



GOVERNMENT OF KERALA

Abstract

Local Self Government Department - Penal Interest towards the outstanding rent charged to Inland Water Authority of India by the Corporation of Kochi- Waived - Orders issued.

LOCAL SELF GOVERNMENT (EU) DEPARTMENT

GO(Rt)No. 3121/2017/LSGD.

Dated, Thiruvananthapuram, 23/09/2017

- Read:-
1. Letter No.IWAI/COCH/L/3218/09/826 dated 26.12.2015 from the Director, Inland Water Authority of India.
 2. D.O Letter no. IWAI/L/Op/CO/7/94 dated 28.07.2016 from the Chairman, Inland Water Authority of India.
 3. Minutes of the meeting dated 09.08.2016 chaired by the Chief Secretary.
 4. Letter No. MOR3/3811/93 Vol.II dated 29.09.2016 from the Secretary, Corporation of Kochi.
 5. Judgment dated 05.10.2016 in WP(C) No. 20262/09 filed by Inland Water Authority of India.

ORDER

In the letter read as 1st paper above, the Director, Inland Water Authority of India has informed Government that IWAI, Ministry of Shipping, Govt. of India had occupied on rent a portion of Paramara Shopping Complex, Ernakulam owned by the Corporation of Kochi during the period from 15.01.1994 till 29.09.2006. The office of the IWAI functioned out of this premise till the premise was vacated and key handed over to the Corporation on 29.09.2006.

It is further reported that the dispute between Corporation of Kochi and Inland Water Authority of India is that from 01.01.1999 onwards the Corporation of Kochi demanded arbitrarily increased rent @ 20% every year without having a formal lease agreement signed between them for the period from 01.1.1999 to 29.09.2006. But, during this entire period IWAI continued to remit the rent at the rate that was being paid as in December 1998. It is further reported that the Corporation of Kochi demanded an amount of ₹ 42,20,381/- which included an amount of ₹ 25,87,636/- as outstanding rent with ₹ 13,38,300/- as penal interest for the period from 01.01.1999 to 31.08.2006 and a collection charge of Rs.2.94 lakhs as per the letter dated 23.02.2008. As a next step, the Corporation has arbitrarily taken away ₹ 42.20 lakhs from the bank account of IWAI with State bank of India, Vyttila branch as revenue recovery. Aggrieved by the above action of Kochi Corporation, IWAI moved the Hon'ble High Court of Kerala through WP(C) No. 20262/2009.

In the letter read as 2nd paper above, the Chairman IWAI has requested Government to give further directives to the concerned officials to process early approval for waiving the penal interest amounting to ₹ 13,38,300/- charged to IWAI and to return

the same to IWAI. Being a long pending case, a meeting chaired by the Chief Secretary considered the same. As informed by the Secretary, Kochi Corporation that the Corporation has took a resolution to waive the interest portion subject to the approval of Govt. of Kerala, and it was decided that the Secretary, Corporation of Kochi will submit a copy of the resolution with request for Govt. approval and the Secretary, LS GD will issue necessary approval. The operationalisation of Government Order waiving penal interest will be subject to the withdrawal of the case in the HHC of Kerala by the IWAI, as the dispute has been resolved outside the Court.

Accordingly, the Secretary, Corporation of Kochi, as per the letter read as 4th paper above, informed that the Council has decided to waive an amount of ₹ 10,12,232/- being the penal interest towards the outstanding rent charged to IWAI, subject to Government approval. Also that, in accordance with the decisions taken at the meeting convened by the Chief Secretary, IWAI has taken steps to withdraw the WP(C) No.20262/09 filed by the them against the Corporation of Kochi and as per the judgment read as 5th paper above, WP(C) No.20262/09 is dismissed as withdraw.

Considering the circumstances that the WP(C) No.20262/09 filed by the IWAI is dismissed as withdraw and the Council of Corporation of Kochi, has decided to waive an amount of ₹ 10,12,232/- being the penal interest towards the outstanding rent charged to IWAI, subject to Government approval, Government are pleased to waive an amount of ₹ 10,12,232/- being the penal interest towards the outstanding rent charged to IWAI by the Corporation of Kochi.

By Order of the Governor,
V.S.SANTHOSH
Under Secretary

The Chairman, Inland Water Authority of India, A13, Sector-1, Noida, Pin- 201 301.

The Director, Inland Water Authority of India, National Waterway Road, NH 47 Bypass,
Kannadikkadavu, Maradu, Ernakulam.

The Secretary, Corporation of Kochi.

The Executive Director, Information Kerala Mission, Thiruvananthapuram
(for publishing in the Website)

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Forwarded / By Order,



Section Officer