

**HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

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**CWP No.26650 of 2017**

**Date of Decision: 22.11.2017**

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Gram Panchayat Taragarh

...Petitioner

VS.

State of Punjab & Ors.

... Respondents

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**CORAM: HON'BLE MR.JUSTICE SURYA KANT**

**HON'BLE MR.JUSTICE AVNEESH JHINGAN**

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Present: Mr. Hemen Aggarwal, Advocate for the petitioner

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**SURYA KANT, J. (Oral)**

(1) This writ petition has been purportedly filed by the Gram Panchayat of village Taragarh, Block Narot Jaimal Singh, Tehsil and District Pathankot though in sum and substance, the writ petition intends to protect and promote the private and personal interest of Sarpanch Smt. Manjit Kaur. She manipulated a resolution dated 24.10.2013 whereby a prime piece of Gram Panchayat land abutting the main road which was leased out to Bharat Petroleum in 2004-05 at the rate of ₹ 5540 per month for installation of a petrol pump on cancellation of earlier lease agreement, has been leased out vide the disputed resolution dated 24.10.2013 in favour of her brother-in-law at the same monthly rent. It is pertinent to mention that neither any public notice inviting bids from interested parties was issued nor any public auction was held before leasing out the land by the Sarpanch in favour of her brother-in-law.

(2) Respondent No.6 – a whistle blower made a complaint pursuant to which the records were called by the Director, Rural Development and Panchayats who vide self-speaking order dated 11.03.2016 (P17) annulled the Gram Panchayat resolution dated 24.10.2013 (P14) primarily on the ground that the Sarpanch was responsible to lease out the land in favour of her own relative namely, brother-in-law. The Gram Panchayat challenged the said decision in a

revision petition before Financial Commissioner who too has turned down the same vide order dated 12.01.2017 (P19). These two orders are under challenge in this writ petition.

(3) It is claimed that an enquiry was held in which the Sarpanch was exonerated by another officer, holding charge of Director, Rural Development and Panchayats vide order dated 24.10.2016 (P18). As of now, we do not want to comment on the said order (P18) of exoneration, regardless of the glaring facts that (i) the land in question is a prime piece of land abutting the main highway; (ii) it was leased out @ ₹ 5540 to Bharat Petroleum way back in the year 2004-05 and ordinarily, the lease money ought to have been substantially increased when the Gram Panchayat resolved to lease out it again on 24.10.2013; (iii) no bids were invited even though it is mandatory under the Rules that the Gram Panchayat land can be leased out only by way of public and transparent auction; and (iv) no other interested party was given opportunity to offer higher rate of lease money thereby causing substantial loss to the Panchayat Exchequer.

(4) There was a clear conflict of interest when the Sarpanch who plays a dominant role in the decision-making process of the Gram Panchayat, leased out the land in favour of her brother-in-law. The action of the Sarpanch was totally against propriety.

(5) For the reasons afore-stated, we do not find any error in the orders dated 11.03.2016 of the Director, Rural Development and Panchayats or of the Financial Commissioner dated 12.01.2017. The resolution of the Gram Panchayat has been rightly cancelled. The Deputy Commissioner, Pathankot is directed to ensure that if the subject piece of land is to be leased out then it must be done so by way of a public auction after giving vide publicity to give

opportunity to all the interested persons to participate in the auction. The auction shall be conducted under the direct supervision of the District Development and Panchayat Officer, Pathankot.

(6) With these observations and directions, the writ petition stands dismissed.

**(Surya Kant)**  
**Judge**

**22.11.2017**  
*vishal shonkar*

**(Avneesh Jhingan)**  
**Judge**

1. *Whether speaking/reasoned?*
2. *Whether reportable?*

**Yes**  
**No**