



W.P.No.37458 of 2007 &
M.P.No.1 of 2007

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 23.12.2022

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THE HONOURABLE **DR. JUSTICE ANITA SUMANTH**

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C.Sundararajan, President,
Jeevan Bhima Nagar Flat Owners Welfare Association,
Block No.33, Flat No.132,
Jeevan Bhima Nagar,
Anna Nagar Western Extension,
Chennai – 600 101.

... Petitioner

Vs

1.The Estate Officer,
(Under the Central Act 40 of 1971),
10th Floor, Life Insurance Corporation of India,
102, Anna Salai, Chennai – 600 002.

2.The Life Insurance Corporation of India,
Southern Zonal Office,
LIC Buildings, P.B.No.2450,
No.102, Anna Salai, Chennai – 600 002.

... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a writ of Certiorarified Mandamus, calling records from the 1st respondent relating to his order dated 04.12.2007 passed in Petition 1 of 2007 and quash the same and direct the 1st respondent to give opportunity to the



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petitioner Association to file its counter and documents to defend their case in accordance with principal natural justice. Award cost.

For Petitioner : Mr.R.Rajaram

For Respondents : Mr.R.S.Anandan

ORDER

The petitioner is an association called Jeevan Bhima Nagar Flat Owners' Association and has filed this writ petition in the year 2007 seeking to quash an order dated 04.12.2007 whereunder it had been evicted from the association office building.

2.A detailed exposition of facts becomes unnecessary by virtue of the position that both the parties, that is, the Association and the Estate Officer of the LIC of India/R1, who has passed the impugned order, have sat across the table pending writ petition and have arrived at a settlement.

3.Suffice it to say that the petitioner had disputed the levy of lease rent in regard to a property of 913 Sft at Block No.33, Flat No.132, Jeevan Bhima Nagar, Anna Nagar Western Extension, Chennai – 600 101 (property/property in question) and has not paid a rupee in that regard, till date.



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4. When the matter had come up on 22.11.2019, a learned Judge of this Court passed the following order:

“As per the order passed by the National Consumer Disputes Redressal Commission, New Delhi, 913 sq.ft. of the complex remains under the supervision of L.I.C and the L.I.C can lease out and recover the money, and it should be spent towards the overall maintenance of the complex.

2. As the petitioner Association consisting of residents of the complex, and they are occupying to an extent of 913 sq.ft., now willing to pay the reasonable lease amount, and seeks a direction to the first respondent to consider the petitioner's request seeking for lease on a reasonable rent.

3. Considering the submissions, the petitioner is directed to approach the Estate Officer, first respondent, and Inake necessary application. On filing such application, the first respondent is directed to consider the same and pass suitable orders for leasing out the premises on the petitioner.

4. Post the matter after four weeks.”

5. It is only thereafter that the Association has even accepted the liability to pay and from 2019 till date has been in negotiation with R1 for quantification of the amount payable. The matter had come up for hearing on several dates thereafter when, it was adjourned to enable the parties to continue the negotiations.



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6. On 15.12.2022, I had granted a final opportunity of one week for conclusion of negotiations and on 22.12.2022, when the matter had been listed next, I passed the following order:

“An order has been passed by LIC dated 19.12.2022 after negotiations with the petitioner association fixing the rent payable at Rs.20/- per sq.ft. per month. The area occupied by the petitioner association is 913 sq.ft. Along with basic rate of rent which is payable from 22.11.2019 onwards, order dated 19.12.2022 states that GST and other charges will also be levied along with security deposit.

2. The break-up of the amount payable has been furnished by LIC as follows:

*Area occupied : 913 sq.ft.
Basic Rent @ 20/- per sq.ft per month: Rs.18260/-
GST on Basic Rent @ 18% : Rs.3286.80
Municipal Tax@2/- per sq.ft. Per month:Rs.1826.00
Rental Advance/Security Deposit
(6 months' basic rent – 18260x6) : Rs.109560.00*

3. Mr.S.Rajaram, learned counsel appearing for the petitioners seeks a days' time to file a memo conveying acceptance of this proposal by the President or the Secretary of the petitioner association.

4. List on 23.12.2022 at 2.15 p.m.”

7. Today, the matter was listed at 02.15 P.M. and the following memo has been filed by T.V.Radhakrishnan, President of Petitioner Welfare Association, reading as follows:



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"I am the current President of Jeevan Bhima Nagar Flat Owner's Welfare Association and I am filing the above memo on behalf of the Jeevan Bhima Nagar Flat Owner's Welfare Association.

2) In the above matter a meeting was held on 22.11.2022 with the Officials of the Respondent LIC Corporation. In the said meeting the Regional Manager of the Respondent Corporation has made an offer Rs.20/- per square feet as a basic rent from 22.11.2019. Thereafter, the Governing Body of our Association met and made an offer of paying Rs.13/- per square feet plus GST and other charges and taxes and sent a letter on 06.12.2022. I submit that we received a letter dated 15th December, 2022 saying that offer made by the LIC of Rs.20/- per square feet per month as basic rent plus and other charges from date of Hon'ble High Court order dated 22.11.2019 was reasonable. Our Governing Body decided to accept the offer made by the respondent. I submit that in the 15th December, 2022 letters there is nothing about the security deposit.

3) I further submit that 19.12.2022 letter which was produced before this Hon'ble Court on 22.12.2022 was not served on us and in fact the said letter was sent to us by speed post which was delivered to us by the post man only at 4.00 pm on 22.12.2022 and therefore, our counsel was not aware of the said letter. I submit only in the letter dated 19.12.2022 the security deposit is mentioned. Therefore, asking for rental advance/ security deposit is totally unjustified. Further, the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017 in Section 11 says " It shall be unlawful to charge a security deposit in excess of three times the



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monthly and therefore, asking for six month advance /security deposit is unlawful.

4) Our Association is willing to pay the basic rent at Rs.20/- per square feet plus GST on basic rent at 18% as applicable plus Municipal tax at Rs.2/- per square feet per month and rental advance /security deposit three times the monthly rent, and thus render justice.

5) Dated at Chennai on this 23rd day of December, 2022.”

8.The Association has agreed to remit a sum of Rs.20/- per sft from 22.11.2019 along with GST @ 18% or as applicable and municipal tax @ 2% per month. The sole dissention is as regards the security deposit. LIC seeks a security deposit of six months whereas the petitioner is willing to pay security deposit of three months.

9.In the interests of resolution of the long pending dispute, Mr.Anandan, learned counsel for respondents, on instructions, accedes to the request made.

Thus, the quantification of the demand would now read as follows:

Area of occupied	913 Sq.ft.
Basic Rent @ 20/- per sq.ft per month	Rs.18,260/-
GST on Basic Rent @ 18%	Rs.3,286.80/-
Municipal Tax @ 2/- per sq.ft.per month	Rs.1826.00/-
Rental Advance / Security Deposit	Rs.1,09,560/-
(6 months' basic rent – 18260x6)	
Rental Advance / Security Deposit	Rs.54,780/-
(3 months' basic rent – 18260x6)	



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10. In light of the above settlement and subject to the amount as above being paid within the time frame as set out above, the impugned order is set aside. This writ petition is ordered in light of the above order. No costs. Consequently, connected miscellaneous petition is closed.

kbs

23.12.2022

Index : Yes / No
Speaking Order

To

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