

HON'BLE SRI JUSTICE CHALLA KODANDA RAM

WRIT PETITION No.43958 of 2017

ORDER:

This Writ Petition, under Article 226 of the Constitution of India, is filed by the petitioners questioning the notice, dated 04.12.2017, issued by the 4th respondent directing them to vacate the premises i.e., Room Nos.1 & 2, situated at first floor of Bhalaji Complex on the ground that the lease period is expiring by 31.12.2017.

2. Heard Sri Ch.Janardhan Reddy, learned counsel appearing for the petitioners, learned Government Pleader for Revenue appearing for respondents 1 & 2, and Sri S.D.Goud, learned Standing Counsel, appearing for respondents 3 & 4 Municipal Corporation. Perused the material available on record.

3. The case of the petitioners is that the respondents 3 & 4 have leased out the subject premises to the petitioners on monthly rent of Rs.2,000/- each, to run Rainbow Health and Fitness Centre in the year 2011 and that the 4th respondent *vide* proceedings, dated 21.08.2017, has extended the lease upto 31.12.2017 by enhancing the leased amount from Rs.4,000/- to 5,333/- to each room, in total Rs.10,666/-, including service tax and that they have been paying the enhanced lease amount to respondents 3 & 4 regularly and running the subject centre. The main grievance of the petitioners is that the 4th respondent has issued the impugned proceedings, dated 04.12.2017, directing them to vacate the subject premises and hand over the same to the

Municipal Authorities concerned. Aggrieved by the same, the present writ petition is filed.

4. Learned counsel for the petitioners vehemently contended that from the year 2011 onwards, the petitioners have been paying the enhanced rents, as demanded by respondents 3 & 4 and that they have also invested an amount of Rs.40,00,000/- for setting up various modern equipments with the experts and that the petitioners are also giving Yoga coaching in their institute and the students, who got trained in their institute, got ranks and awards in the State level. The learned counsel further submits that about 300 people have enrolled into the petitioners' fitness centre and they have also paid annual/half yearly/quarterly fees and if the petitioners are evicted from the subject premises, they would be put to loss.

5. On the other hand, the learned Standing Counsel appearing for respondents 3 & 4 Municipal Corporation contended that the lease granted in favour of the petitioners is only for a limited period and that they cannot have any right to seek extension of the lease period. He further contends that on earlier occasion also, on the request made by the petitioners, respondents 3 & 4 have extended the lease period, but now, the petitioners cannot have a right to ask for further extension of the lease period and that if the subject premises is put to auction, it would fetch huge amount.

6. Having regard to the facts and circumstances of the case and the submissions of the learned counsel for the petitioners as well as the learned Standing Counsel for respondents 3 & 4

Municipal Corporation, this Court is of the considered view that granting of any discretionary order to the petitioner would deprive the request of the respondent authorities. Since the petitioners have no vested right for seeking extension of lease period, if they are allowed to continue in the subject premises till the respondent authorities put the same to public auction and allot the same to the highest bidder, the ends of justice would be met. It is well-settled that all the public premises should be leased out only through public auction.

7. Accordingly, the Writ Petition is disposed of directing the respondent authorities to take necessary steps for conducting public auction of the subject premises, in accordance with law, as expeditiously as possible, preferably within a period of eight (08) weeks from the date of receipt of a copy of this order. Till respondents 3 & 4 conduct public auction and lease out the subject premises to the highest bidder, the petitioners are permitted to continue therein. The petitioners are also at liberty to participate in the public auction, which is to be conducted by the respondent authorities.

Miscellaneous petitions, if any, pending in this writ petition shall stand closed.

There shall be no order as to costs.

CHALLA KODANDA RAM, J

Date: 29th December, 2017

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