



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

WRIT PETITION NO.25078 OF 2024 (APMC)

BETWEEN:

1. SMT. RATHNAMMA
W/O SHIVAKUMAR,
AGED ABOUT 50 YEARS,
WARD NO.1, AYYAPPASWAMY ROAD,
AMARIKERE, YELAHANKA,
BENGALURU - 560 064.
2. SRI K. ASHOK
C/O DEVARAJ,
S/O HANUMANTHARAYAPPA,
AGED ABOUT 45 YEARS,
KOLIPURA, B K HALLI POST,
BENGALURU NORTH TALUK,
PIN CODE - 560 064.
3. SRI Material on record JAGADEESH
S/O MURUGESH,
AGED ABOUT 38 YEARS,
NO.557, KALLIBHAVI ROAD,
TOWN BAZAAR ROAD, YELAHANKA,
BENGALURU 560 064.
4. SRI H R RAJAGOPAL
S/O RAMAIAH,
AGED ABOUT 62 YEARS,
RESIDING AT UTTANAHALLI,
JALA POST, BENGALURU NORTH TALUK,
PIN CODE - 562 157.
5. SRI HARSHAVARDHAN .R
S/O RAMAMURTHY,
AGED ABOUT 31 YEARS,
RESIDING AT NO.10/309,

Digitally signed by
MAHALAKSHMI B M
Location: HIGH
COURT OF
KARNATAKA



Y C R COMPOUND,
YELAHANKA OLD TOWN,
BENGALURU - 560 064.

6. SRI SURESH POOJARY
S/O SRI KRISHNA POOJARY,
AGED ABOUT 49 YEARS,
RESIDING AT NO.1133,
WEAVERS STREET,
NEAR GANGAMMAGUDI,
YELAHANKA OLD TOWN,
BENGALURU NORTH,
PIN CODE - 560 054.

...PETITIONERS

(BY SMT. SHILPA RANI, ADVOCATE)

AND:

1. STATE OF KARNATAKA
REPRESENTED BY ITS PRINCIPLE SECRETARY,
DEPARTMENT OF COOPERATION
M.S. BUILDING,
BENGALURU-560 001.
2. THE DIRECTOR OF AGRICULTURAL MARKETING,
NO.16, 2ND RAJABHAVANA ROAD,
BENGALURU - 560 001.
3. AGRICULTURAL PRODUCE MARKETING COMMITTEE,
A P M C MARKET YARD,
TUMAKURU ROAD,
YESHAVANTHAPUR,
BENGALURU - 560 022.
BY ITS SECRETARY.

...RESPONDENTS

(BY SMT. RASHMI RAO, HCGP FOR R-1 & R-2;
SRI T. SWAROOP, ADVOCATE FOR R-3)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE ORDER NOS. APMC(BEM)/MALIGE/1679, 1678, 1677, 1676, 1675 AND 1681/2024-25 ALL DATED 14/08/2024 ISSUED BY THE 3RD RESPONDENT COMMITTEE, COPIES OF WHICH ARE PRODUCED AT ANNEXURES-T, T1 AND T5 RESPECTIVELY AND ETC.



THIS PETITION COMING ON FOR ORDERS, THIS DAY, ORDER
WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MRS. JUSTICE K.S. HEMALEKHA

ORAL ORDER

The petitioners, who are licensees of shop premises in APMC yard, call in question the order dated 14.08.2024 passed by respondent No.3-committee, whereby the request for waiver of licence fee for COVID-19 period has been rejected and consequential action has been initiated.

Brief facts:

2. The petitioners were allotted shops on leave and licence basis through auction under Rule 14 of the Allotment Rules. Initially for 11 months extendable upto maximum of 55 months. During the COVID-19 pandemic, according to the petitioners they could not carry on business effectively and therefore they did not pay the licence fee for the said period. The respondent-committee by resolution dated 02.07.2024 and consequential



endorsement/order dated 14.08.2024 declined waiver, demanded arrears, and initiated further action.

3. Learned counsel for the petitioners submits that the COVID being an extraordinary circumstance licence fee ought to have been waived. The petitioners did not carry on effective business and therefore cannot be saddled with liability. It is submitted that the impugned endorsement and resolution are arbitrary and require reconsideration. It is submitted that substantial compliance pursuant to the interim order is made by the petitioners. Learned counsel for the petitioners seeks reconsideration of the impugned action in view of the subsequent developments.

4. *Per contra*, learned counsel for respondent No.3-committee submits that the allotment is purely contractual and time bound, expiring on completion of 55 months. The petitioners were provided alternative facilities during the COVID pandemic and therefore waiver is not justified. The petitioners are in arrears and cannot seek



equitable relief. Upon expiry, the premises are to be re-auctioned in public interest.

5. This Court has carefully considered the rival submissions and perused the material on record. The point that arises for consideration is:

"Whether the demand of licence fee for COVID-19 period is liable to be waived and whether the endorsement dated 14.08.2024 pursuant to the resolution dated 02.07.2024 requires reconsideration?"

6. It is no doubt true that the COVID-19 pandemic created unprecedented circumstances, affecting trade and business. However, the material on record indicates that the respondent-committee had provided alternate market facilities and infrastructure, enabling continuation of trade, though in a restricted manner, but cannot lose sight of the fact that there was a standstill of the business in the entire world.



7. The relationship between the parties being governed by contractual terms of licence, the obligation to pay licence fee cannot be waived as a matter of right in the absence of any statutory or contractual provision. At the same time, considering the peculiar facts and that the entire the world was in a standstill during the COVID-19 period, this Court is of the considered view that the issue of waiver or reasonable adjustment for the COVID period is a matter requiring consideration by the competent authority, rather than being adjudicated conclusively in this writ jurisdiction.

8. The impugned endorsement dated 14.08.2024, issued pursuant to the resolution dated 02.07.2024 proceeds on the premise of strict enforcement of contractual terms without advertng in detail to the exceptional circumstances prevailing during the pandemic and the subsequent compliance by the petitioners pursuant to the interim orders. In view of the matter, this Court is of the considered opinion that the petitioners have



made out a case for a limited reconsideration of the issue of dues particularly for the COVID-19 period in accordance with law.

9. It is not in dispute that the allotment is time bound with the maximum tenure of 55 months. Upon the expiry of the said period, the petitioners do not have a vested right to seek continuation and the same has to be governed by the contractual agreement. In such circumstances, if the time is expired and as per the contractual agreement, the respondent is justified in proceeding in accordance with law and the petitioners cannot claim continuation as a matter of right. The issue regarding covid dues warrants reconsideration by the competent authority in the peculiar facts and circumstances of the case. Accordingly, the point framed for consideration is answered and this Court pass the following:



ORDER

- i. The writ petition is ***allowed in part.***
- ii. The impugned endorsement dated 14.08.2024 insofar as it relates to the demand for licence fee for the COVID-19 period is ***set aside*** to the limited extent and the matter is remitted to respondent No.3 for reconsideration of the said aspect in accordance with law.
- iii. The petitioners are permitted to submit the detailed representation in that regard within two (2) weeks from the date of receipt of this order and respondent No.3 shall consider the same and pass appropriate orders within six (6) weeks thereafter keeping in view the peculiar circumstances of the pandemic and the payments already made.
- iv. It is made clear that the petitioners shall not claim any right of continuation beyond the permissible period of fifty-five (55) months and the respondent is at liberty to proceed in accordance with law.



- v. No coercive steps shall be taken for recovery of COVID period dues until reconsideration is completed.
- vi. The said contention is kept open.

Sd/-

JUSTICE K.S. HEMALEKHA

AT
List No.: 1 Sl No.: 65