept the view of the learned Single Judge in this regard. Therefore, the contention of the learned counsel for the petitioner that the word “that tenancy” should be understood with its plain meaning to denote the existing



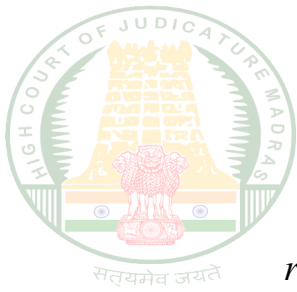
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rent, cannot be countenanced in view of the object of the Act and the definition of “rent payable” under Section 8 of the new Act and its interpretation as discussed in the foregoing paragraphs.

16.As regards the contention of the learned counsel with regard to Section 9(6) of the TNRRRLT Act that revision of rent should be by an amount as agreed between the landlord and tenant, it is no one's case that there was any improvement in the premises at the expenses of the landlord to invoke Section 9(6) of the Act and this Court is of the view that, specific provisions of the Act cannot be read in isolation to infer something which is against the very intent of the legislation.

17.As far as the reference made to the larger Bench is concerned, it is relevant to note that the Hon'ble First Bench, while examining the constitutional validity of the provisions of the Act, in ***W.P.Nos.3985 of 2020, etc. batch***, has held as follows :

“19.The next contention is that the Act takes away the protection so far enjoyed by the tenants. Even if the landlord fails to enter into an agreement or agree on fixing any



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reasonable rent, he can still take advantage of his default. At the outset, the said contentions are unacceptable. Firstly, about the protection that was hitherto granted to the tenants in Ram Krishan Grover's case (cited supra) the Hon'ble Supreme Court of India has held as follows:-

“46. The following observations in Ravi Dutt Sharma [Ravi Dutt Sharma v. Ratan Lal Bhargava, (1984) 2 SCC 75] relating to the right given to the landlords for eviction in context of the rent control legislation are pertinent: (SCC p. 79, para 7)

“7. ... Tenants cannot complain of any discrimination because the Rent Act merely gave certain protection to them in public interest and if the protection or a part of it afforded by the Rent Act was withdrawn and the common law right of the tenant under the Transfer of Property Act was still preserved, no genuine grievance could be made.”

19.1. Thus, it can be seen that the legislature in its wisdom has considered the prevailing socio-economic condition and the availability of the properties for rent and has decided to balance the conflicting rights of landlords and tenants. In any event, the said policy underneath the legislation cannot be termed as manifestly arbitrary. The Hon'ble Supreme Court of India in Shayara Bano v. Union of India 38 , had laid down when a legislation can be interfered by the Court on the ground of Manifest Arbitrariness and it is useful to extract the relevant portion which reads as follows:



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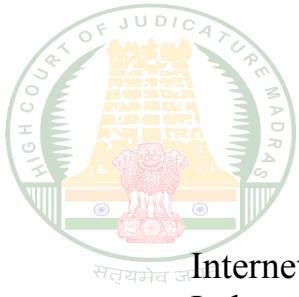
“101Manifest arbitrariness, therefore, must be something done by the legislature capriciously, irrationally and/or without adequate determining principle. Also, when something is done which is excessive and disproportionate, such legislation would be manifestly arbitrary. We are, therefore, of the view that arbitrariness in the sense of manifest arbitrariness as pointed out by us above would apply to negate legislation as well under Article 14.”

It is clear from the above judgment that the Hon'ble First Bench of this Court, while upholding the constitutional validity of the provisions of the Act, has held that, even if the landlord fails to enter into an agreement or agree on fixing any reasonable rent, he can still take advantage of his default.

18.In the light of the narrative *supra*, this Court is of the view that the order of the Rent Appellate Court ordering eviction under Section 21(2)(a) for non-entering into an agreement in writing, warrants no interference. Therefore, this Court finds no merit in this revision. Accordingly, this Civil Revision Petition is dismissed, confirming the order of the Rent Appellate Court. No costs. Consequently, connected miscellaneous petition is closed.

24.06.2025

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Internet : Yes

Index : Yes / No

Speaking order : Yes / No

Neutral Citation : Yes / No

To

1.The XVI Additional Judge,
City Civil Court,
Allikulam, Chennai.

2.The XIII Judge,
Court of Small Causes,
Chennai.

3.The Section Officer,
VR Section,
High Court, Madras.

N. SATHISH KUMAR, J.

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