

THE HON'BLE SRI JUSTICE CHALLA KODANDA RAM

WRIT PETITION No. 21109 of 2016

ORDER:

Though the representation submitted by the petitioners on 31.03.2016 for renewing the leasehold rights granted in their favour in respect of the shops located in Maddikera Gram Panchayat Complex and Dwakra Building Complex, Maddikera Village and Mandal, Kurnool District, in terms of G.O.Ms.No. 56, Municipal Administration & Urban Development (J1) Department, dated 05.02.2011, is pending consideration, Respondents 4 to 6 have conducted the auction of the leasehold rights of the said shops, on 01.04.2016. Hence, this Writ Petition.

It is stated that the petitioners have been allocated shops, on lease basis and it has been renewed from time to time. For the years 2014-15 and 2015-16, the lease has been renewed, subject to the petitioners enhancing the lease amount by 33.5%. While so, due to some political rivalry between the Sarpanch and the existing leaseholders, the 7th respondent Panchayat Secretary issued a notification dated 30.03.2016 proposing to put the shops in question to public auction on 31.03.2016 at 11.00 A.M. On 31.03.2016, the petitioners have submitted a representation to the Extension Officer, Rural Development, Maddikera Gram Panchayat requesting to renew their lease with the enhanced lease amount. But, to their surprise, the auction was got conducted on 01.04.2016 by the 6th respondent Gram Panchayat.

Learned counsel for the petitioners argued this case mainly on two grounds: 1) the auction conducted by the respondent authorities on 01.04.2016 is contrary to the guidelines contained in G.O.Ms.No. 56, dated 05.02.2011; and 2) though the petitioners are ready and willing to pay the lease amount at the enhanced rate, the respondent authorities have put the subject shops to public auction, which is not at

all justifiable.

Heard learned Government Pleader for Panchayat Raj (Andhra Pradesh).

As regards the first contention of the petitioners, it is to be noted that G.O.Ms.No. 56, dated 05.02.2011 was issued by the Government of Andhra Pradesh in its Municipal Administration and Urban Development Department, in respect of the municipalities, proposing certain amendments to Rule 12(1)(h) of the Andhra Pradesh Municipalities (Regulation of Receipts and Expenditure) Rules, 1968. Hence, it can safely be said that the said G.O. has no application to the Gram Panchayat where the shops in question are situated.

Coming to the second aspect of the matter, admittedly, the lease of the petitioners has been extended from time to time and finally for the years 2014-15 and 2015-16, it has been extended enhancing the existing lease amount by 33.5%. But mere renewal of leasehold rights for the previous years does not confer any right on the petitioners to seek further extension, subject to the same terms and conditions. It is the prerogative of the Gram Panchayat concerned to fix the lease amount according to the prevailing market rates and put to public auction the shops belonging to it. Therefore, I am not inclined to accept the contention of the learned counsel that the respondent authorities are not justified in not considering the case of the petitioners. This Writ Petition, for the aforesaid reasons, is liable to be rejected.

Now, at this stage, the learned counsel for the petitioners submit that the petitioners are ready and willing to pay the highest bid amount, which has been offered by the successful bidders and hence, a direction be issued to the respondents to consider their cases for renewal of the leasehold rights in their favour.

In view of the above-said request, it is appropriate to direct that the case of the petitioners may be considered, if only the successful bidders are not ready to accept the terms and conditions of the bid.

With this, the Writ Petition stands disposed of. No costs.

Consequently, the Miscellaneous Applications, if any shall also stand disposed of.

CHALLA KODANDA RAM, J.

8th July 2016

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