

W.P.Nos.2192 of 2012, 33991 of
2018, 2636 & 28247 of 2019

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 23.08.2023

PRONOUNCED ON : 08.09.2023

CORAM

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM

W.P.Nos.2192 of 2012, 33991 of 2018, 2636 & 28247 of 2019

and

**M.P.No.1 of 2012, W.M.P.Nos.39469 of 2018,
2916, 2922 & 27920 of 2019**

W.P.No.2192 of 2012:

Ootacamund Gymkhana Club,
Represented by its Secretary,
Finger Post,
Ootacamund,
Nilgiris – 643 006.

...Petitioner

Vs.

1.State of Tamil Nadu,
Represented by its Secretary and The Commissioner
Department of Revenue,
Fort St. George,
Chennai – 600 009.

2.The Special Commissioner and
Commissioner of Land Administration,
Chepauk,
Chennai – 600 005.



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3.The District Collector,
Nilgiris District,
Ootacamund.

4.The Tahsildar,
Taluk Office,
Udhagamanadalam.

..Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari, calling for the records of the respondents in connection with the impugned order passed by the 4th respondent in Na.Ka.A4 No.11697/2009 dated 12th December, 2011, quash the same.

W.P.No.33991 of 2018:

The Ootacamund Gymkhana Club,
Finger Post, Ootacamund,
Nilgiris – 643 006. rep. by
Mr.K.Krishnakumar.

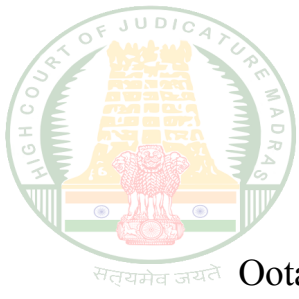
...Petitioner

Vs.

1.Secretary to Government,
Revenue and Disaster Management Department,
Land Disposal Wing,
Government of Tamil Nadu,
Fort St. George,
Chennai – 600 009.

2.Special Commissioner and Commissioner
of Land Administration, Chepauk,
Chennai – 600 005.

3.District Collector,



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Ootacamund,
Nilgiris District.

4.Tahsildar,
Ootacamund,
Nilgiris District.

..Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, directing the 1st respondent to issue suitable instructions to the 4th respondent to recall 4th respondent's unjust and unauthorized demand notice dated 01.09.2017, demanding an arbitrary amount of Rs.14,17,53,721/- towards arrears of the lease amount / fasli amounts from the petitioner club and to direct the 4th respondent to disclose the source and the basis as to how the 4th respondent has arrived at such an arbitrary amount of Rs.14,17,53,721/- being the alleged arrears of lease amount if any, payable by the petitioner club, by considering the petitioner's representation dated 23.04.2018 in the manner known to law, after affording due opportunity to the petitioner-club by issuing requisite notice.

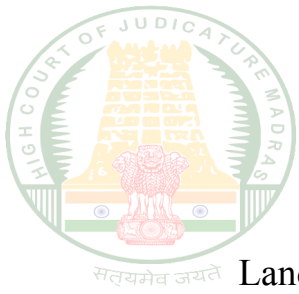
W.P.No.2636 of 2019:

Ootacamund Gymkhana Club,
Finger Post, Ootacamund,
Nilgiris – 643 006. rep. by
Mr.K.Krishnakumar.

...Petitioner

Vs.

1.Secretary to Government,
Revenue and Disaster Management Department,



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Land Disposal Wing,
Government of Tamil Nadu,
Fort St. George,
Chennai – 600 009.

2.Special Commissioner and Commissioner
of Land Administration, Chepauk,
Chennai – 600 005.

3.District Collector,
Ootacamund,
Nilgiris District.

4.Tahsildar,
Ootacamund,
Nilgiris District.

..Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus, to call for the records in R.C.No.U1, 7707/2005 dated 13.03.2018 from the file of the District Collector, Nilgiris District, and quash the same, as unconstitutional, ultra vires, against Rule of Law and against the principles of the natural justice and consequently direct the District Collector, Nilgiris as well as the Tahsildar, Ootacamund, Nilgiris District, to abide by the outcome of the enquiry and disposal of the petitioner's representation dated 23.04.2018 pending with the 1st respondent and abide by the final outcome of the writ petition in W.P.No.2192 of 2012 pending on the file of this Court, Madras, taking into account that it is only the Government, who is the owner of the land in S.No.5062, measuring 5.47 acres of land, Ootacamund, Nilgiris District, leased to the petitioner and it is only the Government, which alone



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can determine and fix the lease amount payable by the petitioner in respect of the land leased to the petitioner, as directed by the Government in G.O.Ms.No.721, Revenue Department dated 31.08.1988.

W.P.No.28247 of 2019:

The Ootacamund Gymkhana Club,
Finger Post, Ootacamund,
Nilgiris – 643 006. rep. by
Mr.K.Krishnakumar.

...Petitioner

Vs.

1.Secretary to Government,
Revenue and Disaster Management Department,
Land Disposal Wing,
Government of Tamil Nadu,
Fort St. George,
Chennai – 600 009.

2.Special Commissioner and Commissioner
of Land Administration, Chepauk,
Chennai – 600 005.

3.District Collector,
Ootacamund,
Nilgiris District.

4.Tahsildar,
Ootacamund,
Nilgiris District.

..Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, to

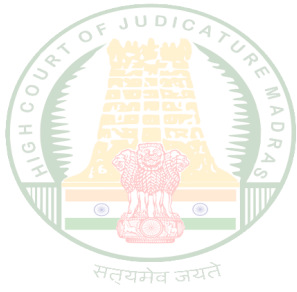


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issue a Writ of Certiorarified Mandamus, to call for the records in RC A4 No.11697/2004 dated 30.07.2019 (received by petitioner on 20.08.2019) on the file of the 4th respondent and quash the same as unjust, unlawful, without any authority and violation of principles of natural justice, when the Government of Tamil Nadu have granted lease for 30 years from 01.07.1997 to 30.06.2027 as per G.O.Ms.No.721, Revenue dated 31.08.1998, in favour of petitioner in respect of the law in S.No. 5062, New S.No. A/10/3, Udhagai Town, West, Udhagamandalam Taluk, Nilgiris District, measuring 5.47 acres of land, leased to petitioner, ignoring and suppressing the pendency of reproceedings in W.P.No.2192 of 2012, W.P.No.33991 of 2018 and W.P.No.2636 of 2019 and consequently to direct the 4th respondent and all the concerned officers to abide by the Government order in G.O.Ms.No.721, Revenue Department dated 31.08.1998, and to collect Rs.6,000/- per year as annual lease amount in respect of the land leased to the petitioner.

For Petitioner : Mr.R.Shanmugam
For M/s.Shanmugha Associates
(in 4WPs)

For Respondents : Mr.S.Silambanan
Additional Advocate General
Assisted by Mr.G.Krishna Raja
Additional Government Pleader
(in 4WPs)



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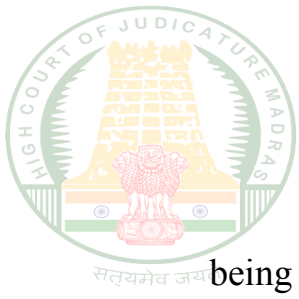
COMMON ORDER

The writ petitioner has filed multiple writ petitions, questioning the validity of the demand of lease rents periodically issued by respondents 3 and 4.

2. The grounds mainly raised by the petitioner is that the exorbitant lease amount claimed by the 4th respondent is a time-barred lease amount and the 4th respondent / Tahsildar has no jurisdiction to issue the demand notice on behalf of the Government. The Government itself issued orders granting lease to the petitioner and therefore, the 4th respondent has no authority to issue demand notice.

PETITIONER'S CASE:

3. The petitioner is the Ootacamund Gymkhana Club. It is a popular Club in India and claims to be a non-profit / non-commercial organisation. The 800 and odd members developed the Club to improve the sports activities and golf activities among the members and for their comfort. The entire club area is a grassland with blue gum plantation and the club area is



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being maintained with scenic beauty and taking care to conserve the ecology. The Government has granted lease in respect of the land measuring 10.32 acres in S.No.5062, Udhagamandalam, Nilgiris, for Golf activities at various intervals by means of several Government Orders.

4. The petitioner states that it is clear that since the leased land absolutely belongs to the Government, the Government alone has the authority to fix or to revise the lease amount after issuing notice to the petitioner and hearing the petitioner in the manner known to law. The subordinate personnel like the 4th respondent has no authority to revise the lease amount or to claim any arrears regarding the Government land leased out to the petitioner. Knowing fully well that the 4th respondent has no authority to make any such demand from the petitioner in respect of the land leased to the petitioner-Club by the Government, the 4th respondent has issued a demand notice initially on 01.12.2011, which was challenged in W.P.No.2192 of 2012. Several such demand notices were issued and the details are as under:

(a) 01.12.2011 for Rs.3,36,09,848/-



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- (b) 12.12.2011 for Rs.1,95,13,837/-
- (c) 06.08.2013 for Rs.6,64,42,128/-
- (d) 06.03.2015 for Rs.8,26,83,793/-
- (e) 29.07.2015 for Rs.9,88,75,458/-
- (f) 12.07.2016 for Rs.11,55,69,898/-
- (g) 01.09.2017 for Rs.14,17,53,721/-

5. For the period from 2018 to 2021, a demand notice was issued for a sum of Rs.10,06,42,689/-. Finally, for the period from 01.07.2021 to 30.06.2023, the demand notice was issued for a sum of Rs.6,70,95,126/-.

6. The 4th respondent was continuously issuing demand notices, despite the fact that the petitioner had filed W.P.No.2192 of 2012, challenging the first demand notice dated 01.12.2011. In respect of the subsequent notices, the petitioner has filed the other writ petitions.

7. The learned counsel appearing on behalf of the writ petitioner mainly contended that the 4th respondent / Tahsildar has no authority to



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issue the demand notice, since the lease was granted by the Government. As the land was leased to the petitioner-Club by the Government, the Government alone is competent to demand the lease amount and the Tahsildar, who is a subordinate authority has no authority to issue any such demand notice seeking arrears of lease rents. It is further contended that the respondent cannot make any demand for any time-barred arrears of lease beyond three years and therefore, the demand notices are liable to be set aside as lapsed.

8. The learned counsel for the petitioner drew the attention of this Court with reference to the Government orders granting lease of the Government land in favour of the petitioner-Club. Relying on the Government orders, it is reiterated that G.O.Ms.No.721, Revenue Department dated 31.08.1998, stipulates that the lease was extended for 30 years from 01.07.1997 for the Government land to an extent of 5.47 acres, since part of the land originally leased was resumed to an extent of 4.5 acres, which was allotted for establishing All India Radio. Therefore, the Government order issued in G.O.Ms.No.721, states that the lease was



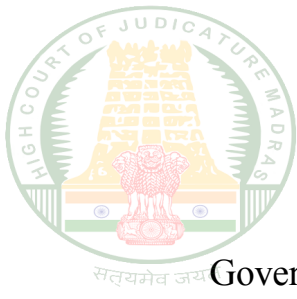
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extended for 30 years and the lease rent was fixed as Rs.6,000/- per year.

When the Government fixed Rs.6,000/- per year as lease rent in the Government order, the Tahsildar has no authority to issue demand notice claiming arrears of lease rent or enhancement of lease rent. Thus, the chain of demand notices issued by the 4th respondent are without authority and contrary to the Government order issued in G.O.Ms.No.721.

REPLY BY THE RESPONDENTS:

9. The learned Additional Advocate General appearing on behalf of the respondents strenuously objected the contentions raised on behalf of the petitioner. As per G.O.Ms.No.1564, Revenue dated 29.08.1922, an extent of 10.32 acres in Old S.No.5062 of Ootacamund Town (West) was granted on lease to the petitioner-Ootacamund Gymkhana Club for the period of 50 years from 01.07.1922 on collection of lease rent of Rs.50/-. On expiry, in G.O.Ms.No.1931, Revenue dated 06.05.1974, the said lease was renewed for a further period of 10 years from 01.07.1972, on collection of lease rent of Rs. 6,000/- per annum. Renewal of lease for a period of 25 years was further granted in G.O.Ms.No.483, Revenue dated 05.03.1977. The



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Government in G.O.Ms.No.2909, Revenue dated 04.11.1981 has ordered enhancement of lease rent at Rs.6,000/- from 01.07.1982, subject to revision of lease rent after 5 years. The Government resumed an extent of 4.50 acres of land from the possession of the petitioner in G.O.Ms.No.169, Revenue dated 11.02.1987 and granted permission to the All India Radio to enter upon 4.50 acres of land for establishing the All India Radio. Another extent of 0.35 acres of land was also resumed for the purpose of use as pathway for the benefit of All India Radio (AIR). Thus, the petitioner has been in occupation of the land measuring to an extent of 5.47 acres since 06.03.1987.

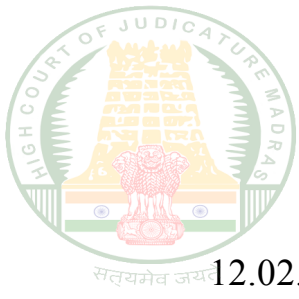
10. The Government issued G.O.Ms.No.721 Revenue, dated 31.8.1998, extending the lease for a further period of 30 years from 01.07.1997. In a letter dated 06.03.1997, the Special Commissioner and Commissioner of Land Administration has addressed to the Government regarding the fixation of lease rent and recommended to fix the rent as follows:



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Sl. No.	Period	Lease Rent
1.	1.7.1982 to 30.6.1987	Rs.500/- pre acre per annum
2.	1.7.1987 to 30.6.1992	Rs.1000/- pre acre per annum
3.	1.7.1992 to 30.6.1997	Rs.2000/- pre acre per annum

11. The Government issued a letter dated 26.08.2002, calling for a detailed report regarding the fixation of lease rent based on the market value of the land for the lands leased out to the Ootacamund Gymkhana Club for the period from 01.07.1982, after taking into account of the recommendation by the Special Commissioner and Commissioner of Land Administration, vide letter dated 06.03.1997. Therefore, the lease rent was worked out considering the guideline value since there was no sale occurred within the radius of 1.60 k.m. in his vicinity during the relevant point of time. Based on the guideline value, the lease rent was arrived at Rs.46,65,119/- for the period from 01.07.1982 to 30.6.2004 and accordingly, the Government recommended to the Special Commissioner and Commissioner for Land Administration, Chennai, for fixing the lease rent and consequently the Collector, Nilgiri District, in letter dated



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12.02.2004 fixed the rent. Tentative demand of Rs.46,65,119/- had been sent to the Gymkhana Club towards the lease rent for the period from 1.7.1982 to 30.06.2004 and the petitioner-Club failed to pay the said amount. The Tahsildar served another demand notice to the petitioner-Club for a sum of Rs.1,48,48,178/-. Subsequently, yet another demand notice for Rs.3,36,09,848/- was issued to the petitioner for the period from 01.07.1982 to 30.06.2012 by giving three days time to pay the amount. However, the Gymkhana Club has failed to pay the said amount. The Tahsildar, based on the fixation of lease rent by the Government, which was communicated through the Commissioner of Land Administration and the District Collector, issued the subsequent demand notices to the petitioner club, asking them to pay the lease rent.

12. Pertinently the lease agreement dated 26.10.1998, executed between the District Revenue Officer, Nilgiri District and Gymkhana Club, the lessee has agreed to the conditions mentioned therein. As per the Government norms, the lease rent has been worked out based on the guideline value. However, the petitioner has rendered a cheque for



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Rs.5,02,775/- as full and final settlement of the lease amount, which has been worked out from their side.

13. The learned Additional Advocate General appearing on behalf of the respondents made a submission that the petitioner-Gymkhana Club is the one meant for the affluent people for their recreational activities and has nothing to do with the common people. The memorandum and articles of association reveal the said factum. The amenities / facilities provided in the Ootagamandum Gymkhana Club are Officer rooms, Reception lobby, Dining hall, TV lounge, Bar, T.T.Room, Kitchen, Small Party Room, Stout, Locker Room with Toilet, Parking area, 6 cottages in 4 buildings, 6 annexes in one building, Secretary's cottage and 4 unused annexes. There are 850 members enrolled in the Ootamkamund Gymkhana Club and all are affluent and are paying annual subscriptions. **The club is earning huge income by renting the cottages and running a liquor Bar. The club is remitting a sum of Rs.4,50,000/- per annum towards the purchase of liquor being consumed by their members and Rs.90,000/- is being paid as Municipal Taxes. There are 40 persons including Manager, working in the**



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petitioner-Club and the Club is paying salary to these persons. Even in the year 2012 the Club had 40 members. Apart from these activities, the Club has no role in any charitable activities and thus, the petitioner-Club could not claim itself as a non-profitable organisation. The claim of the petitioner is absolutely wrong.

14. The learned Additional Advocate general made a submission that the claim of the petitioner that they are non-profitable organisation is absolutely wrong. The Tahsildar has not acted independently in the present case. The Tahsildar, pursuant to the agreement and based on the orders passed by the Government, the Commissioner of land administration and the District Collector, Nilgiri District, issued the demand notices and therefore, such demand notices issued by the subordinate authorities on the authority of the Government cannot be said to be without any authority. The subordinate authorities are empowered to issue demand notice on the instructions from the Government and the head of the Department. The Tahsildar has acted based on the Government authority and therefore, such administrative delegations cannot be construed as perverse.



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LEGAL POSITION:**Concept of Public interest in the matter of public policy:**

15. 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 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



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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 cannot be exercised by it arbitrarily or capriciously or in an 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



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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 best, it would be unconstitutional and invalid.**

Concept of public interest:

16. “Concept of public interest must as far as possible receive its orientation from the Directive Principles”.

(1) What according to the founding fathers constitutes the plainest requirement of public interest is set out in the Directive Principles and they embody par excellence the constitutional concept of public interest.

(2) If, therefore, any governmental action is calculated to implement or give effect to a Directive Principle, it would



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ordinarily, subject to any other overriding considerations, be informed with public interest.

(3) Where any governmental action fails to satisfy the test of reasonableness and public interest discussed above and is found to be wanting in the quality of reasonableness or lacking in the element of public interest, it would be liable to be struck down as invalid.

(4) It must follow as a necessary corollary from this proposition that the Government cannot act in a manner which would benefit a private party at the cost of the State; such an action would be both unreasonable and contrary to public interest.

(5) The Government, therefore, cannot, for example, give a contract or sell or lease out its property for a consideration less than the highest that can be obtained for it, unless of course there are other considerations which render it reasonable and in public interest to do so. Such considerations may be that some Directive Principle is sought to be advanced or implemented or that the contract or the property is given



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not with a view to earning revenue but for the purpose of carrying out a welfare scheme for the benefit of a particular group or section of people deserving it or that the person who has offered a higher consideration is not otherwise fit to be given the contract or the property.

(6) Illustratively, there may be an infinite variety of considerations which may have to be taken into account by the Government in formulating its policies and it is on a total evaluation of various considerations which have weighed with the Government in taking a particular action, that **the Court would have to decide whether the action of the Government is reasonable and in public interest.**

(7) But one basic principle which must guide the Court in arriving at its determination on this question is that there is always a presumption that the Governmental action is reasonable and in public interest and it is for the party challenging its validity to show that it is wanting in reasonableness or is not informed with public interest. This burden is a heavy one and it has to be



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discharged to the satisfaction of the Court by proper and adequate material.

(8) The Court cannot lightly assume that the action taken by the Government is unreasonable or without public interest because, as we said above, there are a large number of policy considerations which must necessarily weigh with the Government in taking action **and therefore the Court would not strike down governmental action as invalid on this ground, unless it is clearly satisfied that the action is unreasonable or not in public interest. But where it is so satisfied, it would be the plainest duty of the Court under the Constitution to invalidate the governmental action. This is one of the most important functions of the Court and also one of the most essential for preservation of the rule of law ’**

(9) The second limitation on the discretion of the Government in grant of largess is in regard to the persons to whom such largess may be granted.

**DISCUSSION:**

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17. Admittedly, the petitioner-Ootacamund Gymkhana Club is a lessee and in occupation of the land, conducting Sports activities and Golf activities among the members and for their comforts. The Club is functioning from the year 1922 onwards. During pre-independence, the subject Government land was available freely and without any land constrain and therefore, the Government leased out for a meagre rent initially for 50 years and thereafter, the rent was revised at the minimum level. The lease rent fixed by the Government undoubtedly is not in commensurate with the market rental value prevailing at Ootacamund Town even at the earlier point of time. Admittedly, common people are not permitted inside the Club. The Club is made available only for its members and the learned counsel for the petitioner brought to the notice of this Court that nearly 400 members are utilising the Club as of now.

18. The Government issued G.O.Ms.No.721, Revenue dated 31.08.1998 extending the lease for 30 years from 01.07.1997. The lease rent in the said Government order was fixed as Rs.6000/- per year. No doubt, the



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said Government order states that the Collector recommended extension of lease for 30 years from 01.07.1997 and for fixation of lease rent by the Government. Accordingly, the Government fixed a lease amount of Rs.6000/- per year in that Government order. However, enhancement of lease rent and relevant conditions were agreed by the parties in the agreement entered between the petitioner and the respondent. Under Revenue Standing Order No.24A, form of order of grant of State land for temporary occupation for non-agricultural purposes was signed between the parties. In other words an agreement dated 26.10.1998 was entered between the petitioner-Ootacamund Gymkhana Club and the respondent.

19. The deed of grant made on 26.10.1998 between the Governor of Tamil Nadu and the lessee / the Secretary, Ootacamund Gymkhana Club reveals that the lease was extended for a period of 30 years from 01.07.1997 as per G.O.Rt.No.721 Revenue (L.D.2(3) Department dated 31.08.1998.

20. Clause 7 of the agreement unambiguously states that “The Government reserves to themselves the right to enhance the rent, during the period of lease and the grant is liable to cancellation if the grantee is not



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agreeable to pay the enhanced rent when so required". Various other conditions are imposed stating that the land cannot be utilised for any other purposes other than the purpose of which it was leased out.

21. Question arises, whether a Demand Notice issued by the Tahsildar, Ootacamund is with or without authority, which is the main ground raised by the petitioner.

22. The respondents have clearly stated in Letter No.E2/65931/95 dated 06.03.1997, the Special Commissioner and the Commissioner of Land Administration has addressed to the Government regarding fixation of lease rent and to fix the rent. The Government in their Letter dated 26.08.2002 called for a detailed report regarding fixation of lease rent based on market value of the land leased out to Ootacamund Gymkhana Club. Considering the recommendations of the Special Commissioner and Commissioner of Land Administration, steps were taken to assess the market value of the Government land. Since no sale had occurred during the relevant point of time from 1982 to 2004, in the nearby land, the lease rent was worked out

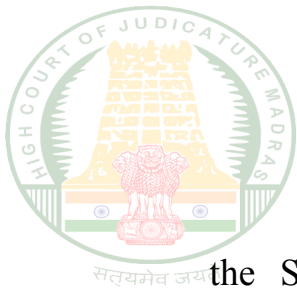


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on the basis of the guideline value, which was arrived at Rs.46,65,119/- for the period from 01.07.1982 to 30.06.2004 and the same was recommended to the Special Commissioner and the Commissioner of Land Administration, Chennai for fixing the lease rent.

23. Pursuant to the directions issued by the Commissioner of Land Administration, the District Collector, Nilgiris District has issued Letter dated 16.02.2004. Thereafter, based on the said letter, the Tahsildar has issued Demand Notices to the writ petitioner. Therefore, the very contentions of the petitioner that the Tahsildar unilaterally fixed the lease rent and issued the Demand Notices are incorrect.

24. Beyond that the agreement between the petitioner- Ootacamund Gymkhana Club and respondent pursuant to the Government order issued in G.O.Ms.No.721 was signed by the District Revenue Officer, Nilgiris, Ootacamund and the Secretary of the petitioner-Ootacamund Gymkhana Club. The Government issued orders extending the lease, but the lease agreement was signed by the District Revenue Officer, Nilgiris District and



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the Secretary of the petitioner-Club. If the petitioner claims that the Tahsildar has no authority to issue Demand Notice, then the very agreement signed by the District Revenue Officer is also to be held as infirm.

25. The petitioner on the one hand says that the Tahsildar has no authority and on the other hand continuing as a lessee in the Government land based on the agreement signed by the District Revenue Officer, Nilgiris District. Such a dual stand adopted by the petitioner expressly indicates that the grounds raised by the petitioner in this regard is untenable.

26. In respect of the Government largesse, once the Government order has been issued and based on the Government order an agreement was signed by the Subordinate Authority, then the Subordinate Authorities pursuant to the administrative delegation is empowered to issue demand notices to recover the lease rent by following the procedures. The administrative delegations are the part of the solemn function of the Government, which cannot be questioned by the petitioner. Such administrative delegations are recognised under the administrative law and



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the Government necessarily has to delegate its powers for the purpose of effective public administration. Therefore, such grounds raised by the petitioner are untenable and beyond the scope of judicial review.

27. The District Collector, Nilgiris District rejected the request made by the petitioner for reconsideration of lease rent in proceedings dated 30.06.2018. The District Collector in her proceedings has categorically considered the entire facts and circumstances and the Government order issued in G.O.Ms.No.721, Revenue dated 31.08.1998. The lessee has agreed the conditions in the lease agreement dated 26.10.1998. As per the Government norms, the lease rent has been worked out based on the guideline value. The petitioner has failed to pay the arrears of lease rent as demanded by the authorities and paid a meagre sum of Rs.5,02,775/- as full and final settlement. The petitioner's conduct reveals that they are confident that they can continue their activities in Government Land without paying the enhanced lease rent for several years.

28. The petitioner's Club has least respect towards the law of the land



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and they continue to possess the Government land by paying the meagre lease rent of Rs.6000/- per year, which was fixed several years back.

29. The learned counsel for the petitioner states that many affluent people are visiting the Club including the Hon'ble Ministers and the Constitutional Authorities. The said contentions raised on behalf of the petitioner would indicate that they have no intention to settle the arrears of lease rent as fixed by the Revenue Authorities. The District Collector, while rejecting the applications submitted by the writ petitioner for reconsideration of lease rent categorically states as follows:

xv) A direct enquiry revealed that the enrollment fee for a member is very high which clearly shows that they do not serve the cause of any commoners. The land had been put to use for any purpose which goes to serve the enlistment of the poor and the downtrodden, probably their claim could be sustained. Even otherwise, for non commercial activities, the Government norms prescribes 7% of the land value as Lease rent instead of 14% of the land value prescribed for commercial activities and hence their claim



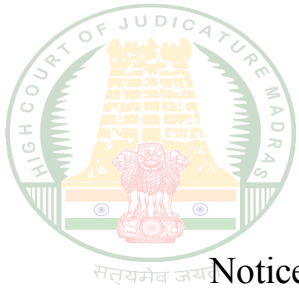
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deserves no consideration.

The Ootacamund Gymkhana Club is a purely recreation club meant for the affluent where the members indulge in leisure activities and thus it was recommend to reject their request for reconsideration of the leave vide this office letter 2nd read above.”

30. Even the order of rejection was passed by the District Collector based on the recommendations of Additional Chief Secretary and Commissioner of Land Administration. The Government have decided to reject the request of the petitioner-Club for reconsideration of the lease rent fixed in S.No.5062 to an extent of 5.47 acres of land in Ootacamund Taluk and Town. Therefore, the final decision for enhancement of lease rent as per the agreement and the rejection of the request of the petitioner for reconsideration of lease rent were made based on the instructions given by the Government and the Additional Chief Secretary and Commissioner of Land Administration, Chennai. The entire proceedings would unambiguously portray that neither the District Collector nor the Tahsildar had acted independently. But their proceedings including the Demand



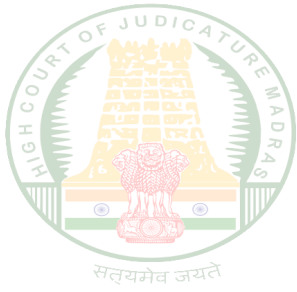
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Notices were based on the Government instructions and based on the recommendations of the Additional Chief Secretary and Commissioner of Land Administration, Chennai. Thus, the very ground raised by the petitioner in this regard is untenable.

CONCLUSION:

31. In view of the discussions made in the aforementioned paragraphs, this Court has to arrive at an inevitable conclusion that the petitioner-Ootacamund Gymkhana Club is not entitled for any relief and accordingly, the following orders are passed;

- (1) The relief as such sought for in all these Writ Petitions are rejected.
- (2) The writ petitioner-Ootacamund Gymkhana Club is directed to pay the arrears of lease rent of Rs.31,16,65,786/- as on 30.06.2023, within a period of one (1) month from the date of receipt of a copy of this order.
- (3) In the event of failure on the part of the writ petitioner in



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2018, 2636 & 28247 of 2019

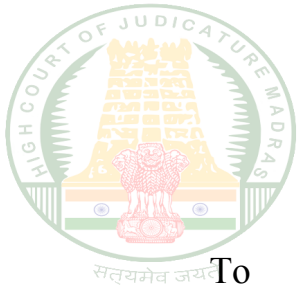
paying the arrears of lease rent, the respondents are directed to immediately evict the petitioner from the Government land and take possession of the Government land and utilise the same for the benefit of the public at large, since the subject Government land is a high value property in Ootacamund Town.

- (4) After evicting the petitioner, the respondents shall initiate all appropriate actions to recover the arrears of rent due to the Government by following the procedures as contemplated.

32. With the above directions, the Writ Petitions stand disposed of. Consequently, the connected Miscellaneous Petitions are closed. However, there shall be no order as to costs.

08.09.2023

Jeni/Sh
Index: Yes
Speaking Order
Neutral Citation: Yes



To
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1. The Secretary and The Commissioner
Department of Revenue,
State of Tamil Nadu,
Fort St. George, Chennai – 600 009.
2. The Special Commissioner and
Commissioner of Land Administration,
Chepauk, Chennai – 600 005.
3. The District Collector,
Nilgiris District,
Ootacamund.
4. The Tahsildar,
Taluk Office,
Udhagamanadalam.
5. The Secretary to Government,
Revenue and Disaster Management Department,
Land Disposal Wing,
Government of Tamil Nadu,
Fort St. George, Chennai – 600 009.



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W.P.Nos.2192 of 2012, 33991 of
2018, 2636 & 28247 of 2019

S.M.SUBRAMANIAM, J.

Jeni/Sh

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2018, 2636 & 28247 of 2019**

08.09.2023