



W.P.(MD).Nos.30719 to 30754 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 18.12.2024

CORAM

THE HONOURABLE MRS.JUSTICE L.VICTORIA GOWRI

W.P.(MD).Nos.30719 to 30754 of 2024

and

W.M.P.(MD)Nos.25793, 25794, 25797, 25798, 25801, 25802, 25805, 25806, 25809, 25811, 25816, 25818, 25813, 25814, 25865, 25870, 25834, 25835, 25815, 25817, 25876, 25877, 25795, 25796, 25840, 25842, 25821, 25822, 25851, 25852, 25873, 25875, 25799, 25800, 25823, 25824, 25843, 25844, 25879, 25881, 25828, 25829, 25803, 25804, 25838, 25839, 25888, 25889, 25826, 25827, 25807, 25808, 25845, 25846, 25886, 25887, 25810, 25812, 25847, 25848, 25819, 25820, 25836, 25837, 25858, 25859, 25867, 25869, 25860, 25861, 25849, 25850

Abdul Wahab	... Petitioner in W.P.(MD)No.30719 of 2024
P.Dhanasekarapandiyan	... Petitioner in W.P.(MD)No.30720 of 2024
Ramesh Kumar	... Petitioner in W.P.(MD)No.30721 of 2024
R.S.Karthik	... Petitioner in W.P.(MD)No.30722 of 2024
S.Amirthavalli	... Petitioner in W.P.(MD)No.30723 of 2024
Veeraperumal	... Petitioner in W.P.(MD)No.30724 of 2024
N.Subburaj	... Petitioner in W.P.(MD)No.30725 of 2024
R.S.Karthik	... Petitioner in W.P.(MD)No.30726 of 2024
R.S.Ramamoorthy	... Petitioner in W.P.(MD)No.30727 of 2024
S.Ramu	... Petitioner in W.P.(MD)No.30728 of 2024



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M.Vannimuthu

Vilangar

... Petitioner in W.P.(MD)No.30729 of 2024

... Petitioner in W.P.(MD)No.30730 of 2024

S.Manoharan

P.Latha

... Petitioner in W.P.(MD)No.30731 of 2024

... Petitioner in W.P.(MD)No.30732 of 2024

K.Varatharajamoorthy

... Petitioner in W.P.(MD)No.30733 of 2024

K.Naina Mohamed

... Petitioner in W.P.(MD)No.30734 of 2024

M.Vadivel Kanna

... Petitioner in W.P.(MD)No.30735 of 2024

K.Bala Murugan

... Petitioner in W.P.(MD)No.30736 of 2024

M.Kaja Kamarudeen

... Petitioner in W.P.(MD)No.30737 of 2024

S.Sivakumar

... Petitioner in W.P.(MD)No.30738 of 2024

K.Pitchaikani

... Petitioner in W.P.(MD)No.30739 of 2024

M.Dinesh Kumar

... Petitioner in W.P.(MD)No.30740 of 2024

Senthuran

... Petitioner in W.P.(MD)No.30741 of 2024

S.Ramamoorthy

... Petitioner in W.P.(MD)No.30742 of 2024

S.Vanitha

... Petitioner in W.P.(MD)No.30743 of 2024

N.Jagatheesan

... Petitioner in W.P.(MD)No.30744 of 2024

Kannan

... Petitioner in W.P.(MD)No.30745 of 2024

R.Murugesan

... Petitioner in W.P.(MD)No.30746 of 2024

K.Varatharajamoorthy

... Petitioner in W.P.(MD)No.30747 of 2024

M.Amutha

... Petitioner in W.P.(MD)No.30748 of 2024

V.Sanmugakani

... Petitioner in W.P.(MD)No.30749 of 2024



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WEB COPY U.Sathya

... Petitioner in W.P.(MD)No.30750 of 2024

P.Kambadhasan

... Petitioner in W.P.(MD)No.30751 of 2024

T.Ramakrishnan

... Petitioner in W.P.(MD)No.30752 of 2024

Piravanathan

... Petitioner in W.P.(MD)No.30753 of 2024

S.syed Ibrahim

... Petitioner in W.P.(MD)No.30754 of 2024

Vs.

The Executive Officer,
Muthukulathur Town Panchayat,
Ramanathapuram District,
Ramanathapuram.

... Respondent in all the writ petitions

Prayer in all the writ petitions: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records relating to the impugned auction notification in Na.Ka.No.A2/450/2024 dated 05.12.2024 r/w the impugned notice made Na.Ka.No.A2/108/2018 dated 05.12.2024 issued by the respondent and quash the same.

In all the writ petitions:

For Petitioner : Mr.T.Antony Arulraj

For Respondent : Mr.N.Dilip Kumar,
Standing Counsel



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ORDER

By consent of both the parties, these writ petitions are taken up for final hearing at the admission stage itself.

2.Challenging the tender notification dated 05.12.2024 of the respondent and the consequential impugned notice dated 05.12.2024 requiring the petitioners to vacate the premises, these writ petitions are filed.

3.Heard the learned counsels on either sides and carefully perused the materials available on record.

4.All the petitioners herein are the lessees who are occupying various shops in the Muthukulathur bus stand owned by the respondent town panchayat. Few of the petitioners are running business for a period of six years and few others are in possession for rent for a period of nine years. The initial period of lease was for three years and thereafter from time to time it was extended from 2018 till 2024. The plight of the petitioners is that without fixing any fair rent and without following the procedures mandated by the Government order G.O.No.92 dated 03.07.2007, the impugned tender



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notification has been issued by the respondents without consulting them as to the fixation of fair rent.

5.Per contra, the learned standing counsel for the respondent town panchayat submitted that an amendment has been carried out in the Tamil Nadu Urban Local Bodies Act, 1988, by an Act 24 of 2024 and Act 25 of 2024, more particularly, in Section 78. However, the same has not been yet notified as far as the provision in Section 78 is concerned. Hence, the provisions with respect to Section 78 prior to the said amendment would be applicable to the facts and circumstances of the case. Section 78 of the Tamil Nadu Urban Local Bodies Act, 1988, prior to the recent amendment deals with sale and licensing of movable and immovable properties belonging to the municipality. Section 78(3) mandates that the council may grant license or lease to any person for use and occupation of any land or building belonging to the municipality for a period of not exceeding three years on payment of fee or rent as the case may be and such license or lease cannot be extended or renewed after the completion of a period of three years by the tenants. In the instant case, obviously all the tenants have occupied the rental premises let out by the respondent for lease for more than six / nine years respectively.



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6.Hence, I do not find any infirmity in the tender notification issued by the respondent town panchayat. However, the learned counsel for the petitioners categorically submitted that, the notification is bad for not having fixed an offset price and letting it public in the notification itself facilitating them to finalize the bid price while submitting the tender application.

7.For which, the learned counsel for the respondent relied upon Rule 316 (6) of the Tamil Nadu Urban Local Bodies Rules, 2013, where the auction fair price has been mandated to be fixed with respect to buildings-shopping complexes or public market based on the actual rental value prevailing in the locality with such variations based on the location of the shop in the market, demand, current vacancy level, infrastructure facilities available and as per the decision of the council concerned. Relying upon the said rule, the learned counsel for the respondent submitted that it is only for the respondent town panchayat to fix the auction fair price and that will be duly announced at the time of auction.

8.But this Court is of the considered view that such an exercise would put the petitioners at disadvantage to finally arrive at a conclusion when



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the offset price would be announced in the auction. In view of the same, this Court without interfering with the tender process by issuance of the impugned tender notification which is notified by the respondent panchayat directs the respondent town panchayat to issue a corrigendum within a period of seven (7) days, fixing the auction prices and publish the same in any of the local dailies of prominence facilitating the petitioners to participate effectively in the tender process. Further this Court gives liberty to the petitioners to participate in the forthcoming auction process initiated by the respondent town panchayat. Invoking the doctrine of the equity, this Court further directs the respondent town panchayat not to take any coercive action as against the petitioners in view of the consequential notice dated 05.12.2024 till the completion of the tender process. In case of the petitioners being successful bidders in the tender process they may be permitted to continue. In case of not being successful bidder in the tender process, it is needless to state that they have to vacate the premises within a period of one month.

9. With the above directions, these writ petitions are disposed of. There shall be no order as to costs.

18.12.2024

NCC : Yes / No
Index : Yes / No



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Internet : Yes
Sml
To

The Executive Officer,
Muthukulathur Town Panchayat,
Ramanathapuram District,
Ramanathapuram.



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L.VICTORIA GOWRI, J.

Sml

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