



A.No.5772 of 2022

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S.VAIDYANATHAN,J.

A.No.5772 of 2022
in A.No.4148 of 2021
in C.S.No.187 of 1966

This application has been filed by one Babulal Jain, seeking to set aside the notice of demand issued vide Dis.Nos.887/2022/AGHC dated 22.07.2022, 942/2022/AGHC dated 04.08.2022 and 1617/2022/AGHC dated 30.11.2022 on the file of the respondent determining the fair rent at Rs.35,969/- per month for the ground floor of the premises bearing D.No.97, Wall Tax Road, Park Town, Chennai-600 003 and determine the fair rent revising the fair rent for the applicant shop.

2. It is submitted by the Applicant that his father was originally inducted as a tenant, in which, he had been doing Pawn Broker Business and after his death, he has taken over the business. It is further submitted that it was intimated to him that a fair rent was fixed at Rs.35,969/- based on the report of the Engineer and though he had sent a representation, objecting for enhancement of the rent, several reminders were received from the office of the AG&OT to pay the rent and deposit three months rent as advance and seven months rent as Security Deposit. Aggrieved by the same, he has filed this Application to set aside the demand notice.



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3. Learned AG & OT, by filing a counter affidavit, has stated that the Trust property is under the control of the office of AG&OT and the property was occupied by the Applicant herein. It is further submitted that though the rent has been revised after getting a report from the Engineer, the Applicant has not come forward either to pay the enhanced amount or to execute the rental agreement with AG&OT. It is also submitted that AG&OT had already taken possession of the property and it is now kept under lock and seal.

4. Mr. Babulal Jain / Applicant herein is present before this Court, who has stated that the enhanced rent of more than Rs.35,000/- per month now fixed by the AG&OT is highly exorbitant. Therefore, he has requested this Court to reduce the rent. When this Court posed a question to him as to whether he is ready to pay Rs.30,000/- per month as rent, he has agreed for the same.

5. In view of the above, this application is disposed of with the following directions:

i) The AG&OT shall enter into a lease agreement with the Applicant herein, if not already executed, by fixing the rent of Rs.30,000/- per month as agreed. The renewal of lease shall not exceed three years at any point of time and the renewal can be done periodically on expiry of upper time limit prescribed every year;



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ii) As and when lease period is extended every year, there should be a periodical revision of rent at the rate of 10% on the rent paid the previous year;

iii) The subject property will vest with the AG&OT and the renewal of lease will only be for the limited purpose of occupation, for which the subject property was leased out. It is made clear that the Applicant shall not make any alteration to the subject property without prior permission of the Court;

iv) The Applicant shall pay the difference in amount towards rental arrears, if any to the AG&OT as expeditiously as possible and on receipt of all arrear amount, learned AG&OT shall remove the lock and seal and enable the Applicant to occupy and run the business in the property.

14.07.2023

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To:

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

S.VAIDYANATHAN,J.

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09.06.2023