



A.No.2721 of 2020

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**in**

**O.P.No.109 of 1942**

**S.VAIDYANATHAN,J.**

This application has been filed for a direction to the respondent / Official Trustee to execute a lease deed in favour of the applicant by renewing the existing lease deed for a further period of 30 years in respect of the premises situated at No.7, Anderson Street, George Town, Chennai-1, on the existing conditions mentioned in Lease Deed dated 26.12.1990 registered as Doc.No.195 of 1990 on the file of the SRO, Sowcarpet, with the clause for renewal for a similar period.

2. Learned counsel for the Applicant has submitted that the applicant has been paying the monthly rent of Rs.4,751/- regularly without any default and all of a sudden, a fair rent of Rs.2,16,865/- per month has been fixed, ignoring the fact that the applicant had invested huge money on the property for the purpose of its renovation. He has further submitted that the demand of such huge fair rent is very harsh and deterrent.

3. It is pertinent to state here that as and when a fair rent is fixed, it is the duty cast upon the Lessee to pay the same, failing which, the subject property may be vacated and handed over to the Lessor. The fact remains that the property is situated



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in the prime location and therefore, the amount fixed as fair rent is not an exorbitant one and there is no need to reduce the amount. Moreover, the lease period cannot be renewed for 30 years, that too, based on the existing conditions mentioned in the Lease Deed dated 26.12.1990 registered as Doc.No.195 of 1990.

4. I am of the view that learned AG&OT shall not extend the period of any kind of lease beyond three years at any point of time and as and when lease period is extended, there should be a periodical revision of rent at the rate of 10% on the existing rent. In case the applicant is unable to pay the fair rent now fixed, the property shall have to be vacated on or before 15.06.2023, as the lease period had already expired.

5. In the result, this application is dismissed, with liberty to the AG&OT to collect the revised fair rent as per law.

**13.04.2023**

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To:

The Administrator General and  
Official Trustee of Tamil Nadu,  
High Court, Madras.

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