

Rent – Mesne profits – Once the order of eviction has been passed, the contractual rate of rent inter se the parties comes to an end was laid down by the Apex Court in *M/s. Atma Ram Properties (P) Ltd. vs. M/s. Federal Motors Pvt. Ltd.*, (2005-3)141 PLR 643 (SC). The view was followed in *Anderson Wright and Co. v. Amar Nath Roy*, (2005-3)141 PLR 666 (SC) and by a three-Judge Bench of the Apex Court in *State of Maharashtra v. M/s. Super Max International Pvt. Ltd.*, 2009 (9) SCC 772. It was further held that the amount of mesne profits should not be excessive, fanciful or a punitive amount.

The relevant observations read thus:-

*“In light of the discussions made above we hold that in an appeal or revision preferred by a tenant against a order or decree of an eviction passed under the Rent Act it is open to the appellate or the revisional Court to stay the execution of the order or the decree on terms, including a direction to pay monthly rent at a rate higher than the contractual rent. Needless to say that in fixing the amount subject to payment of which the execution of the order/ decree is stayed, the Court would exercise restraint and would not fix any excessive, fanciful or punitive amount.”*

referred in [2017 PLRonline 0106 \(P&H\)](#)