



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **29.06.2021**

CORAM:

**THE HON'BLE MR.JUSTICE N.ANAND VENKATESH**

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**W.P. (MD) .Nos.4284 of 2020 and 10305 of 2017**

**and W.M.P. (MD) Nos.3606 , 11414 of 2020 & 7878 of 2017**

Ravisankar

... Petitioner in both W.Ps

Vs.

The Aruppukottai Municipality,  
Rep. By its Commissiner,  
Aruppukottai,  
Virudhunagar District.

... Respondent in both W.Ps.

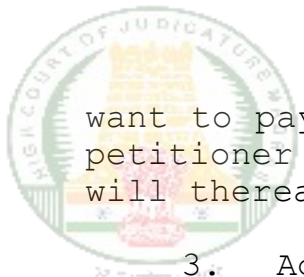
**COMMON PRAYER:** Writ petition filed under Article 226 of the Constitution of India, for the issuance of Writ of Certiorarified Mandamus, calling for the records relating to the impugned proceedings of the respondent municipality dated 15.02.2020 in Na.Ka.No.877/2016/A1 and dated 12.05.2017 in Na.Ka.No.10714/2014/A1 respectively and quash the same and consequently direct the respondent Municipality to revise the monthly rent after determining the market rate by adopting a valid procedure and after affording a due opportunity to the petitioner.

|                |                     |
|----------------|---------------------|
| For Petitioner | : Mr.R.Gowrishankar |
| (In both W.Ps) |                     |
| For Respondent | : Mr.N.Dilipkumar   |
| (In both W.Ps) | Standing Counsel    |

**COMMON ORDER**

The issues involved in both the Writ Petitions are common and hence, they are taken up together, heard and disposed of through this common order.

2. The petitioner was allotted a shop by the respondent Municipality and the lease period was extended from time to time for a period of three years under G.O.Ms.No.92, Municipal Administration and Water Supply Department, dated 03.07.2007. As per this Government Order, such extension can be granted for a maximum period of nine years and this period ended on 31.03.2016. Thereafter, the respondent Municipality demanded the rent based on the rent that was fixed by the Review Committee that was constituted in all the Municipalities. Consequently, the impugned notice dated 12.05.217 was issued to the petitioner, directing the petitioner to pay a sum of Rs.10,590/- (Rupees Ten Thousand Five Hundred and Ninety only) as the monthly rent for a period of three years. It was also informed to the petitioner that if the petitioner does not



want to pay the rent fixed by the Committee, it is left open to the petitioner to vacate and hand over the shop and the Municipality will thereafter bring the shop for auction.

3. Aggrieved by the notice issued by the respondent Municipality on 12.05.2017, the petitioner has filed W.P.(MD) No.10305 of 2017. This Writ Petition was admitted and an interim order was passed directing the petitioner to pay the existing rent and in addition to pay 25% of the enhanced rent.

4. During the pendency of the above Writ Petition, the respondent Municipality issued a notice dated 15.02.2020, directing the petitioner to pay the further enhanced rent for the period from March 2019 to March 2020. This enhancement was 15% more than what was fixed earlier viz., Rs.10,590/- (Rupees Ten Thousand Five Hundred and Ninety only). Aggrieved by this notice, the petitioner has filed W.P.(MD)No.4284 of 2020. This Writ Petition was entertained and an interim order was passed on 28.02.2020, directing the petitioner to pay a sum of Rs.10,000/- (Rupees Ten Thousand only) as the consolidated amount towards the monthly rent, till the disposal of the Writ Petition.

5. Heard Mr.R.Gowrishankar, learned counsel appearing for the petitioner and Mr.N.Dilipkumar, learned Standing Counsel appearing for the respondents.

6. There is no dispute with regard to the material facts in the present case. The petitioner was admittedly allotted a shop by the respondent Municipality and the petitioner had occupied the shop for nine years and the rent was fixed in accordance with G.O.Ms.No.92, Municipal Administration and Water Supply Department, dated 03.07.2007 during this period. Even as per G.O.Ms.No.92, Municipal Administration and Water Supply Department, dated 03.07.2007, the extension of lease can be granted only for a maximum period of nine years.

7. On the expiry of nine years, there is no right vested upon any person, who has been allotted a shop by the Municipality to occupy the shop. However, considering the livelihood of the persons, who are occupying the shop, a decision was taken to appoint a Committee, who will determine the monthly rent, based on the prevailing market value and they will submit their recommendations to the Municipalities. Based on the same, the Municipalities had fixed the rent for all those persons, who had occupied the shop beyond nine years. An option was also given to the licensees to either pay the amount or vacate the shop, in order to enable the Municipality to bring the shop for auction.

8. In the present case, the petitioner has opted to continue in the shop and therefore, the petitioner has to necessarily pay the rent fixed by the Municipality in accordance with the



recommendations made by the Committee. Even after the expiry of three years from the date on which the rent was enhanced, the Municipality has chosen to increase the existing rent by 15% and accordingly, the subsequent demand notice dated 15.02.2020 was issued to the petitioner.

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9. Under normal circumstances, the Municipalities and Corporations will have to take all efforts to augment income by allotting the shops to those persons, who are willing to pay the maximum amount. For this purpose, the shops are allotted by way of public auction to ensure that the Municipality gets the maximum income from the highest bidder. However, in order to maintain the balance and to ensure that the shopkeepers are not deprived of their livelihood, the option was given for them to pay the rent as fixed by the Municipality based on the recommendation made by the Committee. There is no vested right for the shopkeeper to question the rent fixed by the Municipality and if the shopkeeper finds that he cannot afford to pay the rent, the only option left to him is to vacate the shop and hand over the possession to the respondent Municipality.

10. In view of the above discussion, this Court does not find any ground to interfere with the impugned notices issued by the respondent Municipality. The petitioner has to necessarily pay the rent fixed by the Municipality or else the petitioner has to vacate and hand over possession to the respondent Municipality. If the petitioner fails to pay the rent, it is always left open to the respondent Municipality to proceed further against the petitioner in accordance with law.

11. In the result, both the Writ Petitions are dismissed. No costs. Consequently, connected miscellaneous petitions are also dismissed.

Sd/-

Assistant Registrar (W)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

vsm

**Note :**

In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate / litigant concerned.



To  
The Commissioner,  
Aruppukottai Municipality,  
Aruppukottai,  
Virudhunagar District.

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+1 CC to M/s.N.DILIPKUMAR, Advocate ( SR-20630[F] dated 30/06/2021 )

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and 10305 of 2017  
and W.M.P. (MD) Nos.3606 , 11414 of 2020  
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ARK (CO)  
KB (08.07.2021) 4P 3C