



AS. No.153 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

WEB COPY

Judgment reserved on : 17.02.2026 Judgment pronounced on : 30.03.2026

CORAM

THE HON'BLE MR. JUSTICE P.B.BALAJI

A.S.No.153 of 2023

1.The Principal Secretary cum Commissioner
Archeology Department,
Tamil Valarchi Kazhagam,
Halls Road, Egmore,
Chennai – 600 008.

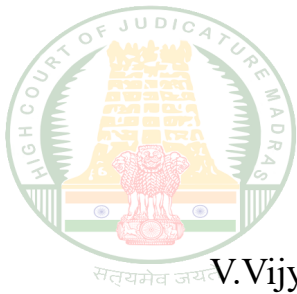
2.The Assistant Director,
Archeology Department,
Office at Gandhi Nagar (IOB Department)
Nanjundapuram Road
Coimbatore-641 036.

3.The Curator,
Archeology Department,
Office at Gandhi Nagar (IOB Department)
Nanjundapuram Road
Coimbatore-641 036.

4.The Archeological Officer,
Department of Archeology,
Gandhi Nagar (IOB Department)
Nanjundapuram Road
Coimbatore-641 036.

.. Appellants / Defendants

Vs.



AS. No.153 of 2023

V.Vijyalakshmi

... Respondent / Plaintiff

WEB COPY

Prayer: Appeal Suit filed under Section 96 of the Code of Civil Procedure, to set aside the decree and judgment passed in O.S.No.7457 of 2019 (CS.No.145 of 2011) dated 21.07.2022 on the file of 17th Additional District and Sessions Court, Chennai and allow the appeal.

For Appellants : Mr.G.Nanmaran
Special Government Pleader

For Respondent : Mr.Camyles Gandhi
for Mr.P.Saravana Sowmiyan

JUDGMENT

The defendants in the suit, challenging the judgment and decree in O.S.No.7457 of 2019 on the file of the 17th Additional District and Sessions Judge, Chennai, are the appellants herein.

2.Pleadings:

The Complaint in brief:

2.1. The plaintiff is the owner of the suit property. The building consists of ground floor and first floor. The ground floor was offered for lease to the defendants 2 to 4, by the plaintiff on 30.12.1997, on a rent of 2/31



AS. No.153 of 2023

Rs.20,000/- per month. The first defendant vide reply dated 06.01.1998

accepted the offer, on certain basic terms and conditions. The building was occupied on 14.01.1998 with the plaintiff's consent. The defendants 2 to 4 requested the plaintiff to accept the condition that the fair rent fixed by the Public Works Department would be agreeable to the plaintiff. The plaintiff accepted to the said request, by letter dated 25.06.1998. The Public Works Department, Coimbatore, fixed the rent for three portions by proceedings dated 30.07.1998, at Rs.4,000/-, Rs.6,700/- and Rs.5,765/- per month respectively, for the defendants 2 to 4.

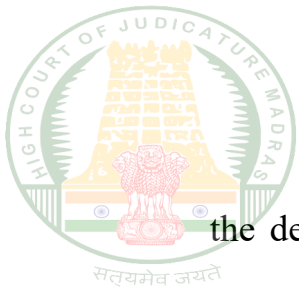
Separate lease agreements were entered into between the plaintiff and the first defendant on 23.10.1998 pertaining to 3 portions occupied by the defendants 2 to 4. Tenure of lease was from 14.01.1998 to 13.01.2001 and rent was fixed in terms of the certificates of Public Works Department dated 30.07.1998. It was agreed that the rents would be in terms of the valuation arrived at by the Public Works Department from time to time. As there was shortage of allotment of area and division amongst the defendants 2 to 4, the plaintiff by letter dated 15.02.1999 sought for rectification and fix the rent from day one.

2.2. On the expiry of the lease period, a lease agreements are
3/31



AS. No.153 of 2023

entered into on 09.04.2001, renewing the lease from 14.01.2001 up to 13.01.2003. The defendants promised to re-fix the rent and pay the arrears. The lease agreements dated 09.04.2001, also expired on 13.01.2003 and by letter dated 16.04.2003, the plaintiff requested the first defendant to renew the lease agreements and also enhance the rent, as contemplated under the lease agreements, through the Public Works Department. The defendants, did not enhance the rent enhanced, despite several representations dated 04.08.2005, 22.05.2006, 01.08.2007 and 10.02.2009. On 31.03.2008, the fourth defendant requested the plaintiff to mention the enhanced rent, in response to the plaintiff's letter, sent 5 years back, i.e., on 16.04.2003. The plaintiff replied by letter dated 09.04.2008, informing the first defendant about the enhanced rent for different periods, in terms of the market value. The fourth defendant has forwarded the letter of the plaintiff to the Public Works Department on 15.04.2008. The Executive Engineer, Public Works Department, vide proceedings dated 31.07.2008, refixed the rent with effect from 14.01.2001, 14.01.2004 and 14.01.2007 for all the three portions occupied by the defendants 2 to 4. Based on the refixation done by the Public Works Department, the plaintiff, vide letter dated 18.02.2009 called upon



AS. No.153 of 2023

the defendants to pay the arrears of rent, together with 24% compound interest.

WEB COPY

2.3. The defendants did not come forward to pay the arrears and hence, the plaintiff filed W.P.No.13268 of 2009 and the writ Court by order dated 24.07.2009, directed the second defendant to consider the plaintiff's representation and thereafter, the first defendant, by proceedings dated 10.09.2009, fixed the enhanced rent separately for all three portions. Contrary to the rent fixed by the Public Works Department, the first defendant has calculated the enhanced rent based on the G.O(Ms.)No.329, dated 30.08.2001, Finance (Salaries) Department, which provided for an increase of 5 % per year of rent alone, on the existing rent and not on the basis of every 3 years.

2.4. The plaintiff objected to the first defendant's calculation, vide communication dated 21.09.2009, contending that the Government order referred to by the first defendant will not apply to the plaintiff's case. The contractual terms between the plaintiff and the first defendant would supersede the Government order.



AS. No.153 of 2023

2.5. In the mean time, the defendants 2 to 4 also vacated the premises in November 2009 without proper intimation. The defendants 2 to 4 are therefore liable to pay rent until 19.11.2009, on which date an inspection was carried out by the plaintiff, in the presence of the fourth defendant, and the plaintiff took over possession of the three portions, which are the subject matter of the lease agreements.

2.6. The plaintiff, calculated the arrears based on the order in W.P.No.13628 of 2009 and called upon the defendants 2 to 4 to pay the same. However, the defendants 2 to 4 have not come forward to pay any amount and hence the suit.

3. Written statements of the second defendant:

3.1. The factum of the plaintiff being the owner of the building and various lease agreements entered into are not denied. As per Government procedure, enhancement of rent was considered from time to time and entire arrears payable to the plaintiff have already been paid. No further rent is payable by the defendants 2 to 4. The plaintiff is not entitled to any amount, much less the suit claim, since the entire arrears were paid pursuant to the orders passed in W.P. No. 13628 of 2009 and W.P. No. 6/31



AS. No.153 of 2023

2203 of 2010, both filed by the plaintiff and the plaintiff has also acknowledged the same. Hence, the suit is liable to be dismissed.

4. The suit was originally filed before the Original Side of this Court in C.S.No.145 of 2011 and on completion of the pleadings, the Court framed the following issues:-

1. Whether fixation of fair rent by the Public Works Department is binding on both the parties in accordance to common law of equity and agreement?

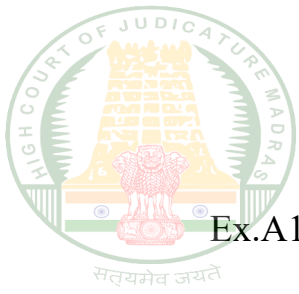
2. Whether defendants by violating the contract deny fair rent on the basis of unilateral Government Orders?

3. Whether the plaintiff is entitled to sum of Rs.25,87,595/- with subsequent interest at 10% as prayed for in the plaint?

4. To what relief if any the plaintiff is entitled to?

The suit was thereafter transferred to the file of the 17th Additional District and Sessions Court, Chennai.

5. At trial, the plaintiff examined herself as PW 1 and marked



AS. No.153 of 2023

Ex.A1 to Ex.53. On the side of the defendants, two witnesses were examined as D.W.1 and D.W.2 and Ex.B1 to Ex.B3 were marked as exhibits on the side of the defendants.

6. Decision of the trial Court

The trial court found that the defendants are liable to pay the arrears of rent amounting to Rs.13,65,935/-, jointly and severally, together with interest at 9% per annum up to the date of decree and at 6% per annum from the date of decree, till the date of deposit.

7. Present appeal:

Aggrieved by the order of the trial Court, the present Appeal Suit has been filed by the defendants.

8. I have heard the arguments of Mr.G.Nanmaran, learned Special Government Pleader for the appellants / defendants and Mr.Camyles Gandhi, for Mr.P.Saravana Sowmiyan, learned counsel for the respondent / plaintiff.

9. Arguments of learned counsel for appellants/defendants:

The learned counsel appearing for the appellants/defendants would

8/31



AS. No.153 of 2023

contend that the plaintiff is bound by the Government Order, namely G.O.

(Ms.) No. 329, dated 30.08.2001, issued by the Finance (Salaries)

Department, which caps the enhancement of rent at 5% per annum and in terms of the said G.O., the appellants/defendants have already paid the entire arrears of rent and nothing more is required to be paid by the appellants/defendants. He would further state that the appellants/defendants have already vacated the premises as well and only in order to comply with the conditional order passed by this court at the time of the admission of the appeal while seeking stay a sum of Rs.5,00,000/- has been deposited, though, it is the categorical case of the appellants / defendants, no further amounts to adduce by the appellants. The learned counsel for the appellants / defendants would therefore pray for the appeal to be allowed and also directing the repayment of Rs.5,00,000/- deposited by the appellants / defendants pursuant to the interim direction of this Court, dated 17.04.2023. In fact, the learned counsel for the appellants has also taken me through the various calculations to fortify his submissions that the appellants had settled the entire arrears prior to vacating and handing over the vacant possession even in the year 2009.

10. Arguments of learned counsel for respondent / plaintiff:

9/31



AS. No.153 of 2023

Per Contra, Mr.Camyles Gandhi, learned counsel for the respondent / plaintiff would state that the trial Court has rightly considered the effect of G.O and decreed the suit. He would also rely on his separate calculation of arrears, according to the fair fixed by the Public Works Department and would state that the amount payable by the defendants would be more than Rs.14.8 Lakhs and he would therefore state that the trial Court has not committed any error in decreeing the suit. Therefore, he would pray for dismissal of the first Appeal.

11. On considering the arguments advanced by the learned counsel on either side, I framed the following points for consideration:

1. Whether the G.O would be binding on the plaintiff and if so from when?

2. Whether the defendants are liable to pay any further amounts to the plaintiff and if so, what amount?

12. Point Nos.1 and 2:

12.1. The factum of the parties entering into lease agreements occupation of three different portions and subsequently, vacating and handing over the vacant possession in mid-November 2009 are all

10/31



AS. No.153 of 2023

admitted.

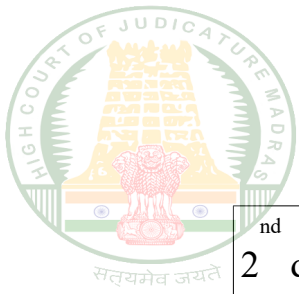
WEB COPY

12.2. The only short point that arises for consideration is as to whether the defendants are liable to pay fair rent and enhancements as arrived at by the Public Works Department or on the contrary, whether the plaintiff is bound by G.O. (Ms.) No. 329, dated 30.08.2001, Finance (Salaries) Department, and is not entitled to more than 5% increase on the then existing rent.

12.3. The Public Works Department admittedly fixed the rent payable as Rs.6,700/-, Rs.6,725/- and Rs.12,350/-, initially, that is, as on 14.01.1998, in respect of three portions occupied by the defendants 2 to 4 respectively. The said rent fixed by the Public Works Department was effective until 13.01.2004.

12.4. The following Tabular Column would lend more clarity, regarding rent:

Defendant No.	Lease period	Fare rent fixed by PWD



AS. No.153 of 2023

nd 2 defendant	14.01.1998- 13.01.2001	Rs.6,700/-
rd 3 defendant	14.01.1998- 13.01.2001	Rs. 4,000/-
th 4 defendant	14.01.1998- 13.01.2001	Rs. 5,765/-
nd 2 defendant	14.01.2001- 13.01.2004	Rs.6,725/-
rd 3 defendant	14.01.2001- 13.01.2004	Rs.6,010/-
th 4 defendant	14.01.2001- 13.01.2004	Rs.5,765/-
nd 2 defendant	14.01.2004- 13.01.2007	Rs.12,350/-
rd 3 defendant	14.01.2004- 13.01.2007	Rs.11,070/-
th 4 defendant	14.01.2004- 13.01.2007	Rs.10,475/-
nd 2 defendant	14.01.2007- 20.09.2009	Rs.12,620/-
rd 3 defendant	14.01.2007- 20.09.2009	Rs.11,315/-
th 4 defendant	14.01.2007- 20.09.2009	Rs.10,705/-

12.5. For better appreciation of the contractual terms agreed between the parties, it would be relevant to refer to the lease agreements which have been exhibited before the trial Court:
12/31



AS. No.153 of 2023

- (i) Ex.A9 to Ex.A11 are the lease agreements dated 23.10.1998;
(ii) Ex.A12 to Ex.A14 are the lease agreements dated 16.04.2001.

WEB COPY

12.6. The relevant clauses in 2001, lease agreements are extracted for easy reference:

“1. The rent fixed by Public Works Department of Rs.4,000/- (Rupees four thousand only) or any enhanced rent fixed by Public Works Department from time to time, for each month shall be paid by the LEASEE to the LEASOR regularly every month on the succeeding month

2. The period of the lease is based on the letter of acceptance dated 14.01 1998 given by the LEASEE and its extension thereof from 14 01 2001 to 13.01.2003

3. The LEASE on payment of such rent shall have quiet possession of the demised premises without any let or hindrance from the LEASOR or persons claiming under him without liability for dilapidation or damage resulting from reasonable wear and tear or the act of God.

4. The LEASE has no right whatsoever over the property, except the rights of the tenant. The house should not be let or sub-let. The house and the surroundings should be maintained in good condition and if any damages are caused during use, the same



WEB COPY



AS. No.153 of 2023

should be repaired by the LEASEE or expenses incurred will be claimed by the LEASOR.

5. The LEASEE shall permit the LEASOR or his agent to inspect the building and promises periodically without any hindrance or inconvenience to the occupier and to execute sundry repairs with LEASEE'S permission/concurrence, provided such inspection shall be done only after obtaining the prior permission.

6. The LEASEE shall not make any structural or major alteration to the building without the permission/concurrence of the LEASOR, for the convenient enjoyment of the building having regard to the purpose of the lease.

7. The payment of the monthly electricity bill is the responsibility of the LEASEE and the payment of the house tax is the responsibility of the LEASOR.

8. The LEASOR shall always keep the building and all parts of the premises in good tenantable repairs and conditions. And on his default the LEASEE may incur the expenses of doing any of the aforesaid things not more than one months' rent payable in respect of the building for that year, after reasonable notice to the LEASOR and shall deduct the actual cost thereof from future rents apart from any other remedy for recovery.

9. In case the house being required by LEASOR, six months notice should be given. In case the house



WEB COPY



AS. No.153 of 2023

being not required by the LEASEE, six months' notice should be given or six months rental charges in lieu of the same. The LEASOR shall on the written request of the LEASEE made within two calendar months before the expiration of the period of the present lease, grant the LEASEE a lease for a further a period of two years on the same terms and conditions contained in this lease. In case no fresh lease deed is signed on the expiry or earlier termination of the lease the occupation of the LEASEE thereafter shall be deemed to be unauthorised and he shall be liable to damages for use and occupation.

10. In the case of private building occupied by the Government Department through the Accommodation Controller or any other officers empowered by Government for this purpose on lease deed be executed.”

12.7. Rents fixed by the Public Works Department or any enhanced rent fixed by Public Works Department from time to time for each month shall be paid by the lessee to the lessor; regularly every month on the succeeding month. In and by G.O.No.329, dated 30.08.2001, the Government has capped increase of rent at 5% of the existing rent in respect of new rent for old buildings. This is now put against the plaintiff

15/31



AS. No.153 of 2023

to contend that the plaintiff is not entitled to anything more than 5% on the existing rent, up to for a period of five years. However, the agreements have been entered into by the first defendant on behalf of the defendants 2 to 4, even on 09.04.2001, prior to the G.O, coming into force. Therefore, there is absolutely no justification on the part of the appellant to contend that G.O would have retrospective effect and the plaintiff cannot seek for fair rent to be fixed at the valuation done and arrived at by Public Works Department and instead of would be governed by increase of 5% as provided under the G.O. The G.O does not even speak about tenancies which are already in force and at best it can apply only to renewals that are effected on and from 30.08.2001. The claim of the plaintiff that the valuation of Public Works Department is binding is therefore certainly sustainable in so far as the period upto January 2004.

12.8. The next question that falls for consideration is whether the plaintiff is entitled to go by the enhancement of rent as fixed by Public Works Department or be bound by G.O (Ms)No.329, after the said G.O. Coming into force. Admittedly, after 2001, there no fresh lease agreements have been entered into between the parties, though the period



AS. No.153 of 2023

of lease in terms of the written agreements expired on 13.01.2003.

However, there is no dispute with regard to the factum of the defendants continuing to occupy the tenanted portions. The defendants occupied three portions. It is in respect of this period that the plaintiff has initiated correspondence with the defendants for enhancement of rent as well as arrears of rent, payable by the defendants to the plaintiff.

12.9. The conduct of the defendants also assumes significance. Despite the defendants being aware of G.O (Ms)No.329, the defendants have not raised any objection to the claim for enhancement of rent sought for by the plaintiff. In fact, in one of the communications, the fourth defendant vide letter dated 16.04.2003 has stated that the lease agreements were not executed, because rent has to be re-fixed every three years in terms of G.O.(Ms.)No.1352, Public Works (H1) Department dated 17.09.1993. Even at that point of time, it has not been the case of the defendants that G.O(Ms.)No..329, does not permit enhancement beyond 5%.

12.10. Similarly, when the plaintiff had called upon the defendants repeatedly for revising the rent, by the Public Works Department with 17/31



AS. No.153 of 2023

effect from 13.01.2001, after not responding for close to 5 years, the 4th defendant vide letter dated 31.03.2008, in response to the plaintiff's letter dated 16.04.2003, only sought for the plaintiff's estimation of the fair rent. In response to the said letter dated 31.03.2008, the plaintiff also sent the enhanced rent expected by the plaintiff. The 4th defendant forwarded the plaintiff's communication to the Public Works Department on 15.04.2008 and the Public Works Department has thereafter fixed the rents payable with effect from 14.01.2001, 14.01.2004 and 14.01.2007 respectively for three different portions, which were under the occupation of the defendants 2 to 4. At no point of time, the defendants have brought it to the notice of the plaintiff that G.O.(Ms.)No.329, does not permit enhancement of rent beyond 5% per annum. There is also nothing on record to show that the said Government Order was not brought to the notice of the plaintiff. On the contrary, the defendants have clearly acquiesced themselves to the terms of the last lease agreements entered into with the plaintiff and have in fact only adhered to the said terms by approaching the Public Works Department for re-fixation of fair rent.

12.11. The Public Works Department also in response to the
18/31



AS. No.153 of 2023

request of the 4th defendant and taking into account, the estimation of the plaintiff has refixed fair rent for three different periods of three years each, viz., from 14.01.2001 to 13.01.2003, 14.01.2004 to 13.01.2007 and from 13.01.2007 till such time the defendants vacated and handed over the vacant possession. It is only this amount that has been claimed by the plaintiff, no doubt, along with compound interest at the rate of 24% per annum.

12.12. It is for the first time in the written statement that the defendants have projected G.O.(Ms.)No.329 as a defence to deny the plaintiff, her entitlement to fair rent. The entire correspondence between the parties have been exhibited before the trial Court and there is absolutely nothing to suggest that the defendants claimed the benefit of G.O, at any point of time after August 2001, till such time the written statement was filed in the suit. In fact, the plaintiff was also made to believe by the defendants that the defendants were ready to abide by the fixation made by Public Works Department.

12.13. Eventhough much was argued about the writ petition filed by the petitioner, I do not see how the orders passed by the Writ Court, 19/31



AS. No.153 of 2023

only directing the representation of the plaintiff to be disposed of would have any bearing with regard to the actual entitlement of the plaintiff, on account of enhancement of rent by way of fair rent and consequent arrears thereto.

12.14. In this context, Ex.A31 to Ex.A33 dated 30.07.2008 assumes relevance and significance. These are communications that have been sent by the Public Works Department, acceding to the request of the 4th defendant, fixing the enhanced rent /fair rent payable by the defendants. In the calculation, it is seen that Public Works Department has fixed 3 different rents to be paid in respect of three different period of time, viz., from 14.01.2001 to 13.01.2003, 14.01.2004 to 13.01.2007 and lastly 13.01.2007 onwards. In view of the admitted position that the defendants have vacated, their liability to pay any rents would **cause** after 19.01.2009.

12.15. G.O(Ms.)No.329, dated 30.08.2001, Finance (Salaries) Department, is extracted and reproduced for easy reference:

“In the Government Order first and above, the Government have enhanced the monetary limit of

20/31



WEB COPY



AS. No.153 of 2023

Rs.8,000/- to Rs. 10,000/- to the Secretaries to Government for sanctioning expenditure towards rent on private lands/buildings for other accommodation in the city or in moffusil subject to plinths area norms with reference to strength and reasonableness of rent being satisfied. The Government, have also directed that the monetary limit shall be further enhanced by 5% p.a. for a period of 5 years and it shall be reviewed thereafter. Similarly in the Government Order second read above, the monetary limit was enhanced from Rs.6,000/- to Rs 10,000/- in respect of Head of Department with the same conditions.

2. The Government have reviewed the monetary limit fixed in the Government Orders read above.

3. Government after careful consideration direct that the existing powers of delegation to Secretaries to Government and to Head of Departments, towards the sanction of rent for private building be enhanced to Rs.15,000/- per month and Rs.25,000 per month respectively subject to the plinth area norms with references to staff strength and reasonable of rent being satisfied and with following further conditions:

(i) In respect of fixing of new rent for old building, the increase of rent should not be more than 5 percent on existing rent.



WEB COPY



AS. No.153 of 2023

(ii) In respect of fixing of rent for new buildings, the rent details of other Government offices situated in the nearby areas should be collected and the average rent shall be arrived. Based on the average rent arrived, the rent shall be fixed if it is within 5 percent increase over average rent arrived.

4. Necessary amendment to Tamil Nadu Financial Code, Volume-II will be issued separately.”

The said G.O itself was passed for enhancement of powers of Secretaries to Governments and Head of Departments towards sanctioning of rents for private building as can be seen from the above G.O. The powers of delegation to Secretaries to Governments and Head of Departments towards sanctioning of rents for private building was enhanced to Rs.15,000/- per month Rs.12,500/- per month respectively. This was subject to the plinth area norms with reference to staff strength and reasonable rents. The other condition was also stipulated that when we came to fixing of new rent for old building, the increase of rent should not be more than 5% on the existing rent. This G.O. does not even refer to the role of the Public Works Department in fixing the rent.

12.16. On the contrary, an express contract between the plaintiff

22/31



AS. No.153 of 2023

and the defendants provides for Public Works Department to fix the fair rent payable for the premises occupied by the defendants as tenants. As already discussed, the defendants never brought up the issue of G.O.(MS)329 dated 30.08.2001 to contend that they are not liable to pay anything more than 5% per annum, by way of enhancement on the existing rent. In fact, they have voluntarily and expressly fallen back on the terms of the lease agreements by calling upon the Public Works Department to fix the fair rent. Thus, by acquiescence and conduct, the appellants are clearly estopped from relying on G.O.(Ms.)No.329, to contend that the defendants are not liable to pay enhanced rent of more than 5% on the existing rent.

12.17. Even in the present appeal, the calculations that have been provided by the learned counsel for the appellants are made only in terms of G.O.(Ms.)No.329 and if G.O.(Ms.)No.329 is applied then the defendants / appellants may be right and justified to contend that no further amounts are to be paid by the respondent/plaintiff. If the said G.O.(Ms.)No.329 does not come to the rescue of the appellants/defendants, then the valuation provided by Public Works Department would certainly bind the appellants/defendants.

23/31



AS. No.153 of 2023

12.18. The communications dated 30.07.2008, vide Ex.A31 to Ex.A33 are valid and binding on the appellants/defendants. The appellants/defendants have not even taken any steps to have fresh agreements entered into with suitable clauses incorporated with regard to the applicability of G.O.(Ms.)No.329.

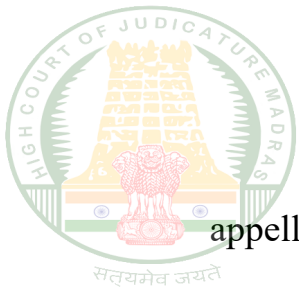
12.19. For all the above reasons, point (1) is answered against the appellants/defendants and the appellants/defendants are not entitled to cite, G.O.(Ms.)329, in order to deny enhancement of rent to the respondent/plaintiff.

12.20. The landlord is entitled to fair rent for the premises let out to the tenant. The agreements of lease entered into between the respondent/plaintiff and the appellants/defendants is purely contractual in nature. The plaintiff in the present case, has sought for fixation of enhanced rent in terms of the agreement between the parties. As already discussed in detail, the appellants have also not denied the right of the plaintiff to seek enhancement by requesting Public Works Department to arrive at the enhancement. Once Public Works Department has also acted



AS. No.153 of 2023

upon the request of the defendants and fixed the enhanced rent for different periods of time, it is not open to the defendants to unilaterally calculate enhancement in terms of G.O.(Ms.)No.329 and claim that the entire arrears have been paid. The communication in Na.Ka.Nos.E2/5499/07 dated 10.09.2009 unilaterally fixing the rent at Rs.6,210/-, Rs.10,402 and Rs.8,950/- under Ex.A38 to Ex.A40 is arbitrary and cannot bind the landlord, especially, when the calculation is contrary to the terms agreed upon by the parties. At least, when the lease expired in 2003, the appellants/defendants could have brought it to the notice of the respondent/plaintiff that G.O.(Ms.)No.329 is in force and they could not be in a position to pay rent and enhancement of more than 5% on the last rent being paid. If the respondent/plaintiff was not agreeable to such enhancement in terms of the G.O, it would have been open to the respondent/plaintiff to express her unwillingness to renew the lease and would have instead chosen to opt termination of the lease and requested the defendants to vacate and handover the vacant possession. Without doing so and having given an impression that the appellants/defendants would abide by the valuation of Public Works Department, as late as up to 2008 and making the plaintiff believe the same, it is not open to the



AS. No.153 of 2023

appellants/defendants to thereafter change their stand altogether and attempt to take shelter under G.O.(Ms.)No.329.

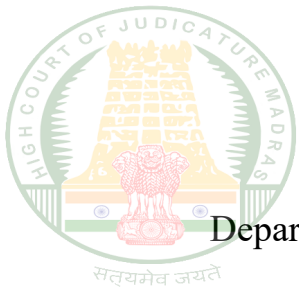
WEB COPY

12.21. The principle of estoppel embodied under Section 115 of the Indian Evidence Act, 1872, squarely applies to the facts of the present case and operates to the benefit of the plaintiff.

12.22. Section 115 of the Indian Evidence Act, 1872, reads as follows:

115. Estoppel.—When one person has, by his declaration, act or omission, intentionally caused or permitted another person to believe a thing to be true and to act upon such belief, neither he nor his representative shall be allowed, in any suit or proceeding between himself and such person or his representative, to deny the truth of that thing.

12.23. In any suit or proceeding instituted by such person, or by any person claiming under him/her, the doctrine would equally apply. Therefore, as already discussed in the foregoing paragraphs, when the defendants, by their own conduct, had all along acquiesced and negotiated with the plaintiff for fixation of rent by the Public Works



AS. No.153 of 2023

Department, they cannot now rely upon the Government Order to wriggle out of the consequences of their own express acts.

12.24. I have perused the calculation and the calculation arrived at by the respondent/plaintiff and find them to be in line with the valuation furnished by the Public Works Department and agreed to be payable by the defendants in terms of the contract between the parties. Hence, I do not find any difficulty in accepting the said calculation, which has been furnished and relied on by the plaintiff by way of a detailed tabulated statement dated 17.02.2026. I find from the said calculation that the respondent / plaintiff has given month wise break up and has also applied interest at the rate of 9% per annum.

12.25. Even though the respondent/plaintiff claimed interest on the arrears of rent, calculated at the rates fixed by Public Works Department, the trial Court has rightly rejected the claim for interest and found the plaintiff to be entitled to only Rs.13,55,955 (587688+424489+353758), with the direction to pay the said amount together with interest at 9% per annum till the date of decree and thereafter at the rate of 6% per annum.



AS. No.153 of 2023

12.26. Though the learned counsel for the appellants/defendants has provided a calculation of arrears providing for 5% per annum (15% for three years) in terms of Government Letter No.58506/SAL/2002-1 dated 06.05.2003 and arriving at a total arrears of Rs.5,64,920/- alone, claiming an excess of Rs.3,01,927 having been paid to the respondent/plaintiff, taking into account Rs.5,00,000/- deposited in pursuance of the conditional order of this Court.

12.27. Having already come to the conclusion that the appellants are not entitled to increase the rent by 5% per annum (15% for 3 years), the calculation suggested and relied on by the appellants/defendants does not merit consideration. The said letter of clarification issued by the Government is not exhibited as a document before the trial Court or even attempted to be marked before this Court by way of additional evidence and hence, I am unable to place any reliance as the said document as well.

12.28. On the other hand, the respondent/plaintiff has calculated the arrears of rent in terms of the valuation of Public Works Department and had arrived at a sum of Rs.14,81,204.21 (Rs.4,12,190.55 + 28/31



AS. No.153 of 2023

Rs.3,38,678.74+Rs.7,30,341.92).

WEB COPY

12.29. In view of the above, I do not find any infirmity in the findings arrived at by the trial Court warranting interference in the first Appeal. However, the trial Court awarded interest at the rate of 9% per annum from the date of filing of the suit till the date of decree and thereafter, at the rate of 6% per annum till the date of realization. Considering the fact that the appellants / defendants have already vacated the tenanted premises and handed over vacant possession to the respondent/plaintiff, even on 20.09.2009 and thereafter, also they have calculated the arrears payable according to them and paid the amount, I am inclined to modified the award of interest to 6% per annum throughout.

13. Resultantly, the Appeal Suit is partly allowed and the defendants 2 to 4 are liable to pay the arrears of rent for a sum of Rs.2,75,212.09, Rs.4,98,569.39 and Rs.2,25,308.22 respectively payable as on date of plaint, together with 6% interest from the date of plaint till the date of realization. Considering the fact that a sum of Rs.5,00,000/-

29/31



AS. No.153 of 2023

has been deposited, pursuant to the interim order dated 17.04.2023, the said amount shall be adjusted from the interest components payable by the appellants / defendants, equally (Rs.5,00,000/- X 1/3). The remaining amount shall be paid within a period of three months from today. However, there shall be no order as to costs as well.

30.03.2026

Neutral Citation Case : Yes / No
Speaking / Non-speaking order
Index : Yes/No
LS

To

th
The 17 Additional District and Sessions Court,
Chennai.



WEB COPY



AS. No.153 of 2023

P.B.BALAJI.J.

LS

**Pre-delivery Judgment made in
A.S.No.153 of 2023**

30.03.2026