



IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 23.03.2023

PRONOUNCED ON : 30.03.2023

CORAM

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM

W.P.No.30167 of 2008

and

W.M.P.No.9316 of 2023

Sathya Studio's (P) Limited
represented by its Managing Director,
K.Swaminathan
Sathyabhama MGR Maligai
No.6, Adyar Bridge Road,
Chennai – 600 028.

... Petitioner

Vs.

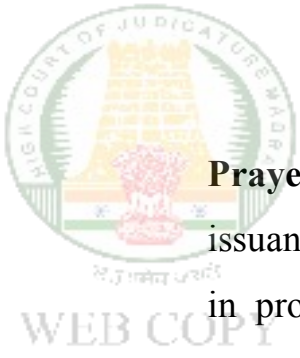
1.The State of Tamil Nadu
represented by its Secretary
Revenue Department
Fort St. George, Madras.

2.The District Collector,
Chennai District,
No.62, Rajaji Salai,
Madras – 600 001.

3.The Tahsildar,
Mylapore – Triplicane Taluk,
Madras – 600 028.

... Respondents

[Cause title amended as per order dated 23.03.2023 made
in WMP.No.9319 of 2023 in WP.No.30167 of 2008]



Prayer: Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari, calling for the records of the 3rd respondent in proceedings Rc.No. (B3)/4958/1990 dated 01.12.2008 and quash the same.

For Petitioner : Mr.Madhan Babu

For Respondents : Mr.S.Silambannan
Additional Advocate General
Assisted by Mr.Yogesh Kannadasan
Special Government Pleader

ORDER

The writ on hand has been instituted to call for the records of the 3rd respondent in proceedings dated 01.12.2008 and to quash the same.

Factual Background in Nutshell:

2. In G.O.Ms.No.199, Revenue Department dated 21.01.1970, the Government leased out the land belongs to the Government measuring 1 Cawnie, 14 Grounds, 2340 Sq.ft to the Sathya Studio's from 08.01.1968 for a period of 30 years at the rate of 7% of the market value of the land as lease rent. On 30.01.1970, possession was handed over to the writ petitioner /



Sathya Studio's Private Limited. The Government issued G.O.Ms.No.3887, Revenue Department dated 02.07.1973, ordered the lease rent to be collected from 31.01.1970 i.e., the date on which the possession of the Government land was handed over to the lessee / Sathya Studio's Private Limited.

3. In G.O.Ms.No.1263, Revenue Department dated 23.05.1975, the Government ordered to revise the lease rent for the leased out land at Rs.1,26,315/- per annum with effect from 01.01.1975. On 12.07.1976, the Higher Education Department permitted the petitioner to start Dr.MGR Janaki College of Arts and Science for women in their patta land situated adjacent to the leased out Government land. The Government issued G.O.Ms.No.2243, Revenue Department dated 22.11.1977 ordered that the lease granted to Sathya Studio's was restricted upto 26.05.1975 and ordered to transfer the land to Tamil Nadu Poultry Development Department, but the possession was not taken by the Tamil Nadu Poultry Development Department and it was continued to be with the lessee at that point of time.



4. On 27.06.1980, the Government in G.O.Ms.No.1579 ordered to cancel the fixation of lease rent issued in G.O.Ms.No.1263 dated 23.05.1975. The petitioner / Sathya Studio's submitted a request application dated 31.10.1997 to extend the lease beyond the period of 30 years. The 30 years lease period expired on 07.01.1998. However, the lessee continued to be in the possession of the leased out premises. On 02.05.2003, the District Collector had submitted the lease rent proposal to the Commissioner for Land Acquisition (CLA). On 04.07.2003, the CLA had recommended the lease in favour of the petitioner for 10 years beyond 07.11.1998 to the Government. On 17.09.2004, the Tahsildar had sent a demand notice for arrears of lease amount to the petitioner for the period from 1998 based on the audit objection raised regarding non-collection of arrears of lease amount from the petitioner. The details regarding the demand is as under:

1. Defaulter demand (07-01-1995 to 06-01-1998) -
Rs.6,32,23,639/-
2. Fresh demand (07-01-1998 to 31-12-2004) –
Rs.24,77,55,386/-
In all Total Rs.31,09,79,023/-



5. On 08.01.2007, the second demand notice was issued by the District Collector to the writ petitioner / lessee for payment of lease arrears amount of Rs.31,09,79,023/-. The petitioner submitted a reply on 29.11.2008, seeking further time without making any payment towards arrears of lease amount as demanded.

6. Further on 12.11.2008, a show cause notice No.B3/4958/1990, was issued by Tahsildar to the lessee to pay the lease arrears amount failing which, show the reasons as to why the lease land should not be resumed back to Government from petitioner. Since neither there was a response nor the petitioner paid the arrears of lease amount, the Competent Authorities on 01.12.2008 resumed the Government land from the lessee through a transfer charge certificate and report was submitted by the Tahsildar to the District Collector.

7. Aggrieved by the order of resumption of the Government land passed by the Tahsildar, the lessee filed the present writ petition challenging the resumption of land in Tahsildar proceedings dated 01.12.2008.



8. The Highways Department of the Government of Tamil Nadu has proposed a new link road connecting Greenways Road with Durgabhai Deshmukh Road through Tamil Nadu Music College in R.S.No.4275/1, 2, 4, 5 and 6. The proposal was made on 06.09.2019 to create a link road to decongest the traffic in Greenways Road, and Dr,Dhinakaran Salai and towards Adayar in Chennai city. On 23.10.2019 and on 03.01.2020, the District Collector had sent the land transfer proposal to CLA for transferring the land to Highways Department. On 19.02.2020, the CLA has recommended the land transfer proposal to Government and now the said proposal is pending on account of the interim order of status quo granted by the High Court in the present writ petition.

Petitioner's Argument:

9. The order impugned dated 01.12.2008 has not been communicated to the petitioner and thus, it is in violation of the principles of natural justice. As per the assignment order, the Government is the Competent Authority either to withdraw the assignment order or to increase the rent. Therefore, the 3rd respondent on the instructions of the 2nd respondent usurped the power of the Government and therefore, the order of resumption is void. The



3rd respondent had been revising the rent again and again for the same period without any jurisdiction and the proposal to increase the rent is not applicable, where the Government themselves have fixed the rent in the case of the writ petitioner. No backup details are provided for the demanded sum and the reasons furnished by the petitioner in their reply to the show cause notice were not considered by the respondents. Thus, the resumption of land by way of summary proceeding is untenable. The 3rd respondent had acted without any authority to resume the leased out land, which belongs to the Government. In view of the fact that the lease was granted by the Government and resumption of the land involves civil consequences, the principles of natural justice are to be followed.

10. The petitioner is now running Arts and Science College for women with strength of 1800 students in various courses. The lessee / writ petitioner is utilising the said land as a play ground for the benefit of the students. The petitioner states that the possession was taken symbolically on 01.12.2008 and the actual possession continues to be with the petitioner / lessee and is being used as a play ground. Since access to the Government land can be made only through the patta land of the petitioner and the Government land



is just behind the petitioner's land and thus, nobody can enjoy the property without permission of the petitioner. Thus, the order of resumption dated 01.12.2008 is to be quashed.

The Contentions of the Respondents:

11. An extent of 1 Cawnie, 14 Ground and 2340 Sq.ft of land belonging to the Government was leased out to the petitioner / Sathiya Studio's for period of 30 years form 08.01.1968. Even before the lease deed in G.O.Ms.No.909, Revenue Department dated 25.03.1964 sanction was recorded to the transfer of the land measuring 02.21-1513 Sq.ft in R.S.No.275/1 Mylapore, South East Taluk, Madras to the Animal Husbandry Department for running a Poultry Development Centre, free of land value but subject to collection of Rs.823.98 values to structures and trees on the land. However, the land had not been put in use and was vacant. At that point of time the then Hon'ble Chief Minister M.G.Ramachandran, who was a M.L.A and the Director of Sathya Studio's Private Limited, Madras had applied for the assign-most or lease of a portion of land in R.S.No.1275/101 Mylapore for a period of 50 years for the purpose of expansion of studio activities by providing amenities for several producers,



who frequent their studio, for establishing an industrial centre as a by-industry relating to motion picture industry and for running an industrial training section.

12. The Government considering the application submitted, leased out the property in G.O.Ms.No.199 dated 21.01.1970. The lease period was 30 years from 08.01.1968. The value of the land was fixed at Rs.2,500 per ground and the lease rent was fixed at 7% thereof in addition of Municipal Taxes subject to renewal of lease and revision of the lease rent and the auction of the Government and subject also the usual conditions decided by following the special conditions:

- 1. the trees found in the land should be protected during the period of occupation.*
- 2. the amount spent by the Director of Animal husbandry Madras for putting up the wire fencing should be paid by the Sathya Studios (Private) Ltd., and*
- 3. the lease may erect any permanent building, only after getting the previous sanction of the collector of Madras during the occupation of the land.*



13. It is contended that the **Government order granting lease provides specific clause for revision of rent and renewal is also at the option of the Government and subject to usual conditions.** Special conditions are also stipulated in the Government order. Thus, it is a lease granted by the Government by issuing an order and therefore, the petitioner is bound to pay the arrears of lease rent as fixed by the Government based on the market value increased during subsequent years.

14. The audit party of the Government raised an objection regarding non-collection of arrears of lease rent from the petitioner. The Audit party had pointed out that the following sums were due from the lessee towards LR and MT for the period upto 31.12.2004.

1. Defaulter demand (07-01-1995 to 06-01-1998) -
Rs.6,32,23,639/-
 2. Fresh demand (07-01-1998 to 31-12-2004) –
Rs.24,77,55,386/-
- In all Total Rs.31,09,79,023/-



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15. In respect of the demand notices sent by the Competent Authorities, the petitioner / Sathiya Studios's did not come forward to pay the dues. The petitioner filed a Civil Suit in O.S.No.19 of 2006 seeking directions interdicting the defendants by means of permanent injunction restraining them from disrupting the peaceful possession and enjoyment of the property and not to vacate them other than by due process of law. The said Suit was dismissed for default on 27.09.2007.

16. Meanwhile, another notice was sent to the lessee in proceedings dated 08.01.2007. But the lessee had not paid the LR and MT and a huge sum fell due from him, which attracted audit party and even attracted the public accounts committee. Hence, the petitioner / Sathiya Studio's were directed to show cause within 15 days from the date of receipt of show cause notice dated 12.11.2008 as to why the land measuring an extent of 1 Cawine, 14 Grounds and 2340 Sq.ft. shall not be taken from possession.

17. Instead of making payment of lease rent and Municipal Tax, the petitioner sent a reply, which was received on 29.11.2008 by the



respondents, requesting them to grant further time. Even a portion of the amount demanded by the Office towards lease rent and Municipal Tax was not paid by the petitioner. The petitioner requested to extend the time for complete reply to the show cause notice. The lease rent and Municipal Tax due from the petitioner had already been pointed out by the audit party and further that had been listed as a reference pending before the Public Accounts Committee. Thus, the authorities decided to resume possession of the lands from the respective lessees from whom heavy amount was pending to be recovered. Thereafter, the possession of the leased land was resumed from the petitioner on 01.12.2008 by the Revenue Inspector and a report was submitted to the Collector of Chennai on 01.12.2008.

18. It is contended by the respondents that the rules of natural justice has been followed. Demand notices were sent. A show cause notice was also issued to the petitioner, asking the petitioners to pay the arrears of lease amount, Municipal Taxes, etc. They have submitted a reply seeking further time. However, the respondents had given ample opportunity to the writ petitioner to settle the arrears of lease amount and the taxes as per the Government order granting lease. The petitioner instead of paying the



arrears of rent has chosen to file a Civil Suit, which was dismissed for default and thereafter, the land was resumed from the petitioner and the petitioner also handed over the leased land to the authorities and had signed in the transfer charges certificate. Accordingly, a report was submitted to the District Collector, Chennai. At present, the land is with the possession of the Government. Mere usage of the leased land by the petitioner / College as a play ground will not confer any right based on the Government order granting lease, since the lease period admittedly expired in the year 1998 itself and the possession was handed over by the petitioner and Government has taken over the possession.

19. The respondents have further stated that the Government has proposed to form a new link road connecting Greenways Road (DGS Dinakaran Salai) with Durgabhai Deshmukh Road through Tamil Nadu Music College, for the benefit of the public at large and to decongest the traffic in these roads as the people are struggling to reach the other end namely Adayar, Thiruvannamuyir, etc., from Kamarajar Salai (Beach Road). Since the project was approved and the Highways Department has given a map showing formation of link road connecting Greenways Road with



Durgabhai Deshmukh Road, the District Collector has submitted a land transfer proposal to the Commissioner for Land Acquisition, who in turn recommended for land transfer to the Government and at that point of time the interim order of status was granted in the present writ petition. Thus, the Government is not in a position to implement the public welfare scheme of formation of new link road connecting Greenways Road (DGS Dinakaran Salai) with Durgabhai Deshmukh Road through Tamil Nadu Music College.

20. An important public welfare project for the formation of new link road connecting Greenways Road with Durgabhai Deshmukh Road through Tamil Nadu Music College has been stalled for the past about four years on account of the pendency of the present writ petition. The writ petition was filed in the year 2008 and an interim order of status quo was granted. During the pendency of the writ petition for the past about 14 years, the petitioner / lessee has not paid the revised lease rent including Municipal Taxes, etc., and is utilising the Government land for their exclusive purpose.

21. Non-listing of the matters for longer period in the presence of an interim order would cause prejudice to the interest of the opposite party. In



the present case, it caused greater prejudice to the public interest and public at large. The leased Government land was resumed by the Governmental Authorities. Possession was taken but they were unable to implement the public welfare scheme for the formation of new link road connecting Greenways Road with Durgabhai Deshmukh Road through Tamil Nadu Music College, which would be of greater benefit to the larger public in Chennai City.

Legal Position:

Concept of Public interest in the matter of public policy:

22. The Hon'ble Apex court in the case of ***Kasturi Lal Lakshmi Reddy vs State Of Jammu And Kashmir & another on 9 May, 1980, 1980 SCR (3)1338***, made a detailed discussion on Government contracts, Limitations on the Government to grant contracts, Test of reasonableness, **concept of public interest** and Articles 14 & 19 of the Constitution and held :

“While others have been given legal protection not only by forging procedural safeguards but also by confining, structuring and checking Government discretion in the matter



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of grant of such largess. The discretion of the government has been held to be not unlimited in that the Government cannot give largess in its arbitrary discretion or as its sweet will or on such terms as it chooses in its absolute discretion.

- i. There are two limitations imposed by law which structure and control the discretion of the Government in this behalf. The first is in regard to the terms on which largess may be granted and the other. In regard to the persons who may be recipients of such largess.*
- ii. So far as the first limitation is concerned, it flows directly from the thesis that, unlike a private individual, the State cannot act as it pleases in the matter of giving largess. Though ordinarily a private individual would be guided by economic considerations of self-gain in any action taken by him, it is always open to him under the law to act contrary to his self-interest or to oblige another in entering into a contract or dealing with his property. But the Government is not free to act as it likes in granting largess such as awarding a contract or selling or leasing out its property. Whatever be its activity, the Government is still the Government and is, subject to restraints inherent in its position in a democratic society. The constitutional power conferred on the Government*



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cannot be exercised by it arbitrarily or capriciously or in and unprincipled manner; it has to be exercised for the public good. Every activity of the Government has a public element in it and it must therefore, be informed with reason and guided by public interest. Every action taken by the Government must be in public interest; the Government cannot act arbitrarily and without reason and if it does, its action would be liable to be invalidated. If the Government awards a contract or leases out or otherwise deals with its property or grants any other largess, it would be Liable to be tested for its validity on the touch-stone of reasonableness and public interest and if it fails to satisfy either test, it would be unconstitutional and invalid.”

23. The Hon'ble Supreme Court in the case of ***Ram and Shyam company vs state of Haryana and ors***, dealt with the aspect of disposal of the public property and held that :

“...disposal of public property partakes the character of a trust in that in its disposal there should be nothing hanky panky and that it must be done at the best price so that larger revenue coming into the coffers of the State administration



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would serve public purpose viz. the welfare State may be able to expand its beneficent activities by the availability of larger funds. ***This is subject to one important limitation*** that socialist property may be disposed at a price lower than the market price or even for a token price to achieve some defined constitutionally recognised public purpose, one such being to achieve the goals set out in Part IV of the Constitution. ***But where disposal is for augmentation of revenue and nothing else, the State is under an obligation to secure the best market price available in a market economy.***

An owner of private property need not auction it nor is he bound to dispose it of at a current market price. Factors such as personal attachment, or affinity kinship, empathy, religious sentiment or limiting the choice to whom he may be willing to sell, may permit him to sell the property at a song and without demur.

A welfare State as the owner of the public property has no such freedom while disposing of the public property.

A welfare State exists for the largest good of the largest number more so when it proclaims to be a socialist State dedicated to eradication of poverty. All its attempt must be to obtain the best available price while disposing of its property because the greater the revenue, the welfare activities will get a fillip and shot.



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in the arm. Financial constraint may weaken the tempo of activities. Such an approach serves the larger public purpose of expanding welfare activities primarily for which the Constitution envisages.

24. The setting up of a welfare State. In this connection we may profitably refer to ***Ramana Dayaram Shetty v. The International Airport Authority of India and Ors in which Bhagwati, J.*** speaking for the Court observed:

“It must, therefore, be taken to be the law that where the Government is dealing with the public, whether by E way of giving jobs or entering into contracts or issuing quotas or licences or granting other forms of largesse, the Government cannot act arbitrarily at its sweet will and, like a private individual, deal with any person it pleases, but its action must be in conformity with standard or norms which is not arbitrary, irrational or irrelevant. The power or discretion of the Government in the matter of grant of largesse including award to jobs, contracts, quotas, licences etc., must be confined and structured by rational, relevant and non-discriminatory standard or norm and if the Government departs from such standard



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*or norm in any particular case or cases, the action of the Government would be liable to be struck down, unless it can be shown by the Government that the departure was not arbitrary, but was based on some valid principle which in itself was not irrational, unreasonable or discriminatory. At another place it was observed that the Government must act in public interest, it cannot act arbitrarily or without reason and if it does so, its action would be liable to be invalidated. It was further observed that the object of holding the auction is generally to raise the highest revenue. The Government is entitled to reject the highest bid if it thought that the price offered was inadequate. But after rejecting the offer, it is obligatory upon the Government to act fairly and at any rate it cannot act arbitrarily. Following this line of thought, in **Kasturi Lal Lakshmi Reddy v. State of Jammu & Kashmir and Anr.** (page 10, 11).”*

25. In the case of **Netai Bag and ors vs state of west Bengal and ors**, the Hon’ble Apex court has held :

“It has been consistently held by this Court that in a democracy governed by the rule of law, the Executive Government or any of its officers cannot be allowed to possess arbitrary powers over the interests of the



individual. Every action of the Executive Government must be in conformity with reason and should be free from arbitrariness. The Government cannot be equated with an individual in the matter of selection of the recepient for its largesse.(page 7)

Though the State cannot escape its liability to show its actions to be fair, reasonable and in accordance with law, yet wherever challenge is thrown to any of such action initial burden of showing the prima facie existence of violation of the mandate of the Constitution lies upon the person approaching the Court. In State of M.P. & Ors. vs. Nandlal Jaiswal & Ors. [1986 (4) SCC 566] it was held that the policy decision can be interfered with by the court only if such decision is shown to be patently arbitrary, discriminatory or malafide.(page 8)”

26. In the case of ***Sachidanand Pandey & Anr. v. State of West Bengal & Ors. [1987 (2) SCC 295]***, it was held that as regards the question of propriety of private negotiation with an individual or corporation, it should be borne in mind that **State owned or public owned property is not to be dealt with at the absolute discretion of the executive. Certain**



precepts and principles have to be observed, public interest being the paramount consideration.

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27. In the case of ***Ramana Dayaram Shetty's case***, it was held : “It is imperative in a democracy governed by the rule of law that governmental action must be kept within the limits of law and if there is any transgression, the Court must be ready to condemn it. It is a matter of historical experience that there is a tendency in every government to assume more and more powers and since it is not an uncommon phenomenon in some countries that the legislative check is getting diluted, it is left to the Court as the only other reviewing authority under the Constitution to be increasingly vigilant to ensure observance with the rule of law and in this task, the court must not flinch or falter. It may be pointed out that this ground of invalidity, namely, that the governmental action is unreasonable or lacking in the quality of public interest, is different from that of *mala fides* though it may, in a given case, furnish evidence of *mala fides*.”

28. In the case of ***M.P. Oil Extraction & Anr. vs. State of M.P. &***



others [1997 (7) SCC 592], it was held that principle of reasonableness and non- arbitrariness in governmental action is the core of our entire Constitutional scheme and structure. On the facts of that case, the action of the State Government in granting a contract by way of negotiation was held not arbitrary or irrational.

29. In the case of *M/S Style (dress land) vs Union Territory Chandigarh and anr*, the Hon'ble Supreme Court of India reiterated the observations of of Mathew, J., in v. *Punнан Thomas v. State of Kerala*. *[AIR 1969 Ker 81] (FB)* that:

*“The Government, is not and should not be as free as an individual in selecting the recipients for its largess. Whatever its activity, the Government is still the Government and will be subject to restraints, inherent in its position in a democratic society. A democratic Government cannot lay down arbitrary and capricious standards for the choice of persons with whom alone it will deal” The same point was made by this Court in *Erusian Equipment and Chemicals Ltd. Vs. State of West bengal (1975) 2 SCR 674; (AIR 1975 SC 266)* where the question was whether black-listing of a person without giving him an opportunity to be heard was*



bad? It was argued for the Government that no person has a right to enter into contractual relationship with the Government and the Government, like any other private individual, has the absolute right to enter into contract with any one it pleases. But the court, speaking through the learned Chief Justice, responded that the Government is not like a private individual who can pick and choose the person with whom it will deal, but the Government is still a Government when it enters into contract or when it is administering largess and it cannot, without adequate reason, exclude any person from dealing with it or take away largess arbitrarily. The learned Chief Justice said that when the Government is trading with the public, "the democratic form of Government demands equality and absence of arbitrariness....The activities of the Government have a public element and, therefore, there should be fairness and equality. The State need not enter into any contract with anyone, but if it does so, it must do so fairly without discrimination and without unfair procedure." This proposition would hold good in all cases of dealing by the Government with the public, where the interest sought to be protected is a privilege. It must, therefore, be taken to be the law that where the Government is dealing with the public, whether by way of giving jobs or entering into



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contracts or issuing quotas or licences or granting other forms of largess, the Government cannot act arbitrarily at its sweet will and, like a private individual, deal with any person it pleases, but its action must be in conformity with standard or norm which is not arbitrary, irrational or irrelevant. The power or discretion of the Government in the matter of grant of largess including award of jobs, contracts quotas, licences etc., must be confined and structured by rational, relevant and non- discriminatory standard or norm and if the government departs from such standard or norm in any particular case or cases, the action of the Government would be liable to be struck down, unless it can be shown by the Government that the departure was not arbitrary, but was based on some valid principle which in itself was not irrational, unreasonable or discriminatory. ”

While exercising the powers of judicial review the Court can look into the reasons given by the Government in support of its action but cannot substitute its own reasons. **The Court can strike down an executive order, if it finds the reasons assigned were irrelevant and extraneous.**

Analysis:



30. The Government granted lease for a period of 30 years from 05.01.1968. The meagre value of Rs.2500/- per ground was fixed and the Government directed the lease rent to be charged at 7% thereof in addition to Municipal Taxes subject to renewal of lease rent and revision of lease rent at the option of the Government and subject to the general conditions. Special conditions were also imposed in the Government order.

31. Several opportunities were given to the petitioner to pay the arrears of lease rent. The demand notice for arrears of lease amount was served to the writ petitioner on 17.09.2004 itself. A second demand notice was issued by the District Collector to the lessee / petitioner on 08.01.2007 and the petitioner submitted a reply seeking further time without making any payment towards arrears of lease rent. A final show cause notice was issued on 12.11.2008 asking the lessee / petitioner to pay lease arrears rent or otherwise show the reasons as to why the leased land should not be resumed back to the Government. Since the lessee / petitioner failed to pay the arrears of lease amount and not assigned any valid reasons, the authorities have resumed the Government land from the lessee / petitioner on 01.12.2008.



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32. The proceedings regarding resumption of land issued on 01.12.2008 was served on the petitioner, which was acknowledged by the petitioner on 01.12.2008. A transfer of charge certificate was issued on the same day on 01.12.2008 and Thiru M.Rajendran, Managing Director of Sathiya Studio's Private Limited, Chennai – 28 has handed over the leased property through to Mr.P.Sailendran, Revenue Inspector-III, Mylapore-Triplicane Taluk, Chennai 600 028. Accordingly, the Revenue Inspector had taken over the possession of the land on 01.12.2008 and the transfer of charge certificate was prepared, which was signed by the petitioner without prejudice to his rights to pursue legal action. Thereafter, a report was submitted to the District Collector, Chennai stating that the leased land was resumed and is to be protected from encroachment and the PWD Authorities were directed to fence the land and construct compound wall. Thereafter, the present writ petition has been filed.

33. The contentions of the petitioner are that no opportunity was provided to them to defend his case deserves no merit consideration. Ample opportunities were afforded to the writ petitioner to pay the arrears of lease rent including Municipal Taxes etc. The petitioner is a chronic defaulter in



payment of lease rent. The lease period of 30 years expired long back. The lease was not extended by the Competent Authorities. Thus, the petitioner / lessee is an unauthorised occupant and has no *locus standi* to utilise the land after the expiry of the lease period.

34. That part, the petitioner has committed default in payment of lease rent as revised by the Government periodically based on the guideline value of the land and therefore, the petitioner has not only violated the lease conditions but also failed to pay the revised arrears of lease rent, which are due to the Government.

35. There was an audit objection since the arrears of lease rent was mounting beyond the reasonable limit. The matter was referred before the Public Accounts Committee. That being the seriousness involved, the Authorities have acted swiftly and resumed the land by issuing show cause notice to the writ petitioner.

36. Pertinently, the petitioner participated in the resumption



proceedings and signed the transfer of charge certificate. Thus, the petitioner had received the show cause notice and thereafter, handed over the possession of the leased land to the Government Authorities. The Revenue Authorities took over the possession of the leased land on 01.12.2008.



37. The map showing the formation of link road connecting Greenways Road with Durgabhai Deshmukh Road through Tamil Nadu Music College was placed before this Court. The map reveals that the formation of link road would be of a greater relief to the public at large and more specifically to the users of the Greenways Road and Durgabhai Deshmukh Road to reach Adayar, Thiruvananthapuram and through many other places. The respondents have clearly stated that the proposed link road was finalised and the District Collector sent the land transfer proposal to the Commissioner for Land Acquisition (CLA) for transferring the land to the Highways Department, which was already recommended by the Commissioner for Land Acquisition (CLA) on 19.02.2020 and the proposal was under the consideration of the Government and at that point of time an interim order of status quo was granted. Thus, the Government is not in a position to implement the scheme to provide link road connecting Greenways Road with Durgabhai Deshmukh Road through Tamil Nadu Music College for the benefit of the people.

38. In the present writ petition, demand notices were issued. Thereafter, a show cause notice was issued and ample opportunities were



afforded to the writ petitioner to settle the arrears of lease rent. The petitioner evaded payment of lease rent and on the other hand continued to enjoy the Government land without any authority. Finally, the Government after issuing show cause notice and affording opportunities to the petitioner has taken over possession of the Government land and the petitioner handed over the property to the Competent Authorities of the Revenue Department and accordingly, the transfer of charge certificate was issued and subsequently report was submitted to the District Collector. The District Collector and the Tahsildar are empowered to exercise the delegated powers by the Government.

39. The Government order of lease issued in G.O.Ms.No.199, Revenue Department dated 21.01.1970 itself indicates that the Collector of Madras was requested to see that it is sub-divided and all necessary formalities to execute the lease deed is observed. Therefore, the District Collector and the jurisdictional Tahsildar are empowered to deal with the property, since the powers of the Government are delegated to them under the principles of administrative law and thus, the point of jurisdiction raised by the petitioner is devoid of merits. The Collector of Madras is the authority



in respect of the lands belonging to the Government and the respondents 2 and 3 had already resumed the Government land and directed the Public Works Department to construct a compound wall in order to protect the Government property for implementation of public welfare schemes.

Conclusion:

40. Accordingly, this Court is inclined to pass the following orders:

- (1) The relief as such sought for in the present writ petition stands rejected.
- (2) The respondents are directed to fence the Government Land based on the transfer of charge certificate dated 01.12.2008 and take all necessary steps to protect the Government land from unauthorised use by any person including the petitioner.
- (3) The respondents are directed to initiate all appropriate actions to recover the arrears of lease rent amount from the petitioner in the interest of public and to protect the State Revenue. The said exercise is directed to be done within a period of three (3) months from the date of receipt of a copy of this order.



- (4) The respondents are directed to proceed with the formation of link road connecting Greenways Road with Durgabhai Deshmukh Road through Tamil Nadu Music College as per the finalised proposal or with the modification or otherwise as the case may be in the interest of public and to decongest heavy traffic in Greenways Road, Durgabhai Deshmukh Road, Marina Beach Road and Adayar.

41. With the above directions, the Writ Petition stands disposed of. However, there shall be no order as to costs. Consequently, connected Miscellaneous Petition is closed.

30.03.2023

Jeni

Index : Yes/No

Speaking order/Non-Speaking order

Neutral Citation : Yes/No

Note: (1) *For monitoring the implementation of this order, the Registry, High Court of Madras is directed to communicate the copy of this order to the Chief Secretary to Government, Government of Tamil Nadu, Secretariat, Chennai – 600 009.*

(2) *Registry is directed to list the matter before this Court “For Reporting Compliance” on 20.07.2023.*

To



1. The Secretary
The State of Tamil Nadu
Revenue Department
Fort St. George, Madras.

2. The District Collector,
Chennai District,
No.62, Rajaji Salai,
Madras – 600 001.

3. The Tahsildar,
Mylapore – Triplicane Taluk,
Madras – 600 028.

Copy to

The Chief Secretary to Government,
Government of Tamil Nadu,
Secretariat,
Chennai – 600 009.



WEB COPY

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S.M.SUBRAMANIAM, J.

Jeni

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30.03.2023