

**Arb.A.No.168 of 2022****WEB CO KRISHNAN RAMASAMY, J.,**

This application has been filed to direct the respondent to furnish the security for the total amount of Rs.2,61,578/- along with interest @24% per annum from the due date till the date of furnishing the security within the time stipulated by this Court, failing which to pass an order of attachment and sale of the schedule mentioned movable properties.

2. According to the applicant, he is the absolute owner of the schedule mentioned property and he has leased out the said property to M/s.Aircel Limited for the construction of the mobile towers to carry out its business. Thereafter, M/s.Aircel Limited and the applicant had entered into the lease agreement dated 19.06.2009 for a period of 12 years with effect from 01.08.2009. Subsequent to the execution of the lease deed dated 19.06.2009, M/s.Aircel Limited has sold its



infrastructure business to M/s.Chennai Network Infrastructure Limited (herein after called as CNIL). After the acquisition from M/s.Aircel Limited by CNIL, the original leased executed between M/s.Aircel Ltd and the applicant has been automatically transferred to CNIL without entering into the new lease deed. Consequently, CNIL has paid the monthly rent as per the lease deed dated 19.06.2009 to the applicant.

3.While being so, CNIL and the applicant entered into a supplementary agreement dated 14.10.2016, on the same terms and conditions set forth in the Lease deed dated 19.06.2009 and agrees to pay the license fee of Rs.1200/- in addition to the monthly rent of Rs.3306/- for the period between i.e., 01.08.2015 and 31.07.2019. Meanwhile, the said CNIL merged with GTL Infrastructure Limited, the respondent herein and thus, all existing agreements (Lease Deed dated 19.06.2009 & Supplementary agreement dated 14.10.2016) entered by CNIL with the applicant are automatically transferred to GTL Infrastructure Ltd., and the applicant. Thereafter, the respondent has



paid the exact monthly rent of Rs.4506/- for the usage of said property only for the month of December 2017. Subsequently, the respondent had remitted the monthly rent of Rs.3306/- instead of Rs.4506/- from January 2018 to July 2018. Thus, the arrears of rent accumulated between August 2018 to November, 2019. The respondent has also failed to pay the monthly rent at Rs.5002/- but only remitted at Rs.3306/- from December 2019 to August 2021, which comes around Rs.1,05,042/-. Subsequently, on various occasions, the applicant had demanded for payment of the outstanding amount from the respondent, however, after November 2019, all the efforts taken by the applicant for the recovery of outstanding amount had ended in vain. Thereafter, the applicant sent a legal notice dated 09.03.2020, by demanding the outstanding amount, but the respondent had not paid any amount. The respondent had sent the settlement letter dated 02.06.2021, by offering to pay the outstanding amount of Rs.47,313/- against the total due amount of Rs.1,25,572/- as on 05.07.2021. Thereafter, the applicant sent an Arbitration cum reply notice dated 05.07.2021 to the respondent,



demanding payment of the outstanding amount of Rs.1,25,572/- as on 05.07.2021 along with interest @ 24% per annum from the due date till the date of realization.

4. The learned counsel appearing for the respondent would submit that the respondent had entered into an agreement with the applicant for the installation of mobile towers and the said Lease agreement was expired during August 2021 and till now they have not handed over the possession of the property and hence, the respondent was unable to pay their liability. According to the respondent, they are not using the said property for the purpose of any mobile service. Therefore, he would submit that since the respondent is facing financial difficulties, they could not pay the amount.

5. Taking note of the above, the learned counsel for the applicant would submit that since the respondent has admitted the liability and the default on the part of the respondent, he requested this Court to direct



the respondent to furnish the security.

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6.In view of the submissions made by the learned counsel on either side and since the respondent also admitted their liability and not made arrears of rent from January, 2018 and that despite expiry of the lease agreement, the respondent has not vacated and handed over the possession of property to the applicant, this Court feels it appropriate to pass the following:

(i)The respondent is directed to furnish security for a sum of Rs.2,61,578/- along with interest @ 24% per annum from the due date till the date of furnishing the security within four weeks, from the date of receipt of a copy of this order, failing which, there will be an order of attachment of the schedule mentioned movable properties.

7.Accordingly, this application is ordered.

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29.08.2022



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KRISHNAN RAMASAMY, J.,

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