ABSTRACT

Lease - Thoothukudi District - Tiruchendur Taluk - Punnakayal, Sernthamangalam and Kayapattinam Villages - Resumption of Land measuring an extent of 793.39 Acres - Leased out in favour of "M/s. Dharangadhra Chemicals Works Limited (DCW)" - Cancellation of Lease - Collection of Pending lease amount from the company with interest at 12% from 1989 to till date - Orders - issued.

Revenue Department , Land Disposal Wing, LD6(1)Section

G.O(Ms) No.85 E1 007255 **Dated: 31.03.2017**

Read:-

1. G.O.Ms.No.76, Revenue Department, dated 07.01.1959.

Read again:-

2. From the District Collector Thoothukudi Letter No.D4/100297/2004, dated 05.01.2007.
3. From the SC/CLA Letter No.E1/48639/2004, dated 04.04.2007.
4. From the District Collector, Thoothukudi Letter No.D5/100297/2004, dated 28.02.2008.
5. From the District Collector, Thoothukudi, Letter No.D5/87296/2008, dated 31.05.2011.
6. From the District Collector, Thoothukudi, D.O.Letter No.D5/9600/2013, dated 11.07.2013.
7. From the Principal Secretary/Commissioner of Land Administration, D.O. E1/48639/2004, dated 06.01.2014.

ORDER:-

In the G.O. first read above, land measuring to an extent of 978.38 acres of Government lands in the villages of Punnakayal, Sernthamangalam, Kayalpattinam North and Authoor Cusba Villages in Tiruchendur Taluk, Thoothukudi District for a period of thirty years commencing from 1963 were leased out to M/s. Dharangadhra Chemicals Works Limited (DCW), for 30 years from the year 1959 subject to the usual conditions being among others:-

i) It is obligatory on the part of the company to purchase all these lands either during the lease period or within six months from the date of expiry of the lease.

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ii) The value of lands to be leased to the company should be fixed even now at the present market value.

(But actually 793.39 acres were only handed over)

2. In the letter second read above, the Collector of Chidambaranar District (now Thoothukudi) reported that, the Tvl. Dharangadhra Chemicals Works Limited (DCW), has already paid the arrears of lease rent together with the relevant local cess and local cess surcharge including the land cost as per the additional conditions stipulated in the G.O first read above. The land cost for the land payable by the Company was fixed at Rs.3.91,233.91 and the Company had remitted the above land cost fixed as per the above Government order, (G.O)(Ms) No.76, Revenue Department, dated 07.01.1959) on 29.03.1989. The Commissioner of Land Administration recommended for assignment of the said land in favour of Tvl. Dharangadhra Chemicals Works Limited (DCW) subject to collection of double the market value of that land and to assign the land in question to the Company.

3. In the meantime, M/s. Dharangadhra Chemicals Works Limited (DCW) has filed a W.P N0.33008/2002 with a prayer to grant assignment of leased lands and with another prayer not to remit the lease amount. The Hon'ble High Court, in its judgement dated 13.03.2003, has ordered that, the Secretary to Government should pass necessary orders on the application seeking assignment of leased lands, presented by the M/s. Dharangadhra Chemicals Works Limited (DCW), and also ordered that until then and there shall be an order of interim stay to collect the lease amount.

4. Followed by the above judgement, the Collector, Thoothukudi has stated that, the assignment cannot be given to the company and if the company applies for lease again, the request of the company may be considered if the company remitted the amount of lease arrears from 1989 to 1993 with interest and after fixing the lease rent from the year 1993 that is the ending year of previous lease, to till date with 12% interest.

5. Based on the report of the District Collector, Thoothukudi District, the Principal Secretary and Commissioner of Land Administration in her letter seventh read above, has stated that,

i. Originally, an extent of 793.39 acres of Government lands in the villages of Punnakayal, Sernthamangalam, Kayal pattinam North and Authoor Cusba Villages in Tiruchendur Taluk, Thoothukudi District for a period of thirty years commencing from 1963 vide G.O(Ms) No.76, Revenue Department, dated 07.01.1959 to M/s. Dharangadhra Chemicals Works Limited (DCW), at an annual lease rent of 6% subject to the usual conditions and among other things on the additional condition that it is obligatory on the part of the company to purchase all these lands either during the lease period or within six months from the date of expiry of the lease.

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ii. But, the above company has remitted suo-motu a sum of Rs.3,91,233.91 P on 29.03.1989 into Government account without getting any orders from the Government fixing the land value and the above company has requested assignment for the above land. Further, the above company has requested assignment for the above land continuously.

iii. Since the above company has not remitted the lease amount beyond 1989, as per the instructions issued by the Government in letter No.39478/LD6(1)/98-14, dated 19.04.2002, a Demand Notice was issued by the Tahsildar, Tiruchendur to the above company. Against this Demand Notice, the company has filed a W.P No.33005/2002 before the High Court, Madras and the Hon'ble High Court has issued judgement to the effect that orders on the request of the company for assignment should have been passed within four weeks and the Hon'ble High Court, Madras has also granted stay for the collection of lease rent.

iv. A detailed report for cancelling the request of the company for assignment and to resume the land and also for collecting the arrear lease amount under Revenue Recovery Act was sent by the Special Commissioner and Commissioner of Land Administration on 25.04.2003. As there was a stay granted by the Hon'ble High Court for collection of lease rent and till the time of passing final order on the request of the company, there is a heavy loss of revenue to Government exchequer. Hence, a Show- Cause Notice has been issued to the Company. However, the company has repiied that as the company has remitted the land cost in full in the year 1989, they may be granted assignment for the above lands.

v. The Revenue Divisional Officer, Tiruchendur has reported that the above lands have been maintained by the company with effect from 01.04.1963 and lease agreement was executed with the company with certain conditions.

vi. It has been specifically mentioned in the G.O that it is obligatory on the part of the company to purchase all these lands either during the lease period or within six months from the date of expiry of the lease. But the above company has not acted upon and has not applied even for renewal and furthermore, they have not paid the lease amount and LC & LCS. It is not proper on the part of the company to claim illegal rights by obtaining order from the Hon'ble High Court to pass order within four weeks on the request of the company for assignment and by sending reminders on this.

vii. The District Collector, Thoothukudi has finally stated that, as the company has not acted properly to get assignment within the stipulated time as a defaulter in payment of lease rent arrears after

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1989, the company has no right to claim for assignment of Government lands. Further, the District Collector, Thoothukudi in his letter dated 19.03.2010 has sent a specific report as called for by the Government stating that the lessee company has not acted as per the lease agreement and they have also not applied for renewal of lease after the year 1993. Further, the company has not given any application for assignment before the completion of lease period. The company, without getting any orders from Government have remitted the above amount as land cost is not acceptable and the request for assignment cannot be considered, since the company has not followed instruction of the Government.

6. In the letter seventh read above, the Principal Secretary / Commissioner of Land Administration has also stated that, by considering all the above report of the District Collector, Thoothukudi District, dated 28.02.2008, 21.12.2008 and 11.07.2013 are acceptable.

7. The Government have carefully examined the proposal of the District Collector, Thoothukudi and the recommendation of the Principal Secretary/Commissioner of Land Administration accordingly have decided to reject the request for the assignment of lands and to collect the arrears of lease amount from 1989 to till date with 12% interest from the company and to resume an extent of 793.39 acres of lands in Punnakayal, Sernthamangalam and Kayalpattinam Villages of Tiruchendur Taluk, Thoothukudi District from Tvl. Dharangadhra Chemicals Works Limited (DCW).

8. The Principal Secretary/Commissioner of Land Administration and the District Collector, Thoothukudi are requested to pursue further action with reference to the orders issued in para 7 above.

(By order of the Governor)

Chandra Mohan. B,
Secretary to Government

To
The Principal Secretary/Commissioner of Land Administration, (FAC),
Commissioner of Survey and Settlement, Chepauk, Chennai-5.
The District Collector, Thoothukudi.
The District Treasury Officer, Thoothukudi.
The Sr. Vice President (Admn.) M/s. Dharangadhra Chemicals Works Limited (DCW)",
Shakupuram (Po), Thiruchendur, Thoothukudi District, Pin- 628 229.

Copy to
The Finance Department, Secretariat, Chennai-9.
SF/Sc.

// Forwarded by order//

Section Officer

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