

THE HON'BLE SRI JUSTICE P.NAVEEN RAO

WRIT PETITION No.33871 of 2015

-

Between:

K.Srinivas and 12 others

.. Petitioners

and

The State of Telangana, rep.by its Principal Secretary, Panchayat Raj Department,
Secretariat Building, Hyderabad and two others.

.. Respondents

This Court made the following:-

THE HON'BLE SRI JUSTICE P.NAVEEN RAO

WRIT PETITION No.33871 of 2015

ORDER:

The petitioners challenge the auction notification dated 10.10.2015 issued to

lease the properties belonging to respondent No.3 – Gram Panchayat.

2. The petitioners contend that they have insufficient time to respond to the auction notification. Only on 10.09.2015, a notice was issued fixing the auction to be conducted on 13.10.2015 and therefore, the petitioners could not prepare themselves to participate in the auction. It is further contended that there is no justification to go for fresh auction when petitioners are in occupation of the premises and paying the rents regularly and they are also willing to pay the enhanced rent. If the petitioners are thrown out at this stage, grave prejudice would be caused to them.

3. Learned counsel for the petitioners contends that no prior notice was issued to the petitioners directing them to vacate the premises and that even before the petitioners vacate the premises, auction notice for grant of fresh lease could not have been issued.

4. Learned Standing Counsel for Khanapur Gram Panchayat appearing for respondent No.3, on instructions, submits that petitioners are in arrears of rent and are not paying the rents regularly; that since September, 2015, notices have been published regularly and petitioners are aware of conducting of fresh auction; that the present writ petition is only instituted to stall the conducting of auction with an intention to continue in the premises by paying nominal rents causing revenue loss to the respondent Gram Panchayat.

5. The petitioners are only lessees of the properties belonging to the respondent Gram Panchayat. The lease granted to them expired. Therefore, it is incumbent on the Gram Panchayat to conduct public auction before leasing the properties of the Gram Panchayat for further period. The petitioners cannot insist as a matter of right seeking renewal of lease. Ordinarily, once the lease period is over, the Gram Panchayat has to conduct fresh auction and then only, grant lease. The properties of the Gram Panchayat are public properties. The main source of revenue for the Gram Panchayat is by leasing the properties belonging to the Gram Panchayat. This

revenue is necessary for incurring expenditure for various developmental activities of the village and therefore, it is in public interest to conduct auctions so that higher revenue can be generated to the Gram Panchayat which can be utilised for developmental activities. There is no illegality in conducting auction even when petitioners are in possession. Thus, no exception can be made to the proceedings initiated by the respondent Gram Panchayat for conducting auction of the properties belonging to the Gram Panchayat. Therefore, there is no merit in the submissions made by learned counsel for the petitioners and the writ petition deserves no consideration.

6. The petitioners are granted liberty to participate in the auction scheduled to be conducted today subject to petitioners clearing the arrears of amounts due. If the petitioners are the highest bidders in the auction conducted, they shall continue. In case the petitioners are not the highest bidders, they may be allowed to continue in the subject premises till the end of November, 2015 subject to payment of the lease amount as determined in the auction conducted and payment of the rents regularly. The petitioners have to vacate the premises by the end of November, 2015. They shall also file an affidavit to this extent before respondent No.3 – The Panchayat Secretary, Gram Panchayat, Khanapur Mandal, Khanapur, Adilabad District within a period of one week from this day.

7. Accordingly, the Writ Petition is disposed of. There shall be no order as to costs.

8. Miscellaneous Petitions pending, if any, in this Writ Petition shall stand closed.

JUSTICE P.NAVEEN RAO

Date: 13.10.2015

AMD

THE HON'BLE SRI JUSTICE P.NAVEEN RAO

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

-

WRIT PETITION No.33871 of 2015

-

-

-

DATE: 13.10.2015

AMD