IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 9525 OF 2025

Mohammed Arbaaz Aziz Farooqui **...Petitioner**

V/s.

Hiroo Hiranand Ragoowansi **...Respondent**

WITH

INTERIM APPLICATION NO.11519 OF 2025

Hiroo Hiranand Ragoowansi **...Applicant**

V/s.

Mohammed Arbaaz Aziz Farooqui **...Respondent**

Mr. Niranjan Mogre for Petitioner.

Mr. Karan Bhosale with Mr. Vishal Pattabiram, Mr. Dhruv B. Jain and Mr. Harsh Sawant i/b Mr. Rajendra J. Rathod for Respondent & for Applicant in IA/11519/2025

CORAM: SANDEEP V. MARNE, J.

RESERVED ON: 29 APRIL 2026.

PRONOUNCED ON: 05 MAY 2026

JUDGMENT:

1) By this Petition filed under Article 227 of the Constitution of India, Petitioner assails the order dated 6 June 2025 passed by the Additional Divisional Commissioner, Konkan Division under Section 44 of the Maharashtra Rent Control Act, 1999 **(MRC Act)** dismissing the

Revision Application preferred by him and confirming the Order dated 20 March 2025 passed by the Competent Authority, Rent Control Act Court under Section 24 of the MRC Act in Eviction Application No. 240 of 2024. The Competent Authority has directed the Petitioner to hand over vacant and peaceful possession of the licensed premises with further direction for payment of damages at the rate of Rs.2,60,000/- per month (double the license fees) from 1 June 2024 till handing over possession of the premises after appropriating the amount of security deposit .

2) Flat No. 143, B-Wing, 14th floor, Heera Panna CHS, Tulsiwadi, Mumbai are the '**licensed premises**'. Respondent is the owner of the licensed premises. Respondent granted license in favour of the Petitioner in respect of the licensed premises vide registered leave and license Agreement dated 2 June 2021. The tenure of license was for a period of 36 months from 1 June 2021 to 31 May 2024. The license fees agreed under the leave and license agreement was Rs.1,30,000/- per month. The Petitioner also paid refundable security deposit of Rs.3,00,000/-to the Respondent. This is how Petitioner entered the licensed premises w.e.f. 1 June 2021.

3) It is the case of the Petitioner that the licensed premises required additional modifications and refurbishments to make the same habitable for residential purposes and that it was agreed that the Petitioner would carry out repairs, modifications, refurbishments and renovations at his cost to the tune of Rs. 50 lakhs, which amount would be eventually borne by the Respondent. Petitioner claims that since the licensor did not have THE financial capacity to bear the expenditure

required for renovation of the flat, it was agreed that the amount of Rs. 50 lakhs shall be treated as security deposit in addition to security deposit paid under the leave and license agreement. Petitioner claimed that he protested about non-reflection of stipulations regarding security deposit of Rs.50 lakhs in the license agreement and that the Respondent assured the Petitioner that the said arrangement would be recorded by way of a separate document. Petitioner relies on MOU, Indemnity Bond and Affidavit allegedly executed on 4 June 2021. Petitioner claims to have carried out repairs, modifications, refurbishments and renovations in the flat and claims to have spent an amount of Rs. 50 lakhs for the said purpose. The period of license came to an end on 31 May 2024 and the Petitioner claims that he demanded refund of security deposit of Rs.53 lakhs and showed willingness to vacate the licensed premises. Petitioner claims that Respondent was in financial difficulties and expressed inability to refund the security deposit of Rs.53 lakhs and this is how Petitioner continues to occupy the licensed premises.

4) In the above background, Respondent filed Eviction Application No.240 of 2024 before the Competent Authority, Rent Control Act Court, Konkan Division, Mumbai for recovery of possession of the licensed premises. Petitioner was served with summons and his Constituted Attorney appeared through his advocate on 14 February 2025 since the Petitioner was at Dubai at that time. The Petitioner claims that he intended to file application for leave to defend. However, due to typographical error in describing the pleading, the same was shown as written statement/reply. The Competent Authority passed order dated 20 March 2025 holding that Petitioner did not seek leave to defend and

allowed the Eviction Application directing the Petitioner to hand over possession of the licensed premises to the Respondent within 30 days. The Competent Authority also directed the Petitioner to pay double the amount of license fees to the Respondent at the rate of Rs. 2,60,000/- per month from 1 June 2024 till the date of handing over of vacant possession of the licensed premises after appropriating security deposit paid under the license agreement.

5) Petitioner filed Revision Application under Section 44 of the MRC Act before the Additional Divisional Commissioner, Konkan Division, Mumbai. By order dated 28 May 2025, the Revisional Authority directed the parties to maintain *status quo*. The Revisional Authority has dismissed the Revision Application by order dated 6 June 2025.

6) Aggrieved by the decisions of the Competent Authority and Revisional Authority, the Petitioner has filed the present Petition. By order dated 24 July 2025, this Court continued the *status quo* granted by the Revisional Authority. Respondent has filed Interim Application No. 11519 of 2025 for vacation of the *status quo* order or in the alternative, direction for deposit of arrears of rent and damages and for clearing the electricity bill of Rs. 42,000/-.

7) With the consent of the learned counsel appearing for the parties, the Petition is taken up for hearing and final disposal.

8) Mr Mogre, the learned counsel appearing for the Petitioner submits that the Competent Authority has grossly erred in allowing the

Revision Application without considering the defence of the Petitioner. That mere typographical error in the pleadings filed before the Competent Authority ought to have been ignored and the said pleadings ought to have been treated as the application for leave to defend. That there is absolutely no consideration by the Competent Authority to the valid defence of the Respondent about spending an amount of Rs. 53 lakhs for renovation of the premises which was agreed to be treated as security deposit. That as per the MOU, the Petitioner is entitled to remain in possession of the suit premises without paying any license fees till refund of entire amount of security deposit. He submits that the MOU has to be read alongwith the Leave and License agreement. That MOU itself provides that the amount of expenditure of Rs. 50 lakhs should be treated as additional security deposit.

9) Mr. Mogre submits that the Eviction Application filed by the Respondent was itself defective. That the Eviction Application was filed by the constituted attorney when the Respondent was in UK. Even on the date of execution of Power of Attorney, the Respondent was at UK. He submits that the Power of Attorney is a fictitious document shown to have been executed in India when Respondent was admittedly at UK. That the Power of Attorney bears the signature and seal of a witness at Dubai but the same is notarized at Mumbai. That since Power of Attorney itself is an invalid document, the entire Eviction Application becomes defective. He relies upon judgment of the Apex Court in ***K. Akbar Ali vs. K. Umar Khan and Ors.***[1] in support of his contention. Mr. Mogre relies on provisions of Order 3 Rule 1 of the Code of Civil Procedure, 1908 **(the**

[1] (2021) 14 SCC 51

Code) in support of his contention that the Eviction Application was inherently defective and could not have been entertained or decided by the Competent Authority. He relies on circular dated 28 May 1993 issued by the Government of Maharashtra to curb the tendency of notarization of documents in absence of parties executing the same. He submits that the notary who is shown to have notarized the document has also signed the affidavit confirming that the document is a forged one. He submits that once the issue of defect in the Power of Attorney goes to the root of the matter, the entire proceedings are vitiated.

10) Mr. Mogre further submits that the Competent Authority has not applied its mind correctly to the material on record as it has erroneously recorded that the MOU was for sale and purchase, which was never the case of the Petitioner. He submits that since there is no consideration to the defence raised by the Petitioner, the eviction proceedings deserve to be remanded for being reconsidered. That Petitioner is willing to vacate possession of the suit premises upon receipt of the entire amount of security deposit of Rs. 53 lakhs. He accordingly prays for setting aside both the impugned orders.

11) The petition is opposed by Mr Bhosale, the learned counsel appearing for the Respondent, who submits that the Competent Authority and Revisionary Authorities have recorded concurrent findings against the Petitioner. That the case involves simple transaction of license granted for a period of 3 years. That the Competent Authority is expected to decide proceedings by taking into consideration only the Leave and License agreement. That the MOU, Indemnity Bond and

Affidavit are forged documents. That though all the three documents are shown to have been executed on the same day i.e. 4 June 2021, the MOU is shown to have been executed at Mumbai whereas Indemnity Bond and Affidavit are shown to have been executed at Mumbra. That this depicts clear forgery in MOU, Indemnity Bond and Affidavit.

12) Mr. Bhosale takes me through various stipulations of the Leave and License Agreement in support of his contention that the licensed premises were to be used by the Petitioner in the same condition as they stood and that parties had expressly agreed that if any additions are made to the licensed premises, the same would become property of the licensor and that the licensee shall not be entitled to raise any claim in support thereof. That the terms and conditions of Leave and License agreement would prevail over the alleged MOU. That the Competent Authority cannot otherwise take into consideration any document, save and except the Leave and License Agreement. In support, he relies upon judgment of this Court in ***Sanath Kumar Sanjib Das vs. Fernandes Anthony John and Ors.***[2] He relies on judgment of this Court in ***Jambu Kumar Seth vs. State of Maharashtra and Ors.***[3] in support of his contention that a party approaching court with unclean hands must be shown the door by the court. Mr. Bhosale submits that the Petitioner has filed L.D. Suit No. 67/2025 in the Small Causes Court and by order dated 6 December 2025, the application for temporary injunction has been rejected. He submits that the issue of defect in Power of Attorney was not raised before the Competent Authority or before the Revisional Authority. He relies on judgment of Delhi High Court in ***Grafitek***

[2] 2024 SCC OnLine Bom 2135
[3] Writ Petition (AS) No.19491 of 2024 decided on 14 August 2025.

International vs. K.K. Kaura and Ors.[4] in support of his contention that the court must presume in favour of Power of Attorney and mere non-notarisation of Power of Attorney does not mean that the concerned person is not authorised to institute the suit and that even non-notarised Power of Attorney confers power on the person to institute the suit. Mr. Bhosale submits that the Petitioner is squatting on the licensed premise and there are rental arrears to the tune of Rs.7,49,000/- during the license period in addition to liability to pay amount of Rs.54,60,000/- as on March 2026 towards damages granted by the Competent Authority. That the total amount due and payable is Rs.62,09,000/-. He prays for dismissal of the Petition.

13) Rival contentions of the parties now fall for my consideration.

14) The case involves typical dispute between licensor and licensee, where licensee is refusing to vacate possession of licensed premises by raising a defence that he has spent monies on renovation and repairs of the licensed premises. In the present case, Petitioner claims to have spent an amount of Rs. 50,00,000/- for renovation of the licensed premised and insists that there is agreement between the parties for treatment of the said amount of Rs. 50,00,000/- towards refundable security deposit. Since Respondent is not refunding the said amount of Rs. 50,00,000/-, the Petitioner continues to occupy the licensed premises. The arrangement of spending of amount of Rs. 50,00,000/- and/or for treating the same as security deposit is not

[4] 2002 (62) DRJ 72

recorded in the licensed agreement but is shown to have been recorded in the form of a separate MOU allegedly executed on 4 June 2021. Respondent-licensor denies having executed any such MOU.

15) Since similar disputes of licensees not vacating the premises on the pretext of having incurred expenditure for renovation thereof repeatedly come up before this Court, it would be necessary to clarify the legal position in this regard. When license is granted by the owner for occupation of the licensed premises, the licensee is entitled to occupy the premises subject to observance of terms and conditions of the license agreement and only upto the period agreed under the license agreement. Except limited right to occupy the premises during the license period, no other right is created in favour of the licensee in respect of the licensed premises. The licensee merely secures a license to occupy the premises subject to observance of terms of license and till the tenure of the license. The moment the license comes to an end, the licensee must vacate possession of the premises. While incurring expenditure for renovation of the licensed premises, the licensee must bear in mind the scope of his/her limited rights in respect of the premises.

16) Since a Leave and License Agreement grants a mere license to occupy the premises during the license period, if a licensee incurs expenditure in making the licensed premises suitable to his/her requirements, the licensee takes the risk of spending such amount on premises not owned by him/her. Mere renovation of the licensed premises does not create any right higher than that of a mere licensee in favour of such occupier. Spending monies on renovation of the premises

does not place such licensee on a higher pedestal than that of any other licensee who does not spend any amount on renovation of the premises. When it comes to eviction of the licensee, the law does not recognise any distinction between a licensee spending monies in improving the premises and the licensee who does not need to spend anything.

17) When leave and license agreement is executed, the licensee is aware of the position that his/her right to occupy the licensed premises is only during the tenure of license. The tenure of license differs depending on agreement between the parties. It may happen that in a case involving license for a longer duration, the licensee may think it appropriate to make the licensed premises comfortable and convenient by incurring expenditure thereon. If expenditure required for renovation of premises is significant, parties may agree for longer lock in period. However, such arrangement must restrict to tenure of license and be reflected in the license agreement. However, when licensee incurs expenditure in repairing or renovating the premises, mere incurring of such expenditure does not create any special right in favour of the licensee to demand the amount spent on such renovations from the licensor. In any case, licensee cannot hold on to possession of the premises on the ground that expenditure is incurred in repairing or renovating the same. Once license period comes to an end, there is an obligation on the licensee to vacate possession of premises. No amount of expenditure incurred on repairing or renovating the licensed premises can entitle the licensee to latch on to possession of the licensed premises. It is the risk taken by the licensee to spend money on property belonging to the licensor. License agreement imposes duty on the

licensee to vacate possession of the licensed premises at the end of the license, and this aspect must be borne in mind by the licensee before incurring expenditure on the licensed premises.

18) There is yet another aspect which must be borne in mind in the context of jurisdiction of Competent Authority under Section 24 of the MRC Act. The Legislature has conferred summary jurisdiction on the Competent Authority to evict the licensee after expiry of the license period. Section 24 of the MRC Act provides thus:

> **24. Landlord entitled to recover possession of premises given on licence on expiry**
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> (1) Notwithstanding anything contained in this Act, a licensee in possession or occupation of premises given to him on licence for residence shall deliver possession of such premises to the landlord on expiry of the period of licence; and on the failure of the licensee to so deliver the possession of the licenced premises, a landlord shall be entitled to recover possession of such premises from a licensee, on the expiry of the period of licence, by making an application to the Competent Authority and the Competent Authority, on being satisfied that the period of licence has expired, shall pass an order of eviction of a licensee.
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> (2) Any licensee who does not deliver possession of the premises to the landlord on expiry of the period of licence and continues to be in possession of the licensed premises till he is dispossessed by the Competent Authority shall be liable to pay damages at double the rate of the licence fee or charge of the premises fixed under the agreement of licence.
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> (3) The Competent Authority shall not entertain any claim of whatever nature from any other person who is not a licensee according to the agreement of licence.

19) Section 43 of the MRC Act provides for a special procedure for decision of the Eviction Applications by the Competent Authorities and provides thus:

> **43. Special procedure for disposal of applications.**
>
> (1) Every application by a landlord under this Chapter for the recovery of possession shall be accompanied by such fees as may be prescribed. The

Competent Authority shall deal with the application in accordance with the procedure laid down in this section.

(2) The Competent Authority shall issue summons in relation to every application referred to in sub-section (2) in the form specified in Schedule Ill.

(3) (a) The Competent Authority shall, in addition to, and simultaneously with; the issue of summons for service on the tenant or licensee, as the case may be, also direct the summons to be served by registered post, acknowledgement due, addressed to the tenant or the licensee or agent empowered by such tenant or licensee to accept the service at the place where the tenant or licensee or such agent actually and voluntarily resides or carries on business or personally works for gain;

(b) When an acknowledgment purporting to be signed by the tenant or licensee or their agent received by the Competent Authority or the registered article containing the summons is received back with an endorsement purporting to have been made by a postal employee to the effect that the tenant or licensee or their agent had refused to take delivery of the registered article, the Competent Authority may proceed to hear and decide the application as if there has been a valid service of summons.

(4) (a) The tenant or licensee on whom the summons is duly served in the ordinary way or by registered post in the manner laid down in sub-section (3) shall not contest the prayer for eviction from the premises, unless within thirty days of the service of summons on him as aforesaid, he files an affidavit stating grounds on which he seeks to contest the application for eviction and obtains leave from the Competent Authority as hereinafter provided, and in default of his appearance in pursuance of the summons or his obtaining such leave, the Statement made by the landlord in the application for eviction shall be deemed to be admitted by the tenant or the licensee, as the case may be, and the applicant shall be entitled to an order for eviction on the ground aforesaid,

(b) The Competent Authority shall give to the tenant or licensee leave to contest the application if the affidavit filed by the tenant or licensee discloses such facts as would disentitle the landlord from obtaining an order for the recovery of possession of the premises on the ground specified in section 22 or 23 or 24;

(c) Where leave is granted to the tenant or licensee to contest the application, the Competent Authority shall commence the hearing of the application as early as practicable and shall, as far as possible, proceed with the hearing from day to day, and decide the same, as far as may be, within six months of the order granting of such leave to contest the application.

> (5) The Competent Authority shall, while holding an inquiry in a proceeding to which this Chapter applies, follow the practice and procedure of a court of small causes, including the recording of evidence.

20) There is a reason for creating a special and summary remedy for eviction of licensees. The summary remedy instills a confidence in favour of the house owner, who becomes ready to permit his/her house to be used by another person when there is reasonable assurance of getting back possession of the premises at the end of the tenure of license. The summary remedy ensures that the licensor does not have to go through the rigmarole of usual lengthy litigation. Such confidence in the mind of the house owner unlocks the housing stock in urban areas, which arrangement becomes a win-win situation for both the house owners as well as the house users. Therefore, the legislature has deliberately made a provision for summary eviction of licensee for the purpose of encouraging the activity of rental housing since housing in urban and metropolitan areas has gone beyond the reach of the buyers. Rental housing offers a cheaper alternative. However, an owner of the house needs to be encouraged to offer his house for being used by the house-user. To provide a sense of security to the house owner that he/she would swiftly receive back possession of the house upon expiry of the license, the legislature has consciously provided for summary eviction of licensee under Section 24 of the MRC Act.

21) Looking at the objective behind enactment of provisions of Section 24 of the MRC Act, the inquiry before the Competent Authority needs to be summary in nature. The Legislature has consciously removed the procedural elements which ordinarily seek to delay decision of

proceedings and has provided for conduct of a very summary inquiry by the Competent Authority while deciding licensor-licensee disputes. Section 43 of the MRC Act provides for a special procedure for disposal of Eviction Applications. The licensee does not have a right to defend the Eviction Application and needs to seek leave of the Competent Authority for filing written statement / reply. In a plain case involving the expiry of license, the Competent Authority need not even grant leave to defend and can order summary eviction of the licensee.

22) Summary eviction procedure of licensees has instilled a sense of security amongst the house owners who find it encouraging to offer their houses for being used by the licensees. If Competent Authority is expected to decide eviction proceedings like suits and if eviction proceedings before the Competent Authority take years for decision, the house owners would shy away from offering their houses for being used by the licensees out of danger of licensee continuing to latch on to possession of their houses by delaying the eviction proceedings.

23) Expiry of license under the agreement becomes a jurisdictional fact for assuming jurisdiction by the Competent Authority. Since enquiry before the Competent Authority is summary, it is not expected to look into the documents other than the Leave and License Agreement. Parties may choose to execute multiple documents to complete a transaction, however, when it comes to summary inquiry by Competent Authority, it would look into only the terms and conditions of the license agreement and not into the complex relations sought to be

created through other documents. As observed above, existence of the license agreement constitutes jurisdictional foundation for the Competent Authority. If parties desire to have any different contractual arrangement governing the license, the same needs to be reflected in the license agreement and cannot be recorded in a separate document. To illustrate, recovery of expenditure incurred in renovating the premises may be recorded in the form of longer lock in period in the license agreement and that stipulation can be enforced by the Competent Authority in exercise of jurisdiction under Section 24 of the MRC Act. However, if a separate document is executed recording condition of refund of expenditure incurred by the licensee on the premises, such contractual arrangement cannot be enforced before the CA and the licensee will have to adopt other remedies, if available in law. Therefore, the Authority is not supposed to look into the documents other than license agreement for deciding dispute relating to eviction of a licensee. If the Competent Authority is permitted to take into consideration contractual relations arising out of documents other than leave and license agreement, and embark upon an inquiry on issues other than expiry of license period, the jurisdiction of the Competent Authority would virtually be like that of a civil court. It is with this objective that the summary enquiry contemplated by the legislature under Sections 24 and 43 of the MRC Act restricts the jurisdiction only to consideration of the Leave and License Agreement.

24) The issue of impermissibility for Competent Authority to take into consideration documents other than leave and license agreement is no more *res integra*. In ***Sanath Kumar Sanjib Das*** (supra),

a MOU was executed in addition to license agreement under which the owners agreed to sell the licensed premises to the licensee and the amount of security deposit paid under the license was agreed to be adjusted against sale consideration. The license was treated to have expired by the licensor on account of breach of conditions of the MoU though the license period was valid. This Court held that arrangement between the parties for purchase of flat vide MOU could not be linked to the license agreement as the entry of the licensee into the premises was on the strength of license agreement. This Court held that jurisdiction of the Competent Authority does not extend to interpretation of terms and conditions of the MOU. This Court held that expiry of license is a jurisdictional fact in absence of which the Competent Authority cannot exercise jurisdiction under Section 24 of the MRC Act. It is held that rights and obligations of the parties under the MOU cannot be taken into consideration by the Competent Authority. This Court held in paras 7, 8 and 9 of the judgment as under:

> 7. Both the parties have relied upon various covenants of the MoU executed on 29 June 2021. True it is that some connection is sought to be established between the license agreement and the MoU, paragraph 5 whereof reads thus:—
>
> > 5. It is mutually agreed by and between the parties herein that in the event the Purchaser fail to make the remaining balance amount of Rs. 53,00,000/- within the stipulated period i.e. within 90 days from the date of registration of Agreement for sale, then in such event the Sellers shall revoke and cancel this MoU and in such event the leave and license agreement executed by the parties herein shall be cancelled/revoked forthwith and in such case the purchaser shall hand over the peaceful possession of said flat to the Sellers forthwith upon cancellation of leave and license agreement.
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> (emphasis supplied)

8. **In my view, however, the arrangement between the parties for purchase of the flat by execution of MoU dated 29 June 2021 cannot be linked with the license agreement dated 13 June 2020.** Petitioner's entry into the licensed premises is on the strength of the license agreement. He might have agreed to purchase the licensed premises by virtue of subsequently executed MoU. **However, the jurisdiction of the Competent Authority is not to interpret or to deal with the terms and conditions of the said MoU. The jurisdiction of the Competent Authority under Section 24 of the MRC Act is to only examine whether the tenure of the license has expired or not. Admittedly the tenure of the license is upto 14 January 2025.** The Competent Authority has however, erroneously gone into the correspondence between the parties relating to termination of the license agreement by linking the same with MoU for the purpose of arriving at erroneous finding that the license agreement has expired on 21 June 2023. Perusal of the termination notice dated 21 June 2023 would indicate that the same extensively refers to the covenants of MoU and conduct of parties, post execution of the MoU. **Who is at fault for non-completion of sale transaction is something which would be outside the scope of enquiry before the Competent Authority. The Competent Authority therefore ought to have restricted its consideration only to the covenants of the leave and license agreement.** Section 24 of the MRC Act provides thus:—

xxx

9. **The Competent Authority thus is vested with the jurisdiction to decide the eviction proceedings only if the license has expired. Thus, expiry of license is a jurisdictional fact, in absence of which, the Competent Authority cannot exercise jurisdiction under Section 24 of the MRC Act.** In the present case, since the license continues to subsist, exercise of jurisdiction by the Competent Authority under Section 24 of the Act is clearly faulty. **Rights and obligations of parties under the MoU is an altogether separate aspect, which the parties can agitate before the Civil Court. Merely because the MoU provides for cancellation of leave and license agreement on occurrence of a particular event, it is not for the Competent Authority to examine the covenants of the same MoU for assuming that the license has expired on account of non-fulfillment of a particular act, when in fact, same continues to subsist till 14 January 2025.**

(emphasis supplied)

25) In the present case also, the entire strength of defence of the Petitioner is premised on the terms and conditions of the MOU, under which parties allegedly agreed that Petitioner would spend alteration and modification charges upto Rs.50 lakhs and the amount

would be considered as additional security deposit. In my view, Competent Authority is not expected to take into consideration any document other than the leave and license agreement while exercising jurisdiction under Section 24 and 43 of the MRC Act. If Petitioner believes that he is entitled to recover the amount of Rs. 50 lakhs allegedly spent by him under the MOU, he is free to adopt such remedies as may be available in law for recovery of the said amount. However, in no circumstances, incurring of expenditure on licensed premises would make him entitled to remain in possession of the licensed premises after expiry of the license period.

26) Even otherwise, there appears to be stark inconsistencies in the terms and conditions of the License Agreement and the one contained in the alleged MOU. The Leave and License Agreement dated 2 June 2021 is a registered instrument whereas the alleged MOU is a mere notarised document. Under the License Agreement, the security deposit paid by the Petitioner is only Rs.3 lakhs which is recorded in para-2 as under:

> 2. The Licensee agrees to give to the Licensor AMOUNT OF RS. 3,00,000/= (Three LakhsOnly) AS A REFUNDABLE SECURITY DEPOSIT, as interest free refundable security deposit which is to be refunded to the Licensee on the Licensee vacating and delivering vacant possession of the Licensed Premises, the ELECTRICITY shall be paid by Licensee.

Thus when the security deposit actually paid by the licensee is reflected in the License Agreement, why would parties execute a separate MOU for recording transaction of treatment of additional amount of Rs.

50,00,000/- as security deposit two days later on 4 June 2021 is incomprehensible.

27) Under the Leave and License Agreement, the licensee agreed to occupy and use the premises on 'as is where is basis' not requiring the licensor any additional payment for alterations / additions / repairs / renovations. It was further agreed between the parties that in the event of licensee making any alteration, modifications or additions in the premises with the consent of the licensor, the same would remain the exclusive property of the licensor and that licensee shall not be entitled to claim compensation or payment of any amount from the licensor. This is clear from Clause 13 of the Leave and License Agreement which reads thus:

> 13. The Licensee shall occupy and use the said premises on "AS-IS-WHERE-IS" basis and he shall not ask or require from the licensor from the licensor any payment for any alteration/additions/repairs/renovations of the sale premises. If any alteration/additions/repairs/renovations of the state premises is required by the licensee. It is expressly agreed and declared by the licensee that any alteration, modifications and stroke or additions of a structural and stroke or permanent nature made by the license in or to the same premises with the consent of the licensor shall at all times we and remain the exclusive property of the licensor and license shall not be entitled to any claim, compensation or payment nor shall he demand any amount on this behalf.

28) The licensee was granted period of 1 month for repairing and renovating the licensed premises free of rent under clause 20 of the License Agreement, which reads thus:

> 20. The Licensor has granted ONE MONTH for Flat Repairing and renovation work to the Licensee and shall not levy any rent for one month.

The licensor also gave certain articles/amenities belonging to her for being used by the licensee during the license period.

29) Contrary to the terms and conditions of clause 13 of the Leave and License Agreement, the alleged MOU is shown to have been executed on 4 June 2021, which records in paras-2 and 3 as under:

> 2. The party of the first part agreed and confirm that she will pay the amount of nutrition and modification charges upto Rs.50,00,000/- (Rupees Fifty Lakhs Only) before taking the position of the seat flat. If the amount exceeds Rs. 50 Lakhs, the party of the second part has agreed and confirmed to pay the excess amount. The party of the first part agreed and confirmed that, the alteration and modification charges of Rs.50 lakhs will be considered as a security deposit.
>
> 3. The party of the First Part, it fail to pay the amount of alteration and modification charges of Rs.50,00,000/= (Rupees Fifty Lakhs only) the party of the first part has agreed and confirmed that, not to take the monthly compensation amount (rent amount) closed than the position of the seed flat, and until entire amount will be paid to the party of the second part, before expiry of Live and License Agreement, dated 02.06.2021, without prior notice it is solely the responsibility of the part of the first part given entire amount amount of Rs.53 LAKHS a month before taking the position of the sales flat from the party of the second part.

30) Thus, under the MOU, Respondent agreed to pay alteration and modification charges of Rs.50 lakhs to the Petitioner (before taking possession of the said flat). It is incomprehensible that the licensor would pay amount of Rs.50 lakhs to the licensee for alteration or modification charges. The obligation of licensee was to bear only the amount in excess of Rs.50 lakhs under para 2 of the MOU. If licensor was to bear expenditure of Rs.50 lakhs, how that amount would be treated as security deposit (payable by licensee) again becomes incomprehensible.

31) Going further, para 3 of the alleged MOU provided that in the event of failure on the part of the licensor to pay the alternation and modification charges of Rs.50 lakhs, she agreed not to take monthly compensation amount and possession of the flat until the entire amount is paid to the licensee 'before expiry of leave and license agreement'. Thus, if arrangement of MOU is to be given effect, the same would result in ridiculous and incongruous situation. The arrangement under clauses 2 and 3 is such that even before taking over possession of the flat by the licensee, licensor was to pay Rs.50 lakhs as alteration and modification charges to the licensee. Thus, the alleged MOU contemplates unworkable arrangement between the parties.

32) Para-8 of the MOU provides that the terms and conditions of Leave and License Agreement dated 2 June 2021 would be binding on both the parties. Para-8 of the alleged MOU stipulates thus:

> 8. It is mutually agreed by and between the parties that, terms and conditions of Original Leave and License Agreement dt.02nd June, 2021, under registered no. 5862/2021, dt.02.06.2021, for Thirty-six Months (36) against flat Heera Panna C.HS Ltd., 14th Floor, Flat no. 143 B, Haji Ali, Tulsiwadi, Mumbai – 400 034 and M.O.U. will be binding of both party.

33) There is yet another circumstance which creates doubt about authenticity of the MOU. Three documents are shown to have been executed between the parties on 4 June 2021. MOU is shown to have been executed at Mumbai on 4 June 2021, stamp paper for which is purchased by Shobhana B. Ruhi, advocate from the Treasury. There are two other documents shown to have been executed on 4 June 2021 viz. Indemnity Bond and Affidavit. However, both Indemnity Bond and

Affidavit are shown to have been executed at Mumbra, Thane. Respondent has no semblance of communication at Mumbra, Thane and why she would travel to Mumbra for execution of Indemnity Bond and Affidavit at Mumbra, Thane is again a mystery. The stamp papers used for execution of alleged Indemnity Bond and Affidavit is issued in the name of Rashmi Constructions on 24 May 2021. Who is Rashmi Constructions and why stamp papers purchased by that entity on 24 May 2021 are used for execution of alleged Indemnity Bond and Affidavit dated 4 June 2021 is again difficult to comprehend. *Prima facie* therefore the three documents of MOU, Indemnity Bond and Affidavit do not appear to be genuine documents. However, I need not delve deeper into this aspect as the Competent Authority was not expected to look into MOU, Indemnity Bond and Affidavit while deciding eviction application in summary enquiry under Section 24 of the MRC Act.

34) Petitioner has sought to question maintainability of eviction application on the ground that Power of Attorney of Respondent is not a genuine document. However, apparently this issue was not raised before the Competent Authority in the written statement / reply filed by the Petitioner. The issue of Power of Attorney was vaguely raised in para-4 only questioning the relationship between Respondent and her Constituted Attorney. No doubts were raised on the genuineness of POA. In any case, I am not inclined to go into the issue of genuineness of POA considering the position that tenure of license has expired and the Petitioner is under obligation to vacate possession of the licensed premises. Reliance by Mr. Mogre on the judgment of the Apex Court in ***K. Akbar Ali*** (supra) therefore is inapposite.

35) Another point raised by the Petitioner is that he was denied opportunity to defend the Eviction Application. Provisions of Section 43 of the MRC Act are clear. Petitioner could not have directly filed written statement / reply and ought to have secured leave of the Competent Authority to defend the Eviction Application. Leaving aside this issue, I have otherwise considered the defence offered by the Petitioner and I do not find that the issues sought to be raised in the defence could have been decided by the Competent Authority in the limited remit of enquiry under Section 24 of the MRC Act.

36) Considering the overall conspectus of the case, I am of the view that there is no warrant for interference in the orders passed by the Competent Authority and the Revisional Authority. Petitioner has secured entry into the licensed premises through registered Leave and License Agreement dated 2 June 2021. Admittedly, the tenure of license has expired on 31 May 2024. Continuation of possession of the licensed premises by the Petitioner after 31 May 2024 is unauthorised under the provisions of Section 24 of the MRC Act. Petitioner has incurred liability to pay double the amount of license fees to the licensor upon expiry of tenure of license. In that view of the matter, there is no valid reason for interference in the impugned orders.

37) The Writ Petition is devoid of merits. It is accordingly dismissed without any orders as to costs. All pending Interim Applications are disposed of.

NEETA SHAILESH SAWANT Digitally signed by NEETA SHAILESH SAWANT Date: 2026.05.05 21:08:30 +0530

[SANDEEP V. MARNE, J.]