

THE HON'BLE SRI JUSTICE P. NAVEEN RAO

WRIT PETITION No.11735 of 2015

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Between:

B. Mohan Babu

PETITIONER

AND

1. The State of Telangana, rep. by its Principal Secretary, Department of Municipal Administration, Secretariat, Hyderabad, and others.

RESPONDENTS

THE HON'BLE SRI JUSTICE P. NAVEEN RAO

WRIT PETITION No.11735 of 2015

ORDER:

The petitioner was said to have granted lease in respect of shop No.2 (New No.12) situated at Vegetable Market, Kalwakurthy, Mahaboobnagar District, in the year 2000. At the time of granting of lease to the petitioner, Kalwakurthy was a Gram Panchayat, and subsequently it was converted into Nagar Panchayat and now governed by the Municipalities Act. Initially, the lease was granted for a period of three years and the same was extended from time to time. While, so, on 07.03.2015 the 2nd respondent issued auction notice to conduct open auction for the leasehold rights of the shops located in the Vegetable Market, fixing the auction date as 23.03.2015.

Aggrieved by conducting of auction without renewing the lease in favour of the existing lease holders, earlier 12 persons including the petitioner herein filed W.P.No.7366 of 2015. The contention of the petitioners in that writ petition was that they are willing to comply with the demand of the Municipality with reference to prevailing Rules and Regulations to renew their leasehold rights, and as their request was not considered the said writ petition was filed. Having considered the rival contentions, this Court by order dated 24.03.2015 disposed of the said writ petition. In paragraph No.4 of the order, this Court observed that the petitioners did not file any documents to show that their lease is still subsisting and no rule or provision of law is brought to the notice of the Court for further extension of lease period, and hence no direction can be

issued to the respondent-Municipality to extend the lease of the petitioners. However, this Court granted liberty to the petitioners therein to participate in the auction and if they are successful bidders they will be entitled to continue and if they are not successful in the auction they have to vacate the premises immediately after the auction proceedings are finalized. The said order has become final.

This writ petition is filed seeking very same declaration that the action of the respondents in conducting auction of shop No.2 contrary to the procedure laid down in Rule 12(h) of the A.P. Municipalities (Regulation of Receipts and Expenditure) Rules and allotting the shop to the 4th respondent, as illegal and arbitrary.

The learned counsel for the petitioner contends that though as per the above provision of law in the Rules on payment of enhanced lease amount the petitioner is entitled to renewal automatically, the respondents are not renewing the lease of the petitioner. It is also contended that the petitioner has expressed his willingness to pay the enhanced rent and submitted an application to that extent. Once such an application is submitted, it is incumbent upon the respondent authorities to renew the lease and hence the question of conducting fresh auction does not arise.

Sri N. Praveen Kumar, learned Standing Counsel appearing for respondents 2 and 3, has produced parawise remarks submitted by the Municipality, wherein it is stated that the petitioner has participated in the open auction and secured lease of shop No.1 in his son's name and Shop No.13 in his name.

Be that as it may, entitlement of the petitioner for renewal of lease on payment of higher rent has already been considered by this Court in the earlier writ petition, W.P.No.7366 of 2015. The learned counsel for the petitioner sought to contend that the said order does not come in the way of consideration of the prayer in the present writ petition, since in the earlier writ petition this Court has not considered provisions of Rule 12 (h) referred to above.

Such contention is not open for the petitioner at this stage, that too, in the second round of litigation, as the earlier order of this Court has become final. Even otherwise, a bare look at the provisions of Rule 12, it is clear that no manner of right is vested in the lessee to seek renewal endlessly merely because the lessee offered to pay higher rent, but only a discretion is vested in the Municipality to extend the lease period for five years after expiry of initial lease period, and thereafter, after obtaining prior sanction from the Government further extension can be granted. It is only the discretion vested in the Municipality but not a right in the lessee to seek further renewal. Thus there is no merit in the contention urged by the petitioner and the writ petition deserves no consideration.

Accordingly, the writ petition is dismissed. No costs. As a sequel, miscellaneous petitions, if any, shall stand closed.

P. NAVEEN RAO, J.

18th June, 2015
Js.