

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (C) No(s). 34132/2025

[Arising out of impugned final judgment and order dated 02-09-2025 in SA No. 391/2025 passed by the High Court for The State of Telangana at Hyderabad]

UNION BANK OF INDIA

Petitioner(s)

VERSUS

CHALASANI SAMBA SIVA RAO

Respondent(s)

(IA No. 301750/2025 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT)

Date : 18-05-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE K.V. VISWANATHAN
HON'BLE MR. JUSTICE VIJAY BISHNOI

For Petitioner(s) :

Mr. O. P. Gaggar, AOR
Mr. Sachindra Karn, Adv.

For Respondent(s) :

Mr. S Sriram, Sr. Adv.
Mr. Saaketh Kasibhatla, Adv.
Mr. Arsh Khan, AOR
Mr. Vinay Krishna Kodali, Adv.
Mr. Kartik Brundavan, Adv.
Mr. Dharun Lakshman, Adv.

UPON hearing the counsel the Court made the following
O R D E R

1. Heard Mr. O.P.Gaggar, learned counsel appearing for the petitioner-bank and Mr. S.Sriram, learned senior counsel appearing for the respondent-landlord.

2. The petitioner entered into a registered lease-deed on 17th July, 2013 and took the respondent premises on lease. For the period from 2013 to 2018, the monthly rent was calculated at Rs.10/- per sq.ft. for the plinth area of 2049 sq.ft. The lease-deed had a renewal clause in clause 4(iii). We have read the renewal clause carefully and that does give the lessee a unilateral option of renewal subject to payment of 25% increase in the monthly rent of what was paid between 2013 and 2018.

3. The net result was that the petitioner-bank continued in the premises notwithstanding the landlord seeking vacant possession between 2018 and 2023 and it is undisputed that the rent, as enhanced 25% of the original rent, was also paid.

4. Thereafter also from 22nd April, 2023 when the renewed period also expired, the petitioner continued till January, 2026 and handed over the vacant possession to the respondent-landlord by the end of January, 2026. For this period from April, 2023 to January, 2026, the petitioner paid at the same rate that was paid between 2018 and 2023.

5. Now, the only question is about working out the use and occupation charges. The amount, as ordered by the Courts below, has been reckoned for the period post 2018, though the claim in the plaint was till the date of the suit. The Appellate Court moulded the relief and granted

occupation charges till vacation and handing over peaceful possession of the premises.

6. Having heard Mr. O.P.Gaggar, learned counsel for the petitioner and Mr. S.Sriram, learned senior counsel for the respondent, we are of the opinion that the respondent-landlord has rightly paid at the enhanced rate of 12.5% for the period from 2018 to 2023.

7. Since, the petitioner-bank vacated the premises only in January, 2026, we also direct the petitioner to pay the use and occupation charges for the period from April, 2023 to January, 2026.

8. After hearing learned counsel for the parties and to put an end to the litigation once and for all, we are of the opinion that for the period from April, 2023 to January, 2026 also, the rent should be calculated at Rs.55/- per sq.ft. However, allowance has to be given at Rs.12.50 which the petitioner paid even for this period. In all the total sum works out approximately to Rs.28,46,000/-. We are of the opinion that since we are passing this order in supersession of the orders of the Courts below, a consolidated sum of Rs.30,00,000/- be paid by the petitioner-bank to the respondent-landlord as use and occupation charges within a period of four weeks from today in full and final settlement.

9. The petitioner undertakes to pay the aforesaid amount before this Court within a period of four weeks from today.

10. In case of failure to pay the amount within the stipulated time, apart from other remedies open to the respondent-landlord, the amount will also carry interest @ 12% per month.

11. The authorised officer of the petitioner-bank shall file an undertaking before this Court within two weeks agreeing to pay the amount of Rs.30,00,000/- within a period of four weeks.

12. The present order will be in supersession of all the orders of the Courts below.

13. The Special Leave Petition is disposed of in the above terms.

14. Pending application shall also stand disposed of.

(ANITA MALHOTRA)
AR-CUM-PS

(MANOJ KUMAR)
COURT MASTER