



WP NO. 16686 of 2022

WEB COPY IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **22-04-2025**

CORAM

THE HONOURABLE MR JUSTICE J.SATHYA NARAYANA PRASAD

WP No.16686 of 2022

and WMP Nos.15980, 15981 and 15984 of 2022

N.R.Thirumurthy

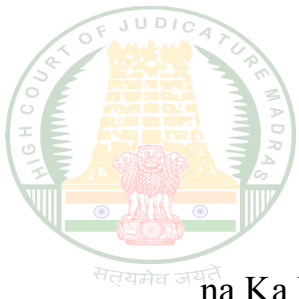
Petitioner

Vs

1. The Commissioner,
Municipal Administration,
Commissionerate of Municipal Administration,
6th Floor, Ezhilagam, Annex Building,
Chepauk, Chennai-600 005.
2. Pollachi Municipality,
Represented by its Commissioner,
Palaghat, Pollachi,
Tirupur District-642 001.
3. The Additional Chief Secretary to Government,
Municipal Administration and Water Supply Department,
Chennai-600 009
(R.3 Suo motu impleaded vide order dated
12.06.2023 in WP No.16686 of 2022)

Respondents

Writ Petition filed under Article 226 of Constitution of India praying this Court to issue a writ of certiorarified mandamus to call for the records of the impugned proceedings vide Na.Ka.No.8453/2021/R-2 dated 17.12.2021 on the file of the 1st respondent and proceedings in



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na.Ka.No.2372/2021/A6 dtd 12.04.2022 on the file of the 2nd respondent herein and consequently forbear the respondents from interfering with the petitioner's peaceful possession and occupation of the premises Municipal Girls Higher Secondary School, Udumalpet Road, Pollachi.

For Petitioner : Mr.P.Richardson Wilson
For P.Wilson Associates

For Respondents : Mr.M.S.Prem Kumar
Government Advocate
For R.1
Mr.Haja Naziruddin
Additional Advocate General
Assisted by
Mr.B.Anand
For R.2

ORDER

The petitioner has filed the writ petition seeking for issuance of a writ of certiorarified mandamus to call for the records of the impugned proceedings vide Na.Ka.No.8453/2021/R-2 dated 17.12.2021 on the file of the 1st respondent and proceedings in Na.Ka.No.2372/2021/A6 dated 12.04.2022 on the file of the 2nd respondent herein and consequently forbear the respondents from interfering with the petitioner's peaceful possession and occupation of the premises Municipal Girls Higher Secondary School, Udumalpet Road, Pollachi.

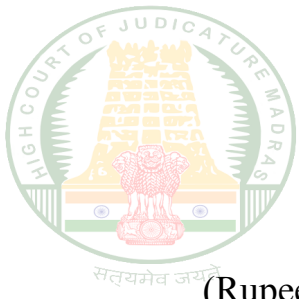


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2. The case of the petitioner is that the Respondent Municipality called for a public auction-cum-tender on 02.08.2013 for leasing out the building own by the respondent Municipality situated near Municipal Girls Higher Secondary School, Udumalpet Road, Pollachi for a monthly rent of Rs.91,119/-. The petitioner participated in the auction and was declared as successful bidder and subsequently entered into a lease agreement with the respondent Municipality for 99 years which has to be renewed for every three years. The rent per month was fixed at Rs.91,119/- and as per the terms of the lease agreement, a sum of Rs.50,00,000/- was deposited with the Municipality as initial security deposit and a sum of Rs.2,73,357/- was paid as advance rent for the first three months. As per the terms of the lease agreement, the amount of rent would be increased by 15% every three years.

3. It is the further case of the petitioner that when the building was leased out to the petitioner, it was in a highly dilapidated condition and was not fit for any occupation and the respondent Municipality was aware of the same. The petitioner states that he spent a sum of Rs.2,00,00,000/-



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(Rupees Two Crores only) for laying roads, building walls, elevator, staircase facilities and water and electricity connections to promote his textile business.

4. While so, the 2nd respondent Municipality unilaterally increased the rent from Rs.91,119/- to Rs.1,82,188/- and the 2nd respondent vide Communication dated 27.08.2015, had directed the petitioner to pay the increased rent amount which was calculated with retrospective effect to a sum of Rs.21,85,656/-.

5. On 07.09.2015, the petitioner had sent a letter to the 2nd respondent Municipality seeking one year time to pay the amount due of Rs.21,85,656/- The petitioner paid the entire arrears amount within seven months in various instalments and the petitioner had applied for renewal of his lease agreement on 13.11.2013 and the lease was further extended for a period of three years vide lease agreement dated 18.03.2016. The petitioner further states that the second respondent, on the direction of the first respondent, cancelled the lease agreement vide proceedings dated 12.04.2016. Aggrieved by the same, the petitioner filed a writ petition in

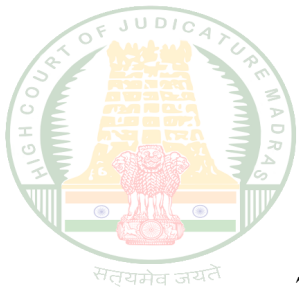


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WP No.14522 of 2016 and this Court, by order dated 27.04.2016 kept the impugned proceedings in abeyance and directed the second respondent to commence a full fledged enquiry into the matter, after issuing notice to the petitioner and all concerned and directed to complete the enquiry within three months and till enquiry is completed, permitted the petitioner to continue to remit the lease amount of Rs.1,82,119/- along with other charges.

6. As per the directions of this Court, a personal enquiry was conducted by the second respondent on 05.08.2016, however, has not reached finality and the petitioner has been duly paying the rent amount. The respondent Municipality did not renew the lease agreement in the year 2019 and due to covid-19, the petitioner had suffered huge financial losses and the petitioner was unable to pay the rent. The petitioner submitted a representation on 18.05.221 explaining the financial situation. The second respondent rejected petitioner's representation and further stated that a sum of Rs.32,13,208/- is due and if the arrears are not paid within three days, the property would be locked and sealed.



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7. The petitioner, on 28.12.2021 sent further representation to the 2nd respondent asking them to de-seal the premises and the 2nd respondent vide Na.Ka.No.2372/2021/A6 dated 31.12.2021 asked the petitioner to pay pending arrears of rent amount of Rs.1,40,98,992/- within 15 days. The 2nd respondent again issued impugned order dated 12.04.2022 demanding the petitioner to pay the pending arrears of rent of Rs.1,40,98,992/- and due to non-payment of rent, the 2nd respondent terminated the lease and further stated that in the event of non-payment of the rent within seven days, the Municipality shall auction the stocks and other items available inside the premises. Therefore, aggrieved by the proceedings vide Na.Ka.No.8453/2021/A6 dated 12.04.2022 issued by the first respondent and Na.Ka.No.2372/2021/A6 dted 12.04.2022 issued by the second respondent , the petitioner has filed the above writ petition.

8. Learned counsel for the petitioner submits that the lease amount per month is Rs.1,82,188/-, whereas, the second respondent, unilaterally increased the amount to Rs.2,69,770/- which is not the 15% increase from the original lease amount of Rs.1,82,188/-. Learned counsel further submits that no notice and opportunity of personal hearing was given to the



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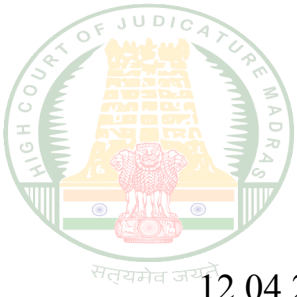
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petitioner before enhancement of lease amount, whereas, the second respondent, based on the Report of the Directorate of Vigilance and Anti-Corruption, asked the petitioner to pay a sum of Rs.2,69,770/-per month. Hence the same is in violation of principles of natural justice.

9. The learned Additional Advocate General appearing for the second respondent would submit that the petitioner has not paid the lease amount regularly and arrears have to be paid by the petitioner and therefore the shop which was leased out to the petitioner was sealed by the second respondent.

10. Heard both sides and perused the materials available on record.

11. In the present case, the second respondent has increased the lease amount unilaterally to Rs.2,69,770/- based on the Report of the Directorate of Vigilance and Anti-Corruption without affording an opportunity of personal hearing and without issuing notice to the petitioner, which is in violation of principles of natural justice. On this ground alone, this Court is inclined to set aside the impugned orders dated 17.12.2021 and



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12.04.2022 and to remit the matter back to the second respondent

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Municipality for a fresh consideration.

12. Accordingly, the matter is remitted back to the second respondent Municipality for a fresh consideration after giving due notice to the petitioner, affording an opportunity of personal hearing to the petitioner, consider the documents filed by the petitioner and pass appropriate orders on merits, in accordance with law thereby following the above principles of natural justice within a period of eight (8) weeks from the date of receipt of a copy of this order.

13. The second respondent is directed to furnish a copy of the Report of the Directorate of Vigilance and Anti-Corruption to the petitioner along with notice of enquiry which shall be issued to the petitioner.

14. On receipt of such copy of the Report of Directorate of Vigilance and Anti-Corruption, the petitioner shall file his reply or objections at the time of enquiry before the second respondent.



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15. The second respondent/Municipality, after the enquiry is concluded, subject to payment of arrears of lease amount, if any, by the petitioner, the shop shall be de-sealed.

16. |The writ petition is disposed of with the above direction. No costs. Consequently, connected miscellaneous petitions are closed.

22-04-2025

sr
Index:yes/no
website:yes/no

To

1. The Commissioner,
Municipal Administration,
Commissionerate of Municipal Administration,
6th Floor, Ezhilagam, Annex Building,
Chepauk, Chennai-600 005.

J.SATHYA NARAYANA PRASAD.J.,

sr



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2. Pollachi Municipality,
Represented by its Commissioner,
Palaghat, Pollachi,
Tirupur District-642 001.
3. The Additional Chief Secretary to Government,
Municipal Administration and Water Supply Department,
Chennai-600 009

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