

P. Raju Bai Ganga Mohan and Others

Vs

Government of A. P. and Others

Civil Appeal No. 177 and Special Leave Petition (Civil) Nos. 6070-71 of 1987

(A. P. Sen, B. C. Ray JJ)

14.09.1987

ORDER

1. In these cases, a learned Single Judge of the High Court (Waghay, J.) very rightly and properly directed the appointment of a receiver of a cinema theatre during the final decree proceedings in a suit for partition between co-widows having a half share therein, on being satisfied that it was just and expedient to do so for the limited purpose of inviting offers for leasing out the same. The petitioners in SLP Nos. 6070-71 of 1987 - Ganga Mohan, A. Pandarinath and P. Narayana - are the outgoing lessees paying a rent of Rs. 625 per month and their lease expired on March 31, 1987. A Division Bench (Bhaskaran, C.J. and Venkatarama Reddy, J.) however issued a direction for the renewal of their lease for one year in terms of the agreed order by which they had undertaken to pay increased rent of Rs. 7000 per month. Immediately thereafter, the petitioners issued a notice repudiating their liability to pay the enhanced rent on the ground that they were statutory tenants protected under Section 2(ix) of the Andhra Pradesh Buildings (Lease, Rent and Eviction) Control Act, 1960 and therefore the demand for payment of the enhanced rent of Rs. 7000 was illegal. The learned Single Judge rightly repelled the contention on the ground that Armour having been declared to be a gram panchayat, it ceased to be a municipality and therefore the provisions of the Act were not applicable to that area. Taking into account the subsequent conduct of the petitioners in trying to repudiate their liability to pay the enhanced rent, the learned Single Judge held that it would be just and proper to appoint a receiver. The report of the receiver shows that he has now received a bid of Rs. 31,000 per month for the cinema theatre for a period of two years. Accordingly, SLP Nos. 6070-71 of 1987 are dismissed. The ad interim order is vacated.

2. In view of the foregoing, leave in SLP No. 8337 of 1987 preferred by Smt. B. Raju Bai, one of the co-widows, directed against the order of the Division Bench for the renewal of the licence of the outgoing lessees, has to be granted. The judgment and order passed by the Division Bench dated June 29, 1987 are set aside.

3. The High Court shall now pass appropriate orders on the report of the receiver accepting the bid of Rs. 31,000 per month after giving the parties an opportunity of a hearing.

</html