

**Application No.6661 of 2014**  
**in**  
**C.S.No.363 of 1912**

**M.JAICHANDREN,J.**

This application has been filed by the applicant, seeking a direction to the Official Trustee of Tamil Nadu to renew the lease for a further period of five years, for the building situated at New Door No.37, Old No.1/4, Saiva Muthiah Mudali Street, Chennai, and to fix the fair rent at 10% enhancement from 1.9.2014 and 10% for every subsequent year.

2 The applicant had stated that he is the President of the ARC School Board, which is running the K.Ramaiah Chetty ARC Girls Higher Secondary and the ARC Elementary School, at Muthialpet, Chennai. The school was started to promote education of women. The property in question is used only for educational purposes. It had been stated that the lease period of the schedule mentioned property had expired, on 31.8.2014. Therefore, the lease should be renewed and the fair rent should also be fixed for the extended lease period.

3 The learned Official Trustee had submitted a report, dated 6.11.2014, stating that the trust estate of N.Visalakshi Ammal is being administered by the Official Trustee, as per the Scheme Decree, dated

22.2.1915, made in C.S.No.363 of 1912. The vacant land, to an extent of 47928 sq.ft, situated at Saiva Muthiah Mudali Street, belonging to the said trust, had been leased out to the ARC School Board, the applicant herein, by way of four leases. The details of the above leases have been given in the annexure to the report. Out of the said four leases, the lease for the property, to an extent of 2076 sq.ft., had expired, on 31.8.2014. The Official Trustee had further submitted that earlier, the rent was fixed at the rate of Rs.6000/- per month, for five years, from 1.9.2009 to 31.8.2014, without any enhancement, by an order of this Court, made in A.No.3545 of 2009. It had been further submitted that an Engineer, attached to the Office of the Official Trustee, had inspected the property in question and calculated the monthly rent at the rate of Rs.1,03,800/-. Therefore, the Official Trustee had submitted that the lease may be extended for a further period of two years and a sum of Rs.1,03,800/- may be fixed as monthly rent, with 15% annual increase.

4 In view of the submissions made by the learned counsel appearing on behalf of the applicant, as well as the Official Trustee and on perusal of the report filed by the Official Trustee, it is noted that the property in question is being used for running the school. It is further noted that, earlier, when the lease was granted for the period of five years, from

1.9.2009 to 31.8.2014, the monthly rent of Rs.6000/- was fixed, by an order of this Court, made in A.No.3545 of 2009. The present application has been filed in the year, 2014, seeking renewal of the lease period, from 1.9.2014, for a period of five years and two years have elapsed, since then. Considering the fact that the property in question is being used for running the school, this Court is of the view that it is appropriate to renew the lease for a further period of five years and a fair rent of Rs.8000/-, per month, can be fixed, with 5% annual increase.

5 Accordingly,

(i)the applicant is permitted to renew the lease, for the building situated at New No.37, Old No.1/4, Saiva Muthiah Mudali Street, Chennai-600 001, measuring to an extent of 2076 sq.ft., for a further period of five years, from 1.9.2014.

(ii)The monthly rent for the said property is fixed at the rate of Rs.8,000/-, per month, (Rupees eight thousand only), with 5% annual increase for the subsequent years.

(iii)The applicant is directed to pay the arrears, by calculating the rent, as stated above, to the Official Trustee of Tamil Nadu, within a period of 30 days from the date of receipt of a copy of this order.

(iv)The applicant is further directed to execute the lease deed and get

it registered, within a period of 30 days from the date of receipt of a copy of this order.

This application is allowed, in the above terms.

26.10.2016

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