



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-03-2026

CORAM

THE HONOURABLE MR JUSTICE ABDUL QUDDHOSE

WP No. 8598 of 2026

AND

WMP NO. 9275 OF 2026

1. K.Prabakaran
s/o. Thiru T.G.Kannan, No. 10 Sannathi
Street, Sholinghur 631 102 Ranipet
district

Petitioner(s)

Vs

1. The District Collector
Ranipet district at Ranipet

2.the director of Municipal
administration
75 Urban Administrative Building
Santhome high Road, MRC Nagar, Raja
Annamalaipuram, Chennai 28

3.The commissioner
Sholinghur Municipality, Sholinghur
Ranipet district

Respondent(s)

PRAYER

Directing the respondents to consider the petitioners representation dated 23.02.2026 and thereby direct the 3rd respondent to withdraw the public auction notification dated 16.02.2026 published in the Dina Malar dailies dated 21.02.2026 and conduct the auction through E-Auction as per G.O.Ms.No. 93 Finance (Salaries) Department dated 30.03.2023

For Petitioner(s): B. Sundarapandiyan

For Respondent: Mr. T. Sreenivasan, Special
Government Pleader for R1 and
R2



WEB COPY

WP No. 8598 of 2026



Mr. P. Srinivas
Standing Counsel for R3

ORDER

This writ petition has been filed, seeking for a mandamus to direct the respondents to withdraw the public auction notification dated 16.02.2026 published in Dina Malar dailies dated 21.02.2026 and conduct the auction through e-auction as per G.O. Ms. No.93 Finance (Salaries) Department dated 30.03.2023.

2. The petitioner desires to take one of the shops on lease, which is the subject matter of the public auction. According to the petitioner, under the public auction notification dated 16.02.2026 published in Dina Malar daily dated 21.02.2026, the respondents are attempting to give on lease 42 shops to the successful bidder through public auction without conducting e-auction as per the Tamil Nadu Transparency in Tenders Rules, 2000. According to the petitioner, without conducting e-auction, the public auction conducted by the third respondent Municipality, is illegal.

3. The learned counsel for the petitioner would now submit that though in the affidavit filed in support of this writ petition an allegation has been made by the petitioner that without conducting e-auction, the third respondent Municipality is attempting to give on lease 42 shops in violation of the Tamil



Nadu Transparency in Tenders Rules, 2000, the petitioner is now challenging the public auction only on the ground that yesterday (02.03.2026) a notification was issued by the third respondent Municipality that they are not proceeding with the subject public auction. But, according to the learned counsel for the petitioner, despite the same, the third respondent Municipality is now proceeding afresh to conduct the public auction without conducting an e-auction once again.

4. Rule 4-A of the Tamil Nadu Transparency in Tenders Rules, 2000 deals with procurement. Only in procurement auctions, the said Rule specifies that auction may have to be conducted through e-auction. In the case on hand, the auction proposed to be conducted by the third respondent Municipality pertains to giving on lease 42 shops belonging to the third respondent Municipality and therefore, it is not a procurement, which will not fall within the purview of Rule 4-A of the Tamil Nadu Transparency in Tenders Rules, 2000.

5. The learned Standing Counsel appearing for the third respondent Municipality also drew the attention of this Court to the Amendment to the Tamil Nadu Urban Local Bodies Rules, 2023 of the Municipal Administration and Water Supply Department and in particular he drew the attention of this Court to the amendment made to Rule 9 (1-A), which reads as follows:

“9 (1-A) While granting lease or rent, the following



guidelines shall be followed, namely:-

(a) Granting of Lease of, all immovable properties, of the municipalities for the first time shall be made through public auction.

(b) Municipal shops shall be leased out for a period of three years at a time. After completion of the three-year lease period, the lease agreement shall be automatically renewed for a further period of three years subject to a maximum of twelve years.

(c) Every year, the lease amount shall be increased by five percent. This increase shall apply to the existing lessees who are currently holding municipal properties also.

(d) On completion of twelve years, the lease shall not be extended further.

(e) The lease rate shall be revised based on the prevailing market value of the building or land and the property shall be leased out through public auction.

(f) The lessee shall pay the following fees for the renewal of their lease at the end of every three years and sign agreement with municipality by accepting lease conditions:-

(i) Upto 100 sq. ft: Rs.2,500/- (Rupees two thousand and five hundred only);

(ii) From 101 sq.ft and upto 500 sq.ft: Rs.5000/- (Rupees five thousand only);

(iii) From 501 sq.ft and upto 1000 sq.ft: Rs.7,500/- (Rupees seven thousand and five hundred only);

(iv) 1,001 sq.ft and above: Rs. 10,000/-



(Rupees ten thousand only);

(g) The legal heirs of the lessee may seek transfer of lease rights to their name provided they pay all the outstanding dues and agree to pay the lease amount fixed by the municipality from time to time. The legal heirs shall be bound by the general lease conditions and regulations. The application for name transfer shall be accompanied by a fee of Rs.5000/- (Rupees Five thousand only).”

6. As seen from the above, it is clear that granting of lease of immovable properties belonging to the Municipalities for the first time shall be made through public auction. In view of the Amendment made to the Tamil Nadu Urban Local Bodies Rules, 2023, referred to supra, the third respondent Municipality is having the power to conduct public auction instead of through e-auction.

7. Though in the affidavit filed in support of this writ petition, the petitioner has only objected to the subject auction only on the ground that e-auction was not conducted, the petitioner cannot now improve his case through the oral submission made by the learned counsel for the petitioner today that the third respondent Municipality having not proceeded with the subject auction yesterday, cannot re-open the same. Only in cases where there is arbitrariness and the illegality is noticed by this Court, on the face of the record, with regard to the conduct of the auction, this Court can interfere with any auction. In the



instant case, the petitioner has not been able to establish the same.

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8. For the foregoing reasons, this Court is of the considered view that there is no merit in this writ petition. Accordingly, this writ petition is dismissed. No Costs. Consequently, connected miscellaneous petition is closed.

03-03-2026

Index: Yes/No
Speaking/Non-speaking order
Internet: Yes
Neutral Citation: Yes/No
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To

WEB COPY

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ABDUL QUDDHOSE J.

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